



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

North Ayrshire Council

A Special Meeting of the **North Ayrshire Council** will be held in the **Council Chambers, Ground Floor, Cunninghame House, Irvine, KA12 8EE** on **Wednesday, 28 February 2024** at **14:00** to consider the undernoted business.

Meeting Arrangements - Hybrid Meetings

This meeting will be held on a predominantly physical basis but with provision, by prior notification, for remote attendance by Elected Members in accordance with the provisions of the Local Government (Scotland) Act 2003. Where possible, the meeting will be live-streamed and available to view at <https://north-ayrshire.public-i.tv/core/portal/home>.

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 General Services Revenue Estimates 2024/25 to 2026/27

Submit report by the Head of Service (Finance) on (a) the Council's revenue spending requirements and anticipated funding for 2024/25 to 2026/27, (b) the level of reserves and fund balances held by the Council and (c) options to address the funding gap (copy enclosed).

4 Capital Investment Programme 2024/25 to 2033/34

Submit report by the Head of Service (Finance) on the draft Capital Investment Programme to 2033/34 (copy enclosed).

5 Revenue Estimates 2024/25 - Common Good Funds and Trusts

Submit report by the Head of Service (Finance) on the anticipated annual income and expenditure of the Common Good Funds and Trusts administered by North Ayrshire Council and to seek approval for the level of grant funding to be made available for disbursement in 2024/25 (copy enclosed).

6 Treasury Management and Investment Strategy 2024/25

Submit report by the Head of Service (Finance) on the proposed Strategy for Treasury Management and Investment activities within the Council for the financial year 2024/25 (copy enclosed).

7 Urgent Items

Any other items which the Provost considers to be urgent.

Webcasting

Please note: this meeting may be filmed/recorded/live-streamed to the Council's internet site and available to view at <https://north-ayrshire.public-i.tv/core/portal/home>, where it will be capable of repeated viewing. At the start of the meeting, the Provost/Chair will confirm if all or part of the meeting is being filmed/recorded/live-streamed.

You should be aware that the Council is a Data Controller under the Data Protection Act 2018. Data collected during the webcast will be retained in accordance with the Council's published policy, including, but not limited to, for the purpose of keeping historical records and making those records available via the Council's internet site.

Generally, the press and public seating areas will not be filmed. However, by entering the Council Chambers, using the press or public seating area or (by invitation) participating remotely in this meeting, you are consenting to being filmed and consenting to the use and storage of those images and sound recordings and any information pertaining to you contained in them for webcasting or training purposes and for the purpose of keeping historical records and making those records available to the public. If you do not wish to participate in a recording, you should leave the meeting. This will constitute your revocation of consent.

If you have any queries regarding this and, in particular, if you believe that use and/or storage of any particular information would cause, or be likely to cause, substantial damage or distress to any individual, please contact dataprotectionofficer@north-ayrshire.gov.uk.

North Ayrshire Council Sederunt

John Bell
Timothy Billings
Marie Burns
Eleanor Collier
Joe Cullinane
Scott Davidson
Anthea Dickson
Stewart Ferguson
Todd Ferguson
Robert Foster
Scott Gallacher
John Glover
Tony Gurney
Alan Hill
Cameron Inglis
Margaret Johnson
Amanda Kerr
Christina Larsen
Shaun Macaulay
Jean McClung
Nairn McDonald
Matthew McLean
Louise McPhater
Davina McTiernan
Tom Marshall
Jim Montgomerie
Ian Murdoch
Donald Reid
Donald L Reid
Chloe Robertson
Ronnie Stalker
Angela Stephen
John Sweeney

Chair:

Apologies:

Attending:

NORTH AYRSHIRE COUNCIL

28 February 2024

North Ayrshire Council

Title: General Services Revenue Estimates 2024/25 to 2026/27

Purpose: To advise Council on (a) the Council's revenue spending requirements and anticipated funding for 2024/25 to 2026/27; (b) the level of reserves and fund balances held by the Council and (c) options to address the funding gap.

Recommendation: That Council:

- a) notes the anticipated funding available to meet the Council's expenditure requirements and notes the areas of ongoing financial risk to the Council;
 - b) approves the Council's expenditure requirements for 2024/25 and notes the indicative requirements for 2025/26 and 2026/27;
 - c) approves the new strategic investments outlined in section 2.7.3 of the report;
 - d) notes the projected outturn position for 2023/24;
 - e) notes the level of reserves and fund balances held by the Council and approves any use and contributions to and from these;
 - f) approves the additional contribution to the HSCP noted at 2.8.1;
 - g) approves efficiencies and savings to ensure a balanced budget for 2024/25, consequential and new proposals in future years;
 - h) approves the schedule of Council fees and charges detailed in Appendix 6;
 - i) determines the level of Council Tax for 2024/25 and agrees to freeze Council tax at 2023/24 levels, noting the Scottish Government funding to support this, as set out in section 2.3;
 - j) notes the anticipated funding gaps for 2025/26 and 2026/27;
 - k) considers the equality and children's rights impact of any proposed service changes;
 - l) notes the feedback from the community Budget engagement exercise to help inform budget plans;
 - m) notes progress to date on the Council's Sustainable Change Programme and corporate Workforce Planning; and
 - n) approves the budget matrix for 2024/25.
-
-

1. Executive Summary

Introduction

- 1.1. Section 93 of the Local Government Finance Act 1992 requires Councils to determine the levels of expenditure in the forthcoming financial year, and thereafter to set council tax sufficient to cover any unfunded balance.
- 1.2. This report provides Members with an overview of the Council's anticipated financial position on the General Fund revenue budget for the next three financial years, 2024/25 to 2026/27. It also sets out the information required to enable the Council to set a balanced budget and its Council Tax for 2024/25 by 11 March as required by statute.
- 1.3. The Long-Term Financial Outlook 2024/25 to 2033/24 report, incorporating the Medium-Term Financial Outlook 2024/25 to 2026/27 was presented to Council on 13 December 2023. In addition, regular Elected Member briefing sessions were held between October 2023 and February 2024, during which officers provided Members with information on the financial pressures faced by the Council and options to reduce net expenditure within the context of the priorities set out in the new Council Plan 2023-2028.

Revenue Budget

- 1.4. When the Council set its budget for 2023/24 on 1 March 2023 the decisions taken resulted in a balanced budget for 2023/24 with indicative funding gaps of £17.126m and £10.834m for 2024/25 and 2025/26 respectively.
- 1.5. The Medium-Term Financial Plan (MTFP) for 2024/25 to 2026/27 builds on last year's MTFP and the analysis reflected in the Medium-Term Financial Outlook. The proposals in this report provide a balanced budget for 2024/25, although it should be noted that this required a planned use of £5.000m reserves, with indicative net funding gaps remaining for 2025/26 and 2026/27 of £8.141m and £8.558m respectively. This position incorporates the full year effect of proposed savings in 2024/25 and a planned use of reserves of £4.000m in 2025/26 and £3.500m in 2026/27 and continues to present a significant challenge to the sustainability of the Council's finances. A summary of the key components underpinning this is provided at section 2.7.
- 1.6. Detail is provided at section 2.5 on the anticipated level of earmarked, unearmarked and specific reserves with unearmarked reserves projected at the level of 2.0% equal to £8.445m, earmarked reserves of £78.090m and specific reserves of £6.365m aligning with anticipated future commitments. The Council's Useable reserves position will continue to be monitored.
- 1.7. The MTFP includes a range of savings proposals required to deliver a balanced Budget position for 2024/25, and a profiled use of reserves to help mitigate the significant financial challenges facing the Council and this is set within the context of a proposed Council tax freeze for 2024/25 to help address the financial pressures faced by communities. Against this backdrop

the reduction in employer pension contributions in 2024/25 has provided an opportunity for non-recurring investment to support priorities. The proposed investment is outlined in section 2.7.3 of the report. Council is asked to consider these proposals.

Health and Social Care Partnership

- 1.8 The Director of the Health and Social Care Partnership (HSCP) has provided Members with information on pressures and areas of potential savings to inform the Council's proposed contribution to the Partnership. This information is not detailed within the Council's budget proposal on the basis that the final position will be determined by the Integration Joint Board (IJB).
- 1.9 The proposed additional contribution for 2024/25 is currently £5.292m. This reflects the requirements as set out in the local government finance settlement. Further funding in respect of the HSCP is expected and still to be distributed.
- 1.10 The Integration Scheme approved by Scottish Ministers states that following determination of the Council and NHS payment to the IJB, the IJB will refine its Strategic Plan and planned service delivery to take account of the totality of resources available, delivering a balanced budget.

Chief Finance Officer Assurance

- 1.11 The 2024/25 annual budget and 2024/25 to 2026/27 MTFP has been informed by the Council's Long-Term Financial Outlook and previous MTFP. Significant scrutiny of the underlying assumptions and savings delivery has been undertaken to ensure the 2024/25 annual budget is robust. It is the responsibility of Chief Officers, including the HSCP, to manage any variance from the underlying assumptions.
- 1.12 The report notes at 2.14 the significant risks to the financial sustainability of service delivery. Within this context, apart from the uncertainty around future funding levels from Scottish Government, there are two significant financial risks that the Council is managing. They include the risk of the 2024/25 pay award being agreed at a level in excess of the budgeted 3% contribution and without any further Scottish Government support this would have a material impact on the Council's finances. The ongoing position around maintaining teacher numbers runs contrary to the Council's individual circumstances, impacted through a reduction in the pupil roll demographic and Attainment Challenge funding. There is a risk that an element of funding to support teachers could be withdrawn. Discussions continue with Scottish Government in this regard.
- 1.13 Allied to the risks facing the Council, there is the requirement for the Council to hold a sufficient level of Reserves. The level of Reserves set out in the Budget aligns with known future commitments. The Change and Service Redesign Fund will require to be kept under review to ensure sufficient resources are available to continue to support the Council's Sustainable Change programme. Unearmarked reserves continue to remain at the lower

level of recognised best practice and reflects 2% of the Council's revenue budget.

- 1.14 The Scottish Government have also agreed in a letter dated 8 February 2024 to confirm the approach to the approximate £45.000m expected in consequentials resulting from the announcement of funding for councils in England. It is anticipated that the position around this will be known in March 2024.

2. Background

2.1 Financial Context

2.1.1 The Long-Term Financial Outlook 2024/25 to 2033/24 report, incorporating the Medium-Term Financial Outlook 2024/25 to 2026/27 was presented to Council on 13 December 2023. This is the cornerstone of the Council's strategic financial planning framework. This has helped inform the development of the Medium-Term Financial Plan 2024/25 to 2026/27.

2.1.2 The economic outlook for the Scottish, UK and global economy continues to be influenced by the impact of global events, resulting in inflation higher (CPI 4% January 2024) than the Bank of England target of 2% and interest rates remaining at 5.25%. The level of inflation will remain an important factor in local government pay negotiations across several bargaining groups. The impact of inflation on the Council's cost base, coupled with an increased cost of borrowing to support the Capital programme, continues to place significant strain on the sustainability of the Council's finances.

2.2 Scottish Government Funding

2.2.1 The Local Government Finance Settlement for 2024/25 was published on 21 December 2023. Funding support from the Scottish Government comprises:

- general revenue grant;
- non domestic rate income; and
- specific grant.

2.2.2 North Ayrshire Council's anticipated Scottish Government funding support, as distributed, for 2024/25 is £353.087m.

2.2.3 The Settlement resulted in a reduction of £2.191m in core grant funding (-0.64%) when compared to the 2023/24 settlement. The main elements of the budget announcement from a national perspective includes the following;

- £950.9 million of funding has now been baselined into the General Revenue Grant noted as part of the commitment under the Verity House Agreement to review ring-fenced funding. This is not additional funding, simply a baselining of funding that comes with existing commitments;
- £242 million to support teacher pay uplifts; and
- £266.2 million of resource to support local government pay.

- £145.5m (NAC £3.775m) to continue to maintain teachers and support staff. On the 12 February 2024 the Cabinet Secretary for Education and Skills announced that this funding for 2024/25 would now be held as a Specific Resource Grant, and those grants will be conditional on Councils agreeing to maintain teacher numbers. Further engagement with individual councils will take place to consider each Council's individual circumstances and to agree grant conditions, including the number of teachers expected to be maintained. The circumstances for North Ayrshire include the reduction in Scottish Attainment Challenge funding and a falling pupil roll demographic;
- An additional £6m to support the expansion of Free School Meals; This includes £4.000m allocated (NAC £0.148m) to support P6/P7 pupils with families in receipt of the Scottish Child payment. The balance of £1.5m is still to be distributed and will be used to address school meal debt. Further details to follow around this.
- An additional £11.5m to support the uprating of Free Personal and Nursing Care rates is still to be distributed;
- Additional funding of £230m to deliver a £12 per hour minimum pay settlement for adult social care workers in commissioned services via agreed contract uplifts is still to be distributed;
- An additional £6.8m nationally for Discretionary Housing Payments.

2.2.4 The Settlement announcement also included updates on areas of potential financial flexibility to be progressed as part of the Verity House Agreement and development of the Fiscal Framework;

- The Scottish Government are open to considering adjusting the funding floor percentage. In the short-term this would provide further funding uncertainty and from an NAC perspective "the floor" adjustment helps mitigate the financial impact of a reducing population demographic. COSLA has subsequently indicated to Scottish Government that this should not be considered as part of the 24/25 Budget.
- The SG is progressing discussions to increase discretion for local authorities to determine and set fees and charges locally. Areas for discussion include building warrant and verification fees. Progress around this should help inform the 2025/26 Budget.
- The settlement did not include additional funding for teacher pension contributions. The rate is set to increase from 23% to 26% from 1 April 2024. The UK Government has stated that the funding will be allocated to individual UK Government departments in Spring 2024 through consequentials. The Scottish Government has subsequently committed to pass this funding to local authorities when it is received which amounts to c£2.000m per annum for NAC.
- Further discussion on flexibility around Education funding lines will take place within the Education Assurance Board once it is operational. The expectation is also that Councils will continue to honour the existing joint agreement on provision of free school meals on a universal basis.

- The Scottish Government have confirmed that they have no plans in the immediate future to commence the Capital Accounting Review which was proposed in the Resources Spending Review in May 2022. From an NAC perspective this is welcome as this could have a significant financial impact, linked to the prescribed accounting treatment of loans Fund repayments, and impact the affordability of delivery of the capital programme across both the general fund and the HRA. This impact would apply across Scotland and continues to present a risk to the Council.
- 2.2.5 The 2024-25 Non-Domestic Basic Property Rate ('poundage') is provisionally set at 49.8 pence, the same rate as last year. The Intermediate Property Rate (levied on properties with a rateable value from £51,001 to £100,000) and Higher Property Rate (levied on properties with a rateable value over £100,000) will increase by inflation to 54.5 pence and 55.9 pence respectively.
- 2.2.6 A 100% non-domestic rates relief will be available in 2024-25 for properties in the hospitality sectors on islands, as defined by the Islands (Scotland) Act 2018, capped at £110,000 per ratepayer. This will provide economic benefit to the island communities.
- 2.2.7 In terms of Scottish Government requirements, the Deputy First Minister confirmed that funding allocated to IJB's for Free Personal and Nursing Care and adult social care pay in commissioned services should be additional and not substitutional to each Council's 2023-24 recurring budgets for adult social care services that are delegated. Where there is evidence that funding is not passed across to be used for the policy intent, the Scottish Government reserves the right to reclaiming this.
- 2.2.8 As noted in section 2.2.3 of the report the requirement to maintain teaching and support staff numbers will require further engagement with individual councils to consider individual circumstances and agree grant conditions, including the number of teachers expected to be maintained. The circumstances for North Ayrshire include the reduction in Scottish Attainment Challenge funding and a falling pupil roll demographic. Funding included in the Settlement to support teachers included the national allocation of £145.500m, of which the NAC share is £3.775m. The Cabinet Secretary for Education and Skills outlined in a letter dated 12 February 2024 that these funds will now be distributed via Specific Resource Grants. It is recognised that this position presents a financial risk to the Council, however, the extent of this risk will likely depend on the outcome of discussions with the Scottish Government on the Council's individual circumstances.
- 2.2.9 For 2025/26 and 2026/27 the current planning assumption is that the level of core grant support will be flat cash and remain at the same level for each year. For context a 1% reduction in core grant equates to around £3.000m. This assumption is based on a broadly flat cash funding position for local government, as reflected in the Scottish Government Spending Review published in May 2022.

2.3 Council Tax

- 2.3.1 Local authorities have discretion to increase Council Tax. Section 74 of the 1992 Act sets the proportions payable by each council tax band. As such, Councils can only apply a standard percentage increase across all Council Tax bands, they cannot vary the percentage increase between bands.
- 2.3.2 The 2024/25 Settlement did not include funding to support a Council Tax freeze, however this is the Scottish Government's intention. The Depute First Minister issued a letter to Councils on 2 February 2024 setting out the details of an alternative distribution of funding to support a Council tax freeze. The total funding available is £147.200m with a NAC allocation of £3.453m. It is important to note that this funding is conditional on the Council agreeing a Council tax freeze for 2024/25. Any council not agreeing to freeze Council Tax will not receive a share of this funding. It has also been confirmed by the Scottish Government that this funding will be baselined into future year Revenue Grant funding.
- 2.3.3 The MTFP includes a planning assumption for 2024/25 of a freeze in Council tax, this being supported with Scottish Government funding and baselined into future years. This is followed by a current planning assumption of a further 3% increase for 2025/26 and 2026/27. Council Tax income is a vital source of funding and represents around 17% of Council funding.
- 2.3.4 The planning assumption of a Council Tax freeze will result in Council Tax charges for 2024/25 remaining at 2023/24 levels. This is illustrated in the undernoted table for each property band (excluding charges for water and waste water charges). Water and waste water charges are set by the Scottish Water Board and recent notification indicates a 8.8% increase.

Band	Valuation (at 1991 levels)	2023/24 Council Tax	Proposed Increase	2024/25 Council Tax
A	Under £26,999	£968.08	-	£968.08
B	£27,000 to £34,999	£1,129.42	-	£1,129.42
C	£35,000 to £44,999	£1,290.77	-	£1,290.77
D	£45,000 to £57,999	£1,452.12	-	£1,452.12
E	£58,000 to £79,999	£1,907.92	-	£1,907.92
F	£80,000 to £105,999	£2,359.69	-	£2,359.69
G	£106,000 to £211,999	£2,843.73	-	£2,843.73
H	Over £212,000	£3,557.69	-	£3,557.69

- 2.3.5 Comparative information on Band D is provided within the Council Tax leaflet that is issued with Council Tax Bills. The comparative information for 2023/24 is as follows;

Scotland	£1,417.00
North Ayrshire Council	£1,452.12

- 2.3.6 Following a recent consultation, the Scottish Government has now published the Council Tax (Variation for Unoccupied Dwellings) (Scotland) Amendment Regulations 2023, under which councils will have the power to vary the Council Tax charge for second homes from the current 100% charge to include a premium of up to a further 100% of the applicable Council Tax charge.
- 2.3.7 The main policy intent behind these powers is to mitigate the negative impacts of second home ownership across our communities through the promotion of a behavioural change across second homeowners which leads to a better balance between second homes and more permanently occupied homes. This could also help increase the supply in the private rented sector and benefit local economies with a shift in more housing occupancy throughout the year. It is also recognised that within the context of the Medium-Term Financial Outlook, these powers could result in significant additional revenue to the Council, therefore helping to protect vital services.
- 2.3.8 In deciding whether and how to use these new powers, the Council must have regard to island communities, given the number of second homes on the Isles of Arran and Cumbrae. On 14 February 2024 Council agreed to consult on the proposal to implement an increased Council Tax charge on second homes in North Ayrshire. The results of the consultation will be shared with elected members and be included for consideration as part of the 2025/26 Budget process.

2.4 Probable Outturn 2023/24

- 2.4.1 Based on the revenue financial performance report for 2023/24 at the end of November 2023, a projected overspend of £0.264m is forecast. The factors contributing to this were reported to Cabinet on 16 January 2024.
- 2.4.2 No further material movement is anticipated to the end of the 2023/24 financial year end, however, the overall level of overspend has been reducing throughout the year and is trending towards a break-even position on 31 March 2024. This is the position reflected in the level of anticipated Council reserves on 31 March 2024. This position could be subject to change as the Council continues to face significant inflationary cost pressures across a range of areas. Any overspend position at 31 March 2024 will require to be met from existing earmarked reserves.

2.5 Reserves, Fund Balances and Investment

Introduction

- 2.5.1 Setting the General Fund Reserve is one of several related decisions in the formulation of the MTFP and the annual revenue budget. In setting its budget the Council must have a clear reserves policy that takes account of known commitments, potential liabilities and the risk profile of the Council and

providing flexibility to deal with unforeseen circumstances. The right level of reserves supports financially sustainable service delivery. The Council's approach is in line with CIPFA's recommended practice as set out in the document "Local Authority Reserves and Balances".

Application of Reserves

2.5.2 North Ayrshire Council has used reserves in setting its budget over several years. This has included a reduction in unearmarked reserves, release of earmarked reserves no longer required and application of in-year underspends. Use of reserves provides a temporary solution but it is recognised that more sustainable approaches are required. A summary of application of reserves is noted below;

- In 2017/18 £8.782m funded the HSCP Challenge Fund and supported non-recurring expenditure;
- In 2018/19 and 2019/20 £3.500m and £3.880m respectively supported the core recurring budget.
- In 2020/21, following a review of earmarked reserves, a total of £0.548m was released to support the 2020/21 Budget.
- In 2021/22, following a review of corporate contingency funds, a total of £0.862m was released to support the 2021/22 Budget.
- In 2022/23, no use of reserves was required to support the Budget.
- In 2023/24, a total of £3.503m contribution was made from reserves.

Reserves Policy

Unearmarked Reserve

2.5.3 This reserve is held to ensure the Council remains in a prudent financial position in 2024/25 and could respond to major unforeseen incidents or emergencies.

2.5.4 The Council will continue to face several financial challenges through 2024/25 and beyond. These include the ongoing impact of inflationary pressures across Council budgets and the capital programme and the risk of additional costs through delivery of new policy commitments and more recently, through the risk of funding being withheld in the policy area of maintaining teacher numbers.

2.5.5 One of the most significant financial risks to the Council is the level of anticipated pay award that Councils would require to fund in 2024/25 and beyond. The current planning assumption included in the MTFP is 3% funding. It is noted that the relevant bargaining groups have set out initial positions which far exceed this level. From a budget planning perspective, it is anticipated that any agreed pay increase in excess of 3% would require to be funded by Scottish Government. It is recognised however that there is a risk in making this assumption. For context, inflation based on the CPI measure remains at 4% as January 2024. Any pay award in excess of a 3% increase that requires to be funded by the Council would require the Council in the first

instance to draw funding from current reserves, and for the recurring pressure to be incorporated into the 2025/26 Budget process.

2.5.6 It is anticipated on 31 March 2024 the balance of unearmarked reserves will be £8.445m which equates to 2.0% of the Council's net expenditure budget. This level of unearmarked reserve is at the lowest end of the recommended range of 2% - 4% for general reserves.

Earmarked Reserves

2.5.7 These Funds have been approved for carry forward to meet known commitments or liabilities which will be settled in future years. Current earmarked funds include:

- Affordable Housing – accumulated from Council Tax collected from second homes and long-term empty properties;
- Project-specific funds - these funds will be carried forward from 2023/24 to allow for the completion of specific projects after 31 March 2024;
- Workforce Planning Fund – To support the workforce planning programme and help address in-year pay award risks;
- Prudential Investment Fund - resources to smooth the revenue implications of loan charges supporting the Capital Investment Programme;
- Change and Service Redesign Fund – supports delivery of the Council's Sustainable Change programme;
- Renewal Fund to support a range of projects across key themes identified through the experiences from the pandemic; and
- Investment Fund to support a range of sustainability and Community based projects.

2.5.8 On the 15 February 2023 Council approved the use of Service Concession flexibility to help mitigate the significant cost pressures and resultant revenue budget gaps over the medium-term and to help address the impact of construction cost volatility as part of delivering the Council's ambitious Capital programme. The Council Budget meeting of 1 March 2023 approved the use of £16.146m of the total retrospective sum of £21.546m to be applied in a limited and controlled manner across several financial years and, critically, that this runs in parallel with more sustainable measures to reduce the cost base of the Council in line with available funding. In view of the scale of the financial challenges facing the Council, this is an essential element of the Budget programme over the medium-term.

Specific Reserves

2.5.9 Specific reserves are held as follows;

- Insurance Fund - the current balance on this Fund aligns with the most recent actuarial valuation, provision for uninsured claims and outstanding liabilities.
- Capital Fund – This supports delivery the proposed capital investment programme.

Summary

2.5.10 The projected accumulated balances on the Council's Funds and Reserves at 31 March 2024 are outlined in the table below, with the majority of these being earmarked for specific purposes. The value of reserves is anticipated to reduce during 2023/24 by £29.095m.

	Balance at 31 March 2023 £m	Transfers Approved by Cabinet 24 Jan 2024 £m	Projected Transfers to 31 Mar 2024 £m	Transfers Included in Budget Paper £m	Projected Balance at 31 Mar 2024 £m	Anticipated Future Spend £m	Projected Future Balance £m
General Fund Unearmarked	8.053	-	(0.264)	0.656	8.445	-	8.445
<u>General Fund Earmarked</u>							
Education DMR	0.006	(0.006)	-	-	-	-	-
Affordable Housing	2.038	(2.444)	1.168	-	0.762	(0.762)	-
Project Specific Funds	32.136	(6.991)	(1.335)	(0.656)	23.154	(23.154)	-
Prudential Investment Fund	18.904	(0.109)	5.627	-	24.422	(24.422)	-
Change and Service Redesign Fund	2.493	(0.290)	(0.107)	-	2.096	(2.096)	-
Renewal Fund	12.939	(0.084)	(3.316)	-	9.539	(9.539)	-
Investment Fund	11.119	(0.257)	(4.975)	-	5.887	(5.887)	-
Workforce Planning Fund	6.739	-	(4.965)	-	1.774	(1.774)	-
Future Budget Support	14.288	-	-	(5.000)	9.288	(9.288)	-
Cost of Living Fund	1.400	(0.232)	-	-	1.168	(1.168)	-
Total Earmarked Funds	102.062	(10.413)	(7.903)	(5.656)	78.090	(78.090)	-
Total General Fund Balances	110.115	(10.413)	(8.167)	(5.000)	86.535	(78.090)	8.445
<u>Specific Reserves</u>							
Insurance Fund	2.998	-	-	-	2.998	(2.998)	-
Capital Fund	8.882	0.035	(5.550)	-	3.367	(3.367)	-
Total Specific Reserves	11.880	0.035	(5.550)	-	6.365	(6.365)	-
Total General Fund Reserves	121.995	(10.378)	(13.717)	(5.000)	92.900	(84.455)	8.445

2.5.11 Based on the current financial landscape and the risks the Council faces the current level of Reserves is considered prudent. This position will be subject to continued review.

2.6 Income Summary

2.6.1 Total funding available to the Council to finance its expenditure plans in 2024/25 is noted in the table below. The main assumptions are as follows;

- 2024/25 Scottish Government Funding in line with the Finance Circular of 21 December 2023 and the position has been updated to reflect recent funding announcements to support a Council tax freeze and various clarifications on subsequent distributions. A flat cash position in core funding is projected for years 2 and 3, excluding anticipated adjustments in respect of loan charge support. This position includes the baselining of 2024/25 funding to support a Council tax freeze;
- An assumed Council Tax freeze for 2024/25 based on 2023/24 levels, with an appropriate adjustment for the number of households and further assumed increases of 3% per annum for 2025/26 and 2026/27 respectively;
- Funding from Scottish Government to support an increase in teacher superannuation costs from 1 April 2024 has been included. The Scottish Government has committed to passporting this funding to local authorities following receipt from UK Government through consequential in Spring 2024;
- The contribution from earmarked reserves includes resources from the approved Service Concessions flexibility across the MTFP;
- Funding to support Non Domestic Rates Empty Property Relief was devolved to local authorities in 2023/24; and
- Outwith specific proposals, fees and charges have been uplifted by 5% annually.

	2024/25 £m	2025/26 £m	2026/27 £m
Aggregate External Finance	353.087	352.627	352.627
Additional Aggregate External Finance due:			
Teachers' Induction Scheme	0.734	0.734	0.734
Teachers' Superannuation Funding	2.116	2.116	2.116
Council Tax Freeze Funding	3.453	3.453	3.453
Council Tax	64.483	66.840	69.282
Council Tax Income for Affordable Housing	1.198	1.235	1.271
Contribution from Earmarked Reserves	5.000	4.000	3.500
Less NDR Empty Property Relief	(2.803)	(2.803)	(2.803)
Total Funding Available	427.268	428.202	430.180

2.7 Expenditure Requirement

2.7.1 The revised expenditure requirement for 2024/25 is £431.427m and is summarised in Appendix 1. This is the 2023/24 base budget adjusted to reflect the outcome of a full review of service pressures, previously approved savings, operational budget adjustments, national expenditure requirements and the proposed funding contribution to the Health and Social Care Partnership. The main assumptions and pressures are summarised below;

- Costs of continuing the current level of service;
- Inflationary pressures, including assumed pay awards, teachers pensions, contractual commitments and utilities;
- The financial implication of decisions already taken by the Council;
- Socio economic and demographic pressures;

2.7.2 Changes to the level of employer contributions to the Strathclyde pension fund have been confirmed during 2023/24. The new rates include a 6.5% contribution rate for 2024/25 and 2025/26 and a 17.5% contribution rate for 2026/27. The Council's expenditure requirements have been adjusted to reflect the new base contribution rate of 17.5%, however, the reduced rate of 6.5% has created an opportunity for non-recurring strategic investment across 2024/25 and 2025/26. It is essential however that the Council continues to address the structural funding gaps over the medium-term. The balance of investment after addressing pressures in loans fund support, which is required to deliver the Council's capital programme, totals £3.614m in 2024/25.

2.7.3 To continue to progress the Council's ambitious sustainability programme in contributing towards net zero and delivering a vital source of future revenue to the Council, and to invest in our town centres, Council is asked to approve the following non-recurring strategic investments for 2024/25;

- **£1.914m** – Contribution to a renewable energy development at i3. This will contribute towards the total estimated £3.300m capital cost of construction of a 2MW wind turbine at the i3 strategic site. It is estimated that this would produce an annual energy yield of up to 5.3m KWH's and could deliver an annual revenue source of up to £0.500m per annum. To realise the full financial return on investment to support the Budget programme, further contributions towards capital construction will be considered as part of 2025/26 Budget.
- **£1.700m** – Locality based town centre fund - The Fund would support community led place-based investment for regeneration and town centre projects across localities. Potential projects could include town centre improvements and initiatives, infrastructure projects and green and open space improvements. It will be delivered following the Community Investment Fund (CIF) methodology and include the co-production of the application with the Regeneration team. Awards of between £5,000 and £100,000 will be permitted on this basis.

- 2.7.4 In the absence of an agreed pay settlement for 2024/25 through COSLA, the SJC and SNCT (from August 2024), the financial planning assumption for pay inflation for 2024/25 remains at 3% and further 3% increases for 2025/26 and 2026/27 respectively. This is based on the limits of affordability rather than any prediction as to the level of pay agreement. The risk associated with this assumption is noted in section 2.5.5 of the report.
- 2.7.5 In establishing the expenditure requirements, no provision has been made for general non pay inflation resulting in a reduction in the purchasing power of the budgets affected. This is most acute across the range of services delivered through the Place Directorate.
- 2.7.6 Operational budget adjustments not impacting on Council policy or causing material changes to current service levels, are detailed in Appendix 2.
- 2.7.7 As part of the 2023/24 revenue budget, savings were approved which impacted 2024/25 and 2025/26 and they are detailed at Appendix 3.
- 2.7.6 Full details of expenditure requirements identified for 2024/25 to 2026/27, including new national expenditure requirements and all contractual and inflationary related pressures, as well as loans fund support to deliver the capital programme, are detailed in appendix 4.
- 2.7.7 Based on this expenditure forecast and incorporating the savings achieved through operational adjustments and those savings previously approved, remaining savings of £4.159m / £9.305m / £8.931m are required for 2024/25, 2025/26 and 2026/27 respectively. This position incorporates the planned use of reserves totalling £5.000m in 2024/25, £4.000m in 2025/26 and £3.500m in 2026/27. This funding landscape continues to present a significant challenge to the Council over the medium-term.

2.8 Health and Social Care Partnership

- 2.8.1 Information on pressures and areas of proposed savings are shared with North Ayrshire Council to inform the allocation of resources delegated to the IJB. As part of the recent 2024/25 budget announcement the Council plans to make a net contribution to the HSCP of £5.292m. It should also be noted that further resource distributions to the HSCP, aligned to specific policy areas, are expected throughout the course of 2024/25.
- 2.8.2 As a condition of the settlement, funding should be additional and not substitutional to each Council's 2023-24 recurring budgets for adult social care services that are delegated.
- 2.8.3 In recognition of the role of the Council and the Integration Joint Board (IJB), the financial information presented in this report is limited to the proposed contribution the Council will make to the IJB based on those funds which have already been distributed by the Scottish Government as part of the local

government settlement, noting that final distribution of resources is a matter for the IJB.

- 2.8.4 The Integration Scheme approved by Scottish Ministers states that, following determination of the Council and NHS payments to the IJB, the IJB will refine its Strategic Plan to take account of the totality of resources available. Accordingly, the proposed financial contribution to the IJB of £5.292m in 2024/25 represents the full allocation required from the settlement for the HSCP to meet new and existing spending commitments, recognising that further distributions from Scottish Government will also occur throughout 2024/25 for particular policy areas. For years 2025/26 and 2026/27 the financial planning assumption from the Council is that the financial pressures facing the IJB will be met by savings.
- 2.8.5 The IJB currently holds a level of unearmarked reserves totalling £5.821m which equates to around 2.1% of the initial approved IJB budget for 2023/24. This is within, but towards the lower end of the target range of 2%-4%. Based on the reported position to the IJB on 14 December 2023, a deficit of £3.858m is forecast which will impact the reserves position in 2023/24.

2.9 Efficiencies and Savings Proposals

- 2.9.1 Proposals for efficiencies and savings have been made which will deliver a balanced budget for 2024/25. There are estimated net budget shortfalls of £8.141m and £8.558m in 2025/26 and 2026/27. This position, however, incorporates the planned use reserves of £5.000m in 2024/25, £4.000m in 2025/26 and £3.500m in 2026/27. The use of reserves is not a sustainable solution, but necessary due to the scale of the Budget challenges. Proposed savings, excluding the HSCP, are summarised at Appendix 5. The approach to the Budget Programme continues to focus on minimising the impact on communities, Council services, and the workforce, whilst delivering more financial efficiencies through the Council's Sustainable Change programme. It is recognised that this approach will continue to get more challenging over the medium-term.
- 2.9.2 With the exception of some specific charging arrangements and those charges set nationally, it is proposed that the Council's fees and charges in 2024/25 increase by 5%, with similar indicative increases in 2025/26 and 2026/27. This position will be reviewed in advance of the 2025/26 Budget. Members should note that no increase has been proposed in respect of school meals. The schedule included in Appendix 6 contains the charges with effect from 1 April 2024. It is important to note that fees and charge levels in respect of the HSCP is a matter for the IJB to consider.

2.10 Equality and Children's Rights Impacts of Budget Proposals

- 2.10.1 The Council has a legal duty to consider the equalities and children's rights impact of proposals on groups with protected characteristics, being age, disability; gender reassignment; pregnancy and maternity; race; religion or

belief; sex; and sexual orientation. The Council also has a duty to assess the socio-economic impact of proposals (The Fairer Scotland Duty) and Island proofing. This requires an assessment of the impact of proposals on reducing inequalities.

2.10.2 Proposals contained in this report have been screened to assess whether there are any equalities and socio-economic impacts and, if so, the proposals have been equalities and children's rights impact assessed (ECRIA).

2.10.3 The purpose of the ECRIA is to ensure that Members are fully informed in advance of taking decisions. They do not prevent Members from making decisions. All ECRIAs have an assessment of risk alongside mitigating actions. This enables Council to consider if any detrimental impact can be minimised and any positive impact maximised.

2.10.4 A link to all the relevant assessments across the budget savings categories is provided below;

[Full Impact Equality and Children's Rights Impact Assessments for Budget Proposals \(sharepoint.com\)](#).

2.10.5 Any alternative proposals from Members will require to be screened and assessed to ensure Council is aware of impacts before making any decision.

2.10.6 Responsibility for the funding allocations within the HSCP rests with the IJB which has responsibility for assessment of the impact of the decisions it takes.

2.11 Community Budget Engagement

2.11.1 A change in approach to Budget engagement was undertaken for the 2024/25 Budget. The development of an on-line Budget Challenge tool provided citizens with the opportunity to set their own virtual Budget. The thinking behind this approach was to demonstrate the challenges faced by the Council in allocating financial resources across services against the backdrop of funding constraints and cost pressures. The task required the participant to set a balanced budget and therefore determine a level of relative priority across the range of services provided by the Council. The tool was launched on the 24 October 2023 and ran through 15 December 2023, with over 200 responses. This was followed up by an on-line locality engagement session delivered on 30 January 2024, which included representation from a range of community groups and associations. This process also included engagement with young people around the Budget challenges to determine what is important to them.

2.11.2 Elected Members have been issued with details of the feedback from the Budget Challenge exercise and are asked to consider this as part of the Budget setting process. It is recognised however that the overall level of response was relatively low and as such does not provide a representative level of opinion for the area, however, from the feedback gathered, the areas of services recognised as higher priority included;

- Roads
- Street Cleaning
- Waste Services
- Street Lighting
- School Catering
- Additional Support Needs and Early Learning and Childcare
- Education and learning and Teaching

2.11.3 Feedback from young people included prioritisation of areas including youth work support, school catering and learning and teaching.

2.12 Sustainable Change Programme

2.12.1 Progress continues in developing an ambitious Sustainable Change Programme aligned to the Council's priorities. It is important that a pipeline of activity continues to be identified, with a primary focus on generating financial efficiencies to help address the significant financial pressures across the MTFP.

2.12.2 The programme has expanded further and is subject to regular review and monitoring. The current workstreams include;

- Use of Land and Property Assets including commercial and non-commercial property;
- Transport and Travel and decarbonisation of the Council fleet;
- Sustainability initiatives including major solar renewable energy investment;
- Accessing Our Council and Financial Inclusion services, maximising our digital opportunities around support and contact.
- Service reviews including Early Learning and Childcare, Waste Services and Housing Services

2.12.3 It is recognised that the more progress made through delivery of the Council's Sustainable Change Programme, the less impact there could be on delivery of the Council's core services. The financial options to address the Budget gap for 2024/25 include a range of measures from the work of this programme. They include income maximisation in commercial property, renewable energy investment that will deliver a revenue stream for the Council and a range of measures from the review of waste services. The Council's Change and Service Re-design Fund requires to be kept under review to ensure it can continue to support the delivery of this programme.

2.13 Workforce Planning

2.13.1 The shape of the Council's workforce is critical to the delivery of efficient and effective services. It is a significant factor in how we transform our Council and organise our workforce within the context of the Council's key priorities and available funding.

- 2.13.2 In order to be successful it is key for the workforce strategy, and the planning supporting this, to flow from the Council Plan and link to both people management and operational processes. To ensure the Council's priorities are met, workforce planning must be flexible enough to manage short term activity but ultimately be focused on medium to long-term needs, ensuring that sustainable long-term savings are delivered. The workforce strategy, linked to the Medium-Term Financial Outlook, recognises and reflects significant external pressures and financial uncertainty.
- 2.13.3 Influenced by the scale of the financial challenges facing the Council over the coming years, there will continue to be organisational change, both in terms of structures but also, importantly, about how we work. During 2023/24 the Council progressed a Voluntary Early Release programme. This process has considered the scale of the financial challenges facing the Council and an assessment of the impact on service delivery and associated costs of exit for those staff who have volunteered for consideration. A report was presented to the Staffing and Recruitment committee on 23 November 2023, and it is anticipated that a total of 85 staff will be released by 31 March 2024.
- 2.13.4 North Ayrshire Council employs 7,510 staff, equivalent to 6,432 full time equivalent employees. Anticipated workforce implications associated with the MTFP over the next 3 years are summarised in the undernoted table. In 2024/25 the workforce is projected to reduce by 114.5 Full Time Equivalent posts (FTE's). However, it should be stressed that all measures required to deliver a balanced budget for 2025/26 and 2026/27 have not been included at this time. It is, therefore, anticipated that this position will change through further development of the Budget Programme in 2025/26.

Category	2024/25 FTE	2025/26 FTE	2026/27 FTE
Operational Budget Adjustments	(78.0)	-	-
Previously Approved Savings	+7.0	-	-
Pressures and Growth	+20.0	-	-
New Savings Options	(63.5)	-	-
Total Workforce Implications	(114.5)	-	-

- 2.13.5 Through a corporate workforce planning approach, any reduction to workforce levels will continue to be managed through natural attrition, vacancy management, redeployment and voluntary early release.

2.14 Management of Risk

- 2.14.1 North Ayrshire's financial framework is underpinned by strategic, corporate, and operational risk registers. Given the significance of the financial risks the

Council faces, this report sets out in the table below a number of the key risks associated with securing financial sustainability along with the likelihood and impact scoring. For all areas of material risk to the Council and planned mitigations, this is reported to Cabinet through the Council's Strategic Risk Register.

	Likelihood Score	Impact Score
Financial Environment – Funding not keeping pace with cost-of-service delivery. Impacted by inflationary pressures and conditions attached to funding.	4	5
Financial Sustainability of the HSCP	4	4
Delivery of sustainable change programme - To address projected budget deficit, however, requires delivery at scale and pace.	3	4

2.15 Revenue Budget - Objective and Subjective Analysis

- 2.15.1 The Codes of Financial Practice outline categories of service delivery, known as the Objective Analysis, and categories of expenditure type, known as the Subjective Analysis. Based on the budget presented within this report, the budget matrix for 2024/25 is attached in Appendix 7.
- 2.15.2 Once this matrix is approved, services must spend in line with this and any subsequent significant and planned variation to this budget (i.e. virement) must be approved by Cabinet.
- 2.15.3 All North Ayrshire Council functions relating to health and social care are entirely delegated to the Integrated Joint Board, subject to appropriate reporting throughout the year to the Council.

2.16 Summary

- 2.16.1 The estimated financial position included in this report is set within the context of global, UK and national events. Rising costs continue to be influenced by inflation and the level of funding from Scottish Government for core services has fallen in both cash and real terms when compared to 2023/24. The Council continues to face a number of significant financial risks across policy areas like maintaining teacher numbers and the uncertainty around the level of 2024/25 pay award.
- 2.16.2 The Council via COSLA continues to have dialogue with Scottish Government across a range of areas including fair funding, multi-year financial settlements, maximising financial flexibility and the levels of funding ring-fenced to meet

policy commitments. Currently, however, conditions around funding remain, which places a disproportionate burden on other areas of Council services. Based on the current cost and funding landscape, delivering balanced Budgets over the medium-term will be extremely challenging and will require a range of measures, including reduced investment in services, further service reform / re-design, additional revenue generation, the use of statutory powers available to the Council, financial efficiencies from the Sustainable Change Programme, use of Council reserves and a future level of Council Tax increase that recognises the level of inflation as well as the impact on citizens.

2.16.3 The table below summarises the incremental budget implications and assumptions included in the MTFP for 2024/25 to 2026/27;

	2024/25 £m	2025/26 £m	2026/27 £m
Council Tax Increase	0.00%	3.00%	3.00%
SG Core Grant Movement	-0.64%	0.00%	0.00%
Operational Adjustments	-£13.045m	-£0.372m	+£9.636m
Previously Approved Savings	+£0.590m	-£0.020m	-
Expenditure Requirements (exc new funding and HSCP)	+£28.912m	+£9.423m	+£6.273m
Non-Recurring Strategic Investment	+£3.614m	+£1.386m	-£5.000
HSCP Funding	+£5.292m	-£0.178m	-
Savings to be Approved	-£4.159m	-£1.164m	-£0.373m

2.16.4 New non-recurring strategic investment of £3.614m is proposed to deliver placed based investment and renewable energy investment.

2.16.5 The additional funding to the HSCP in 2024/25 represents the full allocation required from the settlement for the HSCP to meet new and existing spending commitments for those policy areas already distributed by Scottish Government.

2.16.6 The operational adjustments includes savings of £4.098m identified across Directorates for 2024/25. This is in addition to the £4.159m savings to be approved for member consideration to deliver a balance budget in 2024/25.

2.16.7 Proposed levels of fees and charges are outlined at Appendix 6.

3 Proposals

That Council:

- a) notes the anticipated funding available to meet the Council's expenditure requirements and notes the areas of ongoing financial risk to the Council;
- b) approves the Council's expenditure requirements for 2024/25 and notes the indicative requirements for 2025/26 and 2026/27;
- c) approves the new strategic investments outlined in section 2.7.3 of the report;
- d) notes the projected outturn position for 2023/24;
- e) notes the level of reserves and fund balances held by the Council and approves any use and contributions to and from these;
- f) approves the additional contribution to the HSCP noted at 2.8.1;
- g) approves efficiencies and savings to ensure a balanced budget for 2024/25, consequential and new proposals in future years;
- h) approves the schedule of Council fees and charges detailed in Appendix 6;
- i) determines the level of Council Tax for 2024/25 and agrees to freeze Council tax at 2023/24 levels, noting the Scottish Government funding to support this, as set out in section 2.3;
- j) notes the anticipated funding gaps for 2025/26 and 2026/27;
- k) considers the equality and children's rights impact of any proposed service changes;
- l) notes the feedback from the community Budget engagement exercise to help inform budget plans;
- m) notes progress to date on the Council's Sustainable Change Programme and corporate Workforce Planning; and
- n) approves the budget matrix for 2024/25.

4 Implications / Socio-economic Duty

Financial

4.1 The financial implications are as outlined in the report. Members require to approve a package of efficiencies and savings, excluding any decision taken by the IJB in respect of social care services, totalling £4.159m for 2024/25. The recommendations are based on a Council Tax freeze at 2023/24 levels and this is supported by additional Scottish Government funding. Any increase in net expenditure above that outlined in the draft budget will require to be funded. Failure to agree to the requirements outlined in the Scottish Government's grant offer as outlined at 2.2.7 and 2.2.8 may result in a less favourable settlement. These risks are outlined in the report.

Human Resources

4.2 The total anticipated impact on the workforce is a net reduction of 114.5 FTE posts in 2024/25. The new savings proposals for 2024/25 results in a reduction of 63.5 FTE posts. The Council has a robust workforce planning framework in

place. In line with this any reduction to the workforce will be management through natural attrition, vacancies, redeployment and voluntary early release. This will be effected by regular engagement and participation with the Trade Unions.

Legal

- 4.3 The Council is obliged by the Local Government Finance Act 1992 to set a budget for 2024/25 and to do so in a manner and at such a time as to ensure that it is able lawfully to set its Council Tax by 11 March. Failure to do so could result in several legal and financial consequences, for both the Council and Members.

Equality/Socio-economic

- 4.4 Obligation in respect of equalities are set out at 2.10 of the report.

The Equality and Children's Rights Impact Assessments (incorporating Fairer Scotland Duty and Island Proofing) and a summary of screenings are available via the link provided below.

[Full Impact Equality and Children's Rights Impact Assessments for Budget Proposals \(sharepoint.com\).](#)

Environmental and Sustainability

- 4.5 While setting of the budget has no direct environmental or sustainability impacts, there may be impacts on individual services. It is also recognised that the proposed new strategic investment for 2024/25 supports the Council's sustainability agenda and would contribute towards achieving net zero.

Key Priorities

- 4.6 The draft budget supports delivery of the outcomes as outlined in the new Council Plan 2023-2028.

Community Wealth Building

- 4.7 Recommendations included in the report support investment for Community Wealth Building for consideration by Council.

5 Consultation

- 5.1 Significant scrutiny and challenge of the underlying assumptions of the proposed budget has taken place with the Executive Leadership Team and regular engagement with Elected Members has taken place between November 2023 and February 2024.
- 5.2 The key issues within this report have been presented to the Trade Unions.

5.3 Community Budget engagement has been delivered through the launch of an on-line Budget Challenge tool between 24 October 2023 and 15 December 2023. An on-line Budget engagement session with community groups and associations took place on 30 January 2024. Full details of feedback has been issued to elected members.

Mark Boyd
Head of Service (Finance)

For further information please contact Mark Boyd, Head of Service (Finance) on 01294-324560.

Background Papers

None

North Ayrshire Council
Revenue Budget 2024/25
Revenue Budget Summary Position

	2024/25	2025/26		Total £000's	2026/27		Total £000's
	£000's	Consequential £000's	Rephased/New £000's		Consequential £000's	Rephased/New £000's	
Funding							
Aggregate external finance	353,087		352,627	352,627		352,627	352,627
Additional aggregate external finance due :							
Teachers' Induction Scheme	734		734	734		734	734
Assumed Teachers' Superannuation Funding	2,116		2,116	2,116		2,116	2,116
Assumed CT Freeze Funding	3,453		3,453	3,453		3,453	3,453
Council Tax Income	64,483		66,840	66,840		69,282	69,282
Council Tax Income for Affordable Housing	1,198		1,235	1,235		1,271	1,271
NDR Empty Property Relief	(2,803)		(2,803)	(2,803)		(2,803)	(2,803)
Contribution from General Reserves	5,000		4,000	4,000		3,500	3,500
Total Funding Available	427,268	-	428,202	428,202	-	430,180	430,180
Expenditure							
Base Budget	406,064		427,268	427,268		428,202	428,202
Operational Budget Adjustments							
Inspiring Places	(704)		(517)	(517)		70	70
Aspiring Communities	(910)		410	410		-	-
A Council for the Future	(11,431)		(265)	(265)		9,566	9,566
Total Operational Budget Adjustments	(13,045)	-	(372)	(372)	-	9,636	9,636
Savings Previously Approved							
Inspiring Places	174		(20)	(20)		-	-
Aspiring Communities	344		-	-		-	-
A Council for the Future	72		-	-		-	-
Total Savings Previously Approved	590	-	(20)	(20)	-	-	-
Investments - Contractual/Unavoidable							
Inspiring Places	336		213	213		213	213
Aspiring Communities	2,529	-	511	511	-	1,142	1,142
Corporate Investment	24,433	-	7,419	7,419	-	4,655	4,655
Total Contractual / Unavoidable	27,298	-	8,143	8,143	-	6,010	6,010
Investments - National/Local Pressures							
Inspiring Places	498	-	468	468	-	121	121
Aspiring Communities	747	-	812	812	-	142	142

North Ayrshire Council
Revenue Budget 2024/25
Revenue Budget Summary Position

	2024/25	2025/26		Total £000's	2026/27		Total £000's
	£000's	Consequential £000's	Rephased/New £000's		Consequential £000's	Rephased/New £000's	
Total National / Local Pressures	1,245	-	1,280	1,280	-	263	263
New National Expenditure Requirements							
Aspiring Communities	364	-	-	-	-	-	-
A Council for the Future	5	-	-	-	-	-	-
Total National Expenditure Requirements	369	-	-	-	-	-	-
Total Expenditure Requirements (excl HSCP)	28,912	-	9,423	9,423	-	6,273	6,273
Health and Social Care Partnership							
HSCP Net Expenditure Requirements	1,755	-	(178)	(178)	-	-	-
New HSCP National Expenditure Requirements - Recurring	3,537	-	-	-	-	-	-
Total Health and Social Care Partnership	5,292	-	(178)	(178)	-	-	-
Total Expenditure Requirements	34,204	-	9,245	9,245	-	6,273	6,273
Additional Investment							
New Investment	3,614	(3,614)	5,000	1,386	(5,000)	-	(5,000)
Total Adjustments	25,363	(3,614)	13,853	10,239	(5,000)	15,909	10,909
Total Expenditure Requirement	431,427	(3,614)	441,121	437,507	(5,000)	444,111	439,111
(Surplus)/Deficit for Year	4,159	(3,614)	12,919	9,305	(5,000)	13,931	8,931
New Savings Proposed							
Inspiring Places	(1,342)	(116)	-	(116)	(163)	-	(163)
Aspiring Communities	(2,434)	(848)	-	(848)	-	-	-
A Council for the Future	(383)	(200)	-	(200)	(210)	-	(210)
Total Savings Proposed	(4,159)	(1,164)	-	(1,164)	(373)	-	(373)
Revised Expenditure Requirement	427,268	4,778	441,121	436,343	5,373	444,111	438,738
Revised (Surplus)/Deficit for Year if all Savings Proposals are Accepted	-	(4,778)	12,919	8,141	(5,373)	13,931	8,558
Net Contribution to the HSCP							
Expenditure Requirements	20,303		6,283	6,283		6,131	6,131
Proposed Savings	(15,011)		(6,461)	(6,461)		(6,131)	(6,131)
Net Adjustments to the Contribution to the HSCP	5,292		(178)	(178)		-	-

North Ayrshire Council
Revenue Budget 2024/25
Revenue Budget Operational Budget Adjustments

Council Objective/Theme	Operational Budget Adjustment	Reference	Category	2024/25 £'s	2025/26 £'s	2026/27 £'s
Inspiring Places						
Charging for Services, Alternative Funding	Streetscene - Street Furniture. This would only be a one off as maintenance would be required in future years.	SP-PL-24-03	Green	(15,000)	15,000	
Charging for Services, Alternative Funding	Streetscene - Play Facilities. A one year reduction in the play facilities budget. Maintenance will be required in future years.	SP-PL-24-04	Green	(50,000)	50,000	
Charging for Services, Alternative Funding	Proposed income from solar PV farms.	SP-PL-24-10	Green	(255,369)	(244,542)	11,933
Charging for Services, Alternative Funding	Sub Total			(320,369)	(179,542)	11,933
Land, Property and Assets	Commercial Estate Transformation - Maximise Rental Income from Existing and New Property	SP-PL-24-01	Green	(165,000)	(85,000)	(42,500)
Land, Property and Assets	Sub Total			(165,000)	(85,000)	(42,500)
Service Delivery Models	Roads Restructure	SP-PL-24-08	Green	(45,000)	-	-
Service Delivery Models	Waste Review - Indexation on Waste Processing Contract Costs and income.	SP-PL-24-13	Green	(173,636)	(252,035)	100,604
Service Delivery Models	Sub Total			(218,636)	(252,035)	100,604
Total				(704,005)	(516,577)	70,037
Aspiring Communities						
Children, Young People and Communities	One off savings in ELC due to the August opening of Montgomerie Park School.	SP-COM-24-02	Green	(160,381)	160,381	-
Children, Young People and Communities	Education turnover applied to non-teaching staff budgets to recognise the standard pattern of activity	SP-COM-24-22	Green	(750,000)	250,000	-
Children, Young People and Communities	Sub Total			(910,381)	410,381	-
Total				(910,381)	410,381	-
A Council for the Future						
Other	Contribution to Affordable Housing Reserve		Green	30,000	37,000	36,000
Other	Workforce Planning - Voluntary Early Release Programme - Presented at Staffing and Recruitment Committee 20/11/23		Amber	(2,483,773)	-	-
Other	Non Recurring Employers' Superannuation Rebate		Green	(9,228,000)	(302,000)	9,530,000
Service Delivery Models	Democratic Services Restructure	BID-CEX-24-01	Green	250,718	-	-
Other	Sub Total			(11,431,055)	(265,000)	9,566,000
Total				(11,431,055)	(265,000)	9,566,000
TOTAL OPERATIONAL BUDGET ADJUSTMENTS				(13,045,441)	(371,196)	9,636,037

North Ayrshire Council
Revenue Budget 2024/25
Revenue Budget Adjustments Previously Approved

Council Objective/Theme	Saving	Reference	Category	2024/25 £'s	2025/26 £'s	2026/27 £'s
Inspiring Places						
Charging for Services, Alternative Funding	Additional Building Warrant Income	SP-PL-23-10	Green		125,000	-
Charging for Services, Alternative Funding	Sub Total			-	125,000	-
Land, Property and Assets	Property Maintenance Budget review	SP-PL-23-19	Amber	45,000	55,000	-
Land, Property and Assets	Play Facilities	SP-PL-23-26	Green	50,000	-	-
Land, Property and Assets	Office rationalisation				(200,000)	-
Land, Property and Assets	Sub Total			95,000	(145,000)	-
Service Delivery Models	Review of Roads Revenue Budget	SP-PL-22-17	Amber	(35,000)		-
Service Delivery Models	Review of income for temporary furnished accommodation	SP-PL-22-08	Green	100,000		-
Service Delivery Models	Review of Key Holding Arrangements	SP-PL-23-03	Green	(36,270)		-
Service Delivery Models	Increase Homeless service turnover targets	SP-PL-23-07	Green	50,000		-
Service Delivery Models	Sub Total			78,730	-	-
Total				173,730	(20,000)	-
Aspiring Communities						
Children, Young People and Communities	Review Early Learning and Childcare Staffing Entitlements	SP-COM-23-02		(81,154)		-
Children, Young People and Communities	Closure of Kilwinning Early Years Centre	SP-COM-23-04		(24,231)		-
Children, Young People and Communities	Review of Halls, Centres and Libraries	SP-PL-22-04	Amber	(103,424)	-	-
Children, Young People and Communities	Non-recurring Savings from Early Learning and Childcare	SP-COM-23-05	Green	552,863	-	-
Children, Young People and Communities	Sub Total			344,054	-	-
Total				344,054	-	-
A Council for the Future						
Service Delivery Models	Review of Chief Exec Non Employee Budgets	SP-CEX-23-01	Green	71,619	-	-
Service Delivery Models	Sub Total			71,619	-	-
Total				71,619	-	-
TOTAL SAVINGS PREVIOUSLY APPROVED				589,403	(20,000)	-

North Ayrshire Council Revenue Budget 2024/25 Revenue Expenditure Requirements						
Council Objective/Theme	Investment	Category	Reference	2024/25 £'s	2025/26 £'s	2026/27 £'s
Inspiring Places						
Putting residents and communities at the heart of what we do	Statutory Provision of Transport and Journeys	Contractual/Unavoidable	BID-PL-24-01	167,861	136,700	136,700
Sustainable Environment	Service, Maintenance and Repair of Fleet Vehicles and	Contractual/Unavoidable	BID-PL-24-04	111,700	75,955	75,955
Well Connected with Effective Infrastructure	Procurement of road salt for the delivery of Winter Maintenance Service	Contractual/Unavoidable	BID-PL-24-11	56,243	-	-
Sub Total		Contractual/Unavoidable		335,804	212,655	212,655
Sustainable Environment	Carbon Reduction - The use of HVO as an alternative road fuel	National/Local Pressures	BID-PL-24-02	124,000	120,997	120,997
Sustainable Environment	Property Maintenance Budget & Solar Photovoltaic Panels	National/Local Pressures	BID-PL-24-05/06	160,000	(30,000)	-
Sustainable Environment	Ongoing Maintenance Costs for Shewalton Lanfill	National/Local Pressures	BID-PL-24-16	213,737	-	-
Sustainable Environment	Managing Persistent Organic Pollutants with Waste Upholstered Domestic Seating	National/Local Pressures	BID-PL-24-17	-	377,365	-
Sub Total		National/Local Pressures		497,737	468,362	120,997
Total				833,541	681,017	333,652
Aspiring Communities						
Land, Property and Assets	PPP/DBFM annual indexation	Contractual/Unavoidable	BID-COM-24-01	1,241,382	450,957	531,851
Children, Young People and Communities	Classroom Assistants Shortfall	Contractual/Unavoidable	BID-COM-24-03a	956,256	-	-
Children, Young People and Communities	NALL Energy Costs	Contractual/Unavoidable	BID-COM-24-04	183,000	(15,000)	532,000
Children, Young People and Communities	Food Inflation	Contractual/Unavoidable	BID-COM-24-06	75,492	-	-
Transport & Travel	SPT Annual Price Revision	Contractual/Unavoidable	BID-PL-23-05	73,226	75,423	77,685
Sub Total		Contractual/Unavoidable		2,529,356	511,380	1,141,536
Children, Young People and Communities	Islands Officer	National/Local Pressures	BID-PL-23-27	11,356	56,782	-
Children, Young People and Communities	Additional school running costs as a result of the capital programme	National/Local Pressures	BID-PL-21-01 & 23-01	736,439	754,926	141,701
Sub Total		National/Local Pressures		747,795	811,708	141,701
Children, Young People and Communities	ELC Expansion	New National Expenditure Requirements		212,000	-	-
Children, Young People and Communities	Free School Meals Expansion	New National Expenditure Requirements		148,000	-	-
Children, Young People and Communities	Pupil Equity Fund	New National Expenditure Requirements		10,000	-	-
Children, Young People and Communities	Educational Psychologists	New National Expenditure Requirements		(3,000)	-	-
Children, Young People and Communities	Gaelic Education	New National Expenditure Requirements		(3,000)	-	-

North Ayrshire Council Revenue Budget 2024/25 Revenue Expenditure Requirements						
Council Objective/Theme	Investment	Category	Reference	2024/25 £'s	2025/26 £'s	2026/27 £'s
Sub Total		New National Expenditure Requirements		364,000	-	-
Total				3,641,151	1,323,088	1,283,237
A Council for the Future						
Other	Barclay Review	New National Expenditure Requirements		5,000	-	-
Sub Total		New National Expenditure Requirements		5,000	-	-
Total				5,000	-	-
Council Wide Pressures						
Inflation	Joint Board requisitions	Contractual/Unavoidable		80,495	105,754	108,926
Inflation	Pay Award	Contractual/Unavoidable		5,326,999	6,513,231	6,722,472
Inflation	22/23 - 23/24 SNCT Pay Award	Contractual/Unavoidable		3,990,155	-	-
Inflation	23/24 SJC Pay Award	Contractual/Unavoidable		4,510,958	-	-
Inflation	Teachers' Employers' Superannuation	Contractual/Unavoidable		2,115,630	73,031	71,442
Inflation	NDR Revaluation	Contractual/Unavoidable		71,712	10,148	-
Inflation	Corporate issues (energy, fuel, food, NDR)	Contractual/Unavoidable		2,848,136	(323,050)	1,408,838
Sub Total				18,944,085	6,379,114	8,311,678
Other	Loan charges	Contractual/Unavoidable		5,488,010	1,040,302	(3,657,083)
Sub Total				5,488,010	1,040,302	(3,657,083)
Total				24,432,095	7,419,416	4,654,595
TOTAL REVENUE EXPENDITURE REQUIREMENTS				28,911,787	9,423,521	6,271,484

North Ayrshire Council
Revenue Budget 2023/24
Revenue Budget Savings to be Approved

Council Objective / Reference Theme	Savings Proposal	Community Impact	Community Impact	2023/24		2024/25		2025/26		
				Proposed Saving £	Workforce implications £	Consequential Savings £	New Saving £	Consequential Savings £	New Saving £	
Inspiring Places										
Service Delivery Models	SP-PL-24-02	Minor reduction in Roads Revenue Budget mitigated through continued significant levels of capital investment	Low Negative	Amber	(100,000)	-	-	-	-	-
Service Delivery Models	SP-PL-24-05	Streetscene - Removal of communities Christmas lights budget and funding for such activities would require to be considered from other funding sources. The remaining service would still provide one christmas tree with lighting per town.	Low Negative	Amber	(38,000)	-	-	-	-	-
Service Delivery Models	SP-PL-24-06	Waste Review - Review of operating times across Household Waste Recycling Centre (HWRC) sites	Low Negative	Amber	(75,000)	(2.00)	-	-	-	-
Service Delivery Models	SP-PL-24-07	Streetscene - Transition from summer bedding plants to perennials and funding for such activities to be considered from alternative funding sources	None	Green	(24,500)	-	-	-	-	-
Service Delivery Models	SP-PL-24-09	Waste - Cease issuing free food waste liners	Low Negative	Amber	(29,250)	-	(9,750)	-	-	-
Charging for Services / Alternative Funding	SP-PL-24-11	Waste Review - Introduce charging for garden waste collections. Current assessment of £50 annual charge which is in line with other local authorities.	Low Negative	Red	(588,163)	1.00	(106,730)	-	(163,029)	-
Service Delivery Models	SP-PL-24-12	Promote further biodiversity and wild flower areas across the school estate leading to a reduction in grass cutting areas.	Low Positive	Green	(30,000)	(1.00)	-	-	-	-
Service Delivery Models	SP-PL-24-15	Economic Development and Regeneration Budget Savings	Low Negative	Amber	(340,000)	(2.00)	-	-	-	-
Service Delivery Models	SP-PL-24-16	Review service - Gypsy Traveller Unauthorised Encampment sites	Low Negative	Amber	(42,238)	(1.00)	-	-	-	-
Service Delivery Models	SP-PL-24-17	Waste Review - Review collection frequency for Absorbant hygiene Products (AHP) based on current presentation rates from 2 weekly to 3 weekly to align with residual waste collection service.	Low Negative	Amber	(75,000)	(3.00)	-	-	-	-
Total					(1,342,151)	(8.00)	(116,480)	-	(163,029)	-

Aspiring Communities

North Ayrshire Council
Revenue Budget 2023/24
Revenue Budget Savings to be Approved

Council Objective / Reference Theme	Savings Proposal	Community Impact	Community Impact	2023/24		2024/25		2025/26		
				Proposed Saving	Workforce implications	Consequential Savings	New Saving	Consequential Savings	New Saving	
Children, Young People and Communities	SP-COM-24-01	Review staffing allocations to primary and secondary schools through the Devolved School Management scheme and in the context of a falling pupil roll and pupil teacher ratio guidance.	None	Amber	(1,343,731)	(35.00)	(839,832)	-	-	-
Children, Young People and Communities	SP-COM-24-03	Various Facilities Management procurement savings across several items linked to purchase volumes and commodity rationalisation	None	Green	(135,963)	-	-	-	-	-
Children, Young People and Communities	SP-COM-24-05	Reduction of cleaning days in offices aligned to current levels of footfall and cleaning within depots aligned to operational requirements	None	Amber	(123,953)	(5.14)	-	-	-	-
Children, Young People and Communities	SP-COM-24-06	Removal of School Crossing Patrollers currently allocated to roads with existing crossings.	Low Negative	Amber	(30,000)	(1.22)	-	-	-	-
Children, Young People and Communities	SP-COM-24-07/21	Review of Facilities Management posts across all areas of the service and a re-design of FM services.	None	Amber	(128,590)	(1.00)	(8,500)	-	-	-
Children, Young People and Communities	SP-COM-24-08/11/16/17	Reduction of libraries opening hours by 20% and review all supplies and operational budgets. The proposal also includes a re-designed school library service.	Low Negative	Amber	(438,437)	(9.50)	-	-	-	-
Children, Young People and Communities	SP-COM-24-09	Cessation of evening lets in some secondary schools and re-direction of lets into other council buildings.	Low Negative	Green	(14,000)	(0.50)	-	-	-	-
Children, Young People and Communities	SP-COM-24-10	Reduction of venue assistant core hours	Low Negative	Green	(28,000)	(1.00)	-	-	-	-
Children, Young People and Communities	SP-COM-24-12/13/18/19	Re-design of the Community Learning and Development service and a reduction in sessional budgets, non-payroll budgets and a re-design of CLD resourcing	Low Negative	Amber	(145,846)	(1.00)	-	-	-	-
Children, Young People and Communities	SP-COM-24-14	Phase 1 of a review of administrative support in Communities and Education	None	Green	(38,559)	(1.00)	-	-	-	-
Children, Young People and Communities	SP-COM-24-20	Remove Arts Participatory Budgeting fund	Low Negative	Amber	(7,000)	-	-	-	-	-
Total					(2,434,079)	(55.36)	(848,332)	-	-	-

North Ayrshire Council
Revenue Budget 2023/24
Revenue Budget Savings to be Approved

Council Objective / Reference Theme	Savings Proposal	Community Impact	Community Impact	2023/24		2024/25		2025/26		
				Proposed Saving	Workforce implications	Consequential Savings	New Saving	Consequential Savings	New Saving	
A Council for the Future										
Other	SP-CEX-24-01	ICT - Reduction in non employee budgets.	None	Green	(123,000)		-		-	
Other	SP-CEX-24-02	Financial Services - Further Review of all non-essential spend budgets	Low Negative	Green	(70,000)		-		-	
Other		5% Increase in Council Fees and Charges (Excluding School Meals Charges)	Low Negative	Amber	(189,378)	-	(199,974)		(209,973)	
Total					(382,378)	-	(199,974)	-	(209,973)	-
TOTAL SAVINGS TO BE APPROVED					(4,158,608)	(63.36)	(1,164,786)	-	(373,002)	-

North Ayrshire Council
Fees & Charges for 2024-25 to 2026-27

Directorate	Service	Manager	Charge Description	Charge Type	Current Approved Charge excluding VAT (2023/24) £	Proposed Charge (2024/25)	Indicative Charge (2025/26)	Indicative Charge (2026/27)	Basis of increase 2024/25 %	Basis of increase 2025/26 %	Basis of increase 2026/27 %	Note
CONTRIBUTION FEES & CHARGES												
Chief Executives	Legal - Licensing	Raymond Lynch	General - Amendment (1982 Act Para 9 - if due to Licence Partnership)	Contribution	£132.00	£139.00	£146.00	£153.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	General - Amendment of Licence (1982 Act Para 9 consent to Material Change - if not Licence Partnership)	Contribution	£37.00	£39.00	£41.00	£43.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Entertainment - Indoor Sports Entertainment Licence (when another NAC Licence is held)	Contribution	£180.00	£189.00	£198.00	£208.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Entertainment - Indoor Sports Entertainment Licence (when no other NAC Licences are held)	Contribution	£358.00	£376.00	£395.00	£415.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Entertainment - Public Entertainment Licence (Commercial Premises with Fairground)	Contribution	£418.00	£439.00	£461.00	£484.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Entertainment - Public Entertainment Licence - Full Licence (maximum duration of 3 years, and renewable)	Contribution	£382.00	£401.00	£421.00	£442.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Entertainment - Public Entertainment Licence - Temporary Licence (maximum duration of 6 weeks, and not renewable)	Contribution	£339.00	£356.00	£374.00	£393.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Activity Licence - to sell pets (Activity A)	Contribution	£209.00	£219.00	£230.00	£242.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Activity Licence - to rehome animals (Activity B)	Contribution	£209.00	£219.00	£230.00	£242.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Activity Licence - To operate an "Animal welfare Establishment" (Activity C) if licence holder is OSCR registered no fee	Contribution	£0.00	£0.00	£0.00	£0.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Activity Licence - To operate an "Animal welfare Establishment" (Activity C) if not OSCR registered	Contribution	£209.00	£219.00	£230.00	£242.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Activity Licence - to breed puppies (Activity D) Grant (one year renewable)	Contribution	£501.00	£526.00	£552.00	£580.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Activity Licence - to breed puppies (Activity D) Renewal (one year)	Contribution	£221.00	£232.00	£244.00	£256.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Activity Licence - to breed kittens (Activity E) Grant (one year renewable)	Contribution	£501.00	£526.00	£552.00	£580.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Activity Licence - to breed kittens (Activity E) Renewal (one year)	Contribution	£221.00	£232.00	£244.00	£256.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Activity Licence - to breed rabbits (Activity F) Grant (one year renewable)	Contribution	£501.00	£526.00	£552.00	£580.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Activity Licence - to breed rabbits (Activity F) Renewal (one year)	Contribution	£221.00	£232.00	£244.00	£256.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Boarding Licence (1 to 10 Animals)	Contribution	£89.00	£93.00	£98.00	£103.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Boarding Licence (11 to 20 Animals)	Contribution	£119.00	£125.00	£131.00	£138.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Boarding Licence (21 to 30 Animals)	Contribution	£155.00	£163.00	£171.00	£180.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Boarding Licence (31 to 50 Animals)	Contribution	£227.00	£238.00	£250.00	£263.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Boarding Licence (51 to 70 Animals)	Contribution	£292.00	£307.00	£322.00	£338.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal Boarding Licence (Over 70 Animals)	Contribution	£370.00	£389.00	£408.00	£428.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal - Registration - Performing Animals (Regulation) Act 1925	Contribution	£53.00	£56.00	£59.00	£62.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Booking Office (with public access)	Contribution	£358.00	£376.00	£395.00	£415.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Booking Office (without public access)	Contribution	£239.00	£251.00	£264.00	£277.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Caravan Sites New system (relevant Permanent sites - Residential sites) / Old system (Holiday and touring sites) - no fee	Contribution	£679.00	£713.00	£749.00	£786.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Cinema Licence - grant or renewal for one year	Contribution	£292.00	£307.00	£322.00	£338.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Cinema Licence - grant or renewal for under a year - per month (total not to exceed the one year fee)	Contribution	£98.00	£103.00	£108.00	£113.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Cinema Licence - Transfer	Contribution	£59.00	£62.00	£65.00	£68.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal - Dangerous Wild Animals - New & Renewal (maximum duration of 12 months, and renewable)	Contribution	£316.00	£332.00	£349.00	£366.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	General - Duplicate Licence	Contribution	£37.00	£39.00	£41.00	£43.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Dealer - Knife Dealers Licence - New & Renewal (Full - maximum duration of 3 years, and renewable)	Contribution	£358.00	£376.00	£395.00	£415.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Other CGSA - Late Hours Catering Licence - New & Renewal (Full - maximum duration of 3 years, and renewable)	Contribution	£190.00	£200.00	£210.00	£221.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Other CGSA - Market Operators Licence	Contribution	£405.00	£425.00	£446.00	£468.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Dealer - Metal Dealers Licence (Premises & Itinerant)	Contribution	£125.00	£131.00	£138.00	£145.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Poisons - Registration to sell non medical poisons (new)	Contribution	£26.00	£27.00	£28.00	£29.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Poisons - Registration to sell non medical poisons (retention)	Contribution	£14.00	£15.00	£16.00	£17.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Dealer - Second Hand Dealers Licence - New (Full - maximum duration of 3 years, and renewable)	Contribution	£251.00	£264.00	£277.00	£291.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Dealer - Second Hand Dealers Licence - Already Licenced (Full - maximum duration of 3 years, and renewable)	Contribution	£132.00	£139.00	£146.00	£153.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Other CGSA - Sex Shop or Sexual Entertainment Venue Licence - New & Renewal (Full - maximum duration of 3 years, and renewable)	Contribution	£2,128.00	£2,234.00	£2,346.00	£2,463.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Other CGSA - Skin Piercing or Tattooing Licence (with Premises)	Contribution	£376.00	£395.00	£415.00	£436.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Other CGSA - Skin Piercing or Tattooing Licence (without Premises)	Contribution	£316.00	£332.00	£349.00	£366.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Street Trader Employee Licence - Full licence (maximum duration of 3 years, and renewable)	Contribution	£143.00	£150.00	£158.00	£166.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Street Trader Employee Licence - Temporary Licence (maximum duration of 3 years, and renewable)	Contribution	£108.00	£113.00	£119.00	£125.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Street Trader Operator - Substitute Vehicle	Contribution	£125.00	£131.00	£138.00	£145.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Street Trader Operator Licence - Full Licence (maximum duration of 3 years, and renewable)	Contribution	£287.00	£301.00	£316.00	£332.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Street Trader Operator Licence - Temporary Licence (maximum duration of 6 weeks, and not renewable)	Contribution	£196.00	£206.00	£216.00	£227.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal - Zoo Licence (New - maximum duration of 4 years, and renewable. Vet inspections are charged in addition)	Contribution	£316.00	£332.00	£349.00	£366.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal - Zoo Licence (Renewal - maximum duration of 6 years, and renewable. Vet inspections are charged in addition)	Contribution	£316.00	£332.00	£349.00	£366.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal - Venison Dealer	Contribution	£132.00	£139.00	£146.00	£153.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal - Venison Employee / Agent	Contribution	£71.00	£75.00	£79.00	£83.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal - Game Dealers	Contribution	£5.00	£5.00	£5.00	£5.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Poisons - Registration (alteration of details in Register)	Contribution	£6.00	£6.00	£6.00	£6.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	STL - Grant - Secondary Letting - 1 to 4 Guests	Contribution	£250.00	£263.00	£276.00	£290.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	STL - Grant - Secondary Letting - 5 or more guests	Contribution	£400.00	£420.00	£440.00	£463.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	STL - Grant - Home Sharing and/or Home Letting - 1 to 4 Guests	Contribution	£125.00	£131.00	£138.00	£145.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	STL - Grant - Home Sharing and/or Home Letting - 5 or more Guests	Contribution	£200.00	£210.00	£221.00	£232.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	STL - Renewal/Recurring Fee - Secondary Letting - 1 to 4 Guests	Contribution	£200.00	£210.00	£221.00	£232.00	5.0%	5.0%	5.0%	

Directorate	Service	Manager	Charge Description	Charge Type	Current Approved Charge excluding VAT (2023/24) £	Proposed Charge (2024/25)	Indicative Charge (2025/26)	Indicative Charge (2026/27)	Basis of increase 2024/25 %	Basis of increase 2025/26 %	Basis of increase 2026/27 %	Note
Chief Executives	Legal - Licensing	Raymond Lynch	STL - Renewal/Recurring Fee - Secondary Letting - 5 or more Guests	Contribution	£350.00	£368.00	£386.00	£405.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	STL - Renewal/Recurring Fee - Home Sharing and/or Home Letting - 1 to 4 Guests	Contribution	£100.00	£105.00	£110.00	£116.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	STL - Renewal/Recurring Fee - Home Sharing and/or Home Letting - 5 or more Guests	Contribution	£175.00	£184.00	£193.00	£203.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal - Riding Establishment Licence (1 year, New & Renewal)	Contribution	£501.00	£526.00	£552.00	£580.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Animal - Riding Establishment Licence (One year, If already licenced)	Contribution	£376.00	£395.00	£415.00	£436.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Other - Replacement Door Sign	Contribution	£18.00	£19.00	£20.00	£21.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Other - Replacement Licence resulting from change of address	Contribution	£15.00	£16.00	£17.00	£18.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Other - Replacement Plate	Contribution	£36.00	£38.00	£40.00	£42.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Other - Replacement Tariff Card	Contribution	£15.00	£16.00	£17.00	£18.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Other - Replacement Taxi / Private Hire Car Driver Badge	Contribution	£20.00	£21.00	£22.00	£23.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Other - Replacement Window Stickers	Contribution	£20.00	£21.00	£22.00	£23.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Other - Substitution of Vehicle (Taxi or Private Hire Car)	Contribution	£223.00	£234.00	£246.00	£258.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Licences - Taxi Driver's Licence - Full Licence (1 year, and renewable)	Contribution	£89.00	£93.00	£98.00	£103.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Licences - Taxi Driver's Licence - Full Licence (maximum duration of 3 years, and renewable)	Contribution	£209.00	£219.00	£230.00	£242.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Licences - Private Hire Car Driver Licence - Full licence (maximum duration of 3 years, and renewable)	Contribution	£209.00	£219.00	£230.00	£242.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Licences - Private Hire Car Licence (Operator) - Full Licence (1 year, and renewable)	Contribution	£370.00	£389.00	£408.00	£428.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Licences - Private Hire Car Licence (Operator) - Full Licence (maximum duration of 3 years, and renewable)	Contribution	£620.00	£651.00	£684.00	£718.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Licences - Taxi Licence (1 year)	Contribution	£400.00	£420.00	£441.00	£463.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Licences - Taxi Licence (Operator) - Full Licence (maximum duration of 3 years, and renewable)	Contribution	£691.00	£726.00	£762.00	£800.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	General - Variation of a Licence	Contribution	£61.00	£64.00	£67.00	£70.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Licences - Private Hire Car Driver's Licence - Full Licence (1 yr, and renewable)	Contribution	£89.00	£93.00	£98.00	£103.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Other - Inspection of Vehicle (Taxi or Private Hire Car)	Contribution	£92.00	£97.00	£102.00	£107.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Other - Re-inspection of Vehicle (Taxi or Private Hire Car)	Contribution	£49.00	£51.00	£54.00	£57.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	TPHC Other - Re-seal of Taximeter	Contribution	£24.00	£25.00	£26.00	£27.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	General - Civic Government (Scotland) Act 1982 - Temporary Licence (duration specified in Licence, maximum 6 weeks, and not renewable) (unless specifically mentioned in this table)	Contribution	£180.00	£189.00	£198.00	£208.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	House in Multiple Occupation Licence (New)	Contribution	£1,002.00	£1,052.00	£1,105.00	£1,160.00	5.0%	5.0%	5.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	House in Multiple Occupation Licence (Already Licenced)	Contribution	£752.00	£790.00	£830.00	£872.00	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	Civil Marriages / Partnerships at Registration Office outwith office hours	Contribution	£504.65	£522.13	£548.24	£575.65	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	Civil Marriages / Partnerships at Registration Office during office hours	Contribution	£315.65	£323.68	£339.86	£356.85	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	All Ceremonies at approved venues - fee for attendance of a Registrar during office hours	Contribution	£491.00	£507.80	£533.19	£559.85	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	All Ceremonies at approved venues - fee for attendance of a Registrar outwith office hours	Contribution	£552.95	£572.85	£601.49	£631.56	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	Guest Supplement: during office hours when more than 4 guests attend a marriage/civil partnership at Registration offices	Contribution	£160.65	£168.68	£177.11	£185.97	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	Naming & Renewal of Vows Ceremonies conducted at Registration Offices during office hours	Contribution	£304.50	£319.73	£335.72	£352.51	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	Naming & Renewal of Vows Ceremonies conducted at Registration Offices outwith office hours	Contribution	£365.40	£383.67	£402.85	£422.99	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	Civil Marriage/Partnership & Naming Ceremony booked together and conducted at Registration Offices outwith office hours	Contribution	£649.55	£674.28	£707.99	£743.39	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	Civil Marriage/Partnership & Naming Ceremony booked together and conducted at Approved Venues outwith office hours	Contribution	£723.05	£751.45	£789.02	£828.47	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	Civil Marriage/Partnership & Naming Ceremony booked together and conducted at Approved Venues during office hours	Contribution	£631.70	£655.54	£688.32	£722.74	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	Guest supplement: during office hours when more than 4 guests attend a Civil Marriage/Partnership & Naming Ceremony at Registration Offices	Contribution	£413.70	£434.39	£456.11	£478.92	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	Private Citizenship Ceremony, Registration Office, Office Hours	Contribution	£145.95	£153.25	£160.91	£168.96	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	Private Citizenship Ceremony, Registration Office, Office Hours, plus Guest Supplement for more than 4 Guests	Contribution	£267.75	£281.14	£295.20	£309.96	5.0%	5.0%	5.0%	
Chief Executives	Registration Services	Elaine Nixon	Civil Marriage/Partnership & Naming Ceremony booked together and conducted at Registration Offices during office hours	Contribution	£568.70	£589.39	£618.86	£649.80	5.0%	5.0%	5.0%	
Health & Social Care	All	Eleanor Currie	Maximum Weekly Non-Residential Charge	Contribution	£96.60	£106.26	£111.57	£117.15	10.0%	5.0%	5.0%	
Health & Social Care	Adults	Eleanor Currie	Care at Home Adults	Contribution	£16.79	£18.47	£19.39	£20.36	10.0%	5.0%	5.0%	
Health & Social Care	Adults	Eleanor Currie	Day Care (purchased and provided)	Contribution	£14.99	£16.49	£17.31	£18.18	10.0%	5.0%	5.0%	
Health & Social Care	Adults	Eleanor Currie	Day Care (charges to Other Las)	Contribution	£243.11	£267.42	£280.79	£294.83	10.0%	5.0%	5.0%	
Health & Social Care	Adults and Older People	Eleanor Currie	Guest Room Charges at Sheltered Housing Accommodations	Contribution	£5.51	£6.06	£6.36	£6.68	10.0%	5.0%	5.0%	
Health & Social Care	Adults and Older People	Eleanor Currie	Community Alarms service - mainland	Contribution	£5.32	£5.85	£6.14	£6.45	10.0%	5.0%	5.0%	
Health & Social Care	Adults and Older People	Eleanor Currie	Community Alarms service - Arran	Contribution	£2.60	£2.86	£3.00	£3.15	10.0%	5.0%	5.0%	
Health & Social Care	Adults and Older People	Eleanor Currie	Meals on Wheels	Contribution	£3.36	£3.70	£3.89	£4.08	10.0%	5.0%	5.0%	
Health & Social Care	Older People	Eleanor Currie	Care at Home Older People per hour	Contribution	£16.79	£18.47	£19.39	£20.36	10.0%	5.0%	5.0%	
Health & Social Care	Older People	Eleanor Currie	Day Care (purchased and provided) Older People	Contribution	£14.99	£16.49	£17.31	£18.18	10.0%	5.0%	5.0%	
Health & Social Care	Adults	Eleanor Currie	Respite (for an individual's care need rather than to give the carer a break) Age 16-24	Contribution	£69.56	£76.52	£80.35	£84.37	10.0%	5.0%	5.0%	This charge depends on the 24/25 Personal Allowance rate which will not be known until early March.
Health & Social Care	Adults	Eleanor Currie	Respite (for an individual's care need rather than to give the carer a break) Age 25 - 64	Contribution	£86.63	£95.29	£100.05	£105.05	10.0%	5.0%	5.0%	This charge depends on the 24/25 Personal Allowance rate which will not be known until early March.
Health & Social Care	Older People	Eleanor Currie	Respite (for an individual's care need rather than to give the carer a break) Age 65+	Contribution	£159.18	£175.10	£183.86	£193.05	10.0%	5.0%	5.0%	This charge depends on the 24/25 Personal Allowance rate which will not be known until early March.
Health & Social Care	Adults	Eleanor Currie	Sleepover	Contribution	£13.18	£14.50	£15.23	£15.99	10.0%	5.0%	5.0%	
Health & Social Care	Adults and Older People	Eleanor Currie	Trindlemoss House - permanent placement	Contribution	£1,134.00	£1,190.70	£1,250.24	£1,312.75	5.0%	5.0%	5.0%	
Health & Social Care	Adults and Older People	Eleanor Currie	Montrose House - permanent residential placement	Contribution	£1,134.00	£1,190.70	£1,250.24	£1,312.75	5.0%	5.0%	5.0%	
Health & Social Care	Adults and Older People	Eleanor Currie	Montrose House - permanent nursing placement	Contribution	£1,312.50	£1,378.13	£1,447.04	£1,519.39	5.0%	5.0%	5.0%	
Health & Social Care	Adults and Older People	Eleanor Currie	Sleepover	Contribution	£13.18	£14.50	£15.23	£15.99	10.0%	5.0%	5.0%	
Health & Social Care	Adults and Older People	Eleanor Currie	Direct Payments - Personal Assistants	Contribution	£14.02	£15.42	£16.19	£17.00	10.0%	5.0%	5.0%	
Health & Social Care	Adults and Older People	Eleanor Currie	Direct Payments - Agency Rates	Contribution	£16.79	£18.47	£19.39	£20.36	10.0%	5.0%	5.0%	

Directorate	Service	Manager	Charge Description	Charge Type	Current Approved Charge excluding VAT (2023/24) £	Proposed Charge (2024/25)	Indicative Charge (2025/26)	Indicative Charge (2026/27)	Basis of increase 2024/25 %	Basis of increase 2025/26 %	Basis of increase 2026/27 %	Note
Health & Social Care	Adults and Older People	Eleanor Currie	Direct Payments - Sleepovers	Contribution	£13.08	£14.39	£15.11	£15.87	10.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hire of table linen	Contribution	£6.50	£6.85	£7.20	£7.55	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hire of twinkle curtain	Contribution	£82.10	£86.20	£90.50	£95.05	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hire of Red Carpet	Contribution	£40.75	£42.80	£44.95	£47.20	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Store Requests, hires and deliveries	Contribution	£35.10	£36.85	£38.70	£40.65	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Stores hire of tables go pack	Contribution	£6.05	£6.35	£6.65	£7.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Stores hire of tables round	Contribution	£11.70	£12.30	£12.90	£13.55	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Party Package Civic Centre	Contribution	£143.50	£150.67	£158.20	£166.11	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Wedding packages - Ceremony and Reception	Contribution	£902.42	£947.54	£994.92	£1,044.67	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Wedding packages - Reception only	Contribution	£647.33	£679.71	£713.70	£749.39	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Holidays 3 days/2 nights (4 people)	Contribution	£622.00	£653.00	£686.00	£720.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Holidays 5 days/4 nights (4 people)	Contribution	£1,235.00	£1,297.00	£1,362.00	£1,430.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Bed and breakfast (adult)	Contribution	£43.00	£45.00	£47.00	£49.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Dinner, bed and breakfast (adult)	Contribution	£55.00	£58.00	£61.00	£64.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Half day activity (adult)	Contribution	£56.00	£59.00	£62.00	£65.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Half day activity (child)	Contribution	£39.00	£41.00	£43.00	£45.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Full day activity (adult)	Contribution	£111.00	£117.00	£123.00	£129.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Full day activity (child)	Contribution	£78.00	£82.00	£86.00	£90.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Room hire Commercial large classroom	Contribution	£39.00	£41.00	£43.00	£45.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Room hire Family Function large classroom	Contribution	£23.00	£24.00	£25.00	£26.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Room hire NAC large classroom	Contribution	£21.00	£22.00	£23.00	£24.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Room hire general meeting large classroom	Contribution	£13.00	£14.00	£15.00	£16.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Room hire Childcare large classroom	Contribution	£7.00	£7.00	£7.00	£7.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Room hire Disabled/charity large classroom	Contribution	£5.00	£5.00	£5.00	£5.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Room hire Commercial small chartroom	Contribution	£20.00	£21.00	£22.00	£23.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Room hire Family Function small chartroom	Contribution	£12.00	£13.00	£14.00	£15.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Room hire NAC small chartroom	Contribution	£11.00	£12.00	£13.00	£14.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Room hire general meeting small chartroom	Contribution	£6.00	£6.00	£6.00	£6.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Room hire Childcare small chartroom	Contribution	£3.00	£3.00	£3.00	£3.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Room hire Disabled/charity small chartroom	Contribution	£2.00	£2.00	£2.00	£2.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Instructor day rate	Contribution	£231.00	£243.00	£255.00	£268.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	NAC School Group 5 days/4 nights (per person)	Contribution	£218.00	£229.00	£240.00	£252.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	NAC School Group 5 days/4 nights (per person) Accompanying Staff	Contribution	£109.00	£114.00	£120.00	£126.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Other school Group 5 days/4 nights (per person)	Contribution	£439.00	£461.00	£484.00	£508.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Other school Group 5 days/4 nights (per person) Accompanying staff	Contribution	£219.00	£230.00	£242.00	£254.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Other school Group 4 days/3 nights (per person)	Contribution	£175.00	£184.00	£193.00	£203.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Other school Group 4 days/3 nights (per person) Accompanying staff	Contribution	£88.00	£92.00	£97.00	£102.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	NAC School Group 3 days/2 nights (per person)	Contribution	£116.00	£122.00	£128.00	£134.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	NAC School Group 3 days/2 nights (per person) Accompanying staff	Contribution	£58.00	£61.00	£64.00	£67.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Other school Group 3 days/2 nights (per person)	Contribution	£231.00	£243.00	£255.00	£268.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arran Outdoor)	Angela Morrell	Other school Group 3 days/2 nights (per person) accompanying staff	Contribution	£116.00	£122.00	£128.00	£134.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arts)	Lesley Forsyth	Studio 1 - Commercial	Contribution	£27.00	£28.00	£29.00	£30.00	5.0%	5.0%	5.0%	

Directorate	Service	Manager	Charge Description	Charge Type	Current Approved Charge excluding VAT (2023/24) £	Proposed Charge (2024/25)	Indicative Charge (2025/26)	Indicative Charge (2026/27)	Basis of increase 2024/25 %	Basis of increase 2025/26 %	Basis of increase 2026/27 %	Note
Communities & Housing	Connected Communities (Arts)	Lesley Forsyth	Studio 1 - Non-Commercial	Contribution	£19.00	£20.00	£21.00	£22.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arts)	Lesley Forsyth	Studio 2 - Commercial	Contribution	£20.00	£21.00	£22.00	£23.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arts)	Lesley Forsyth	Studio 2 - Non-Commercial	Contribution	£8.00	£8.00	£8.00	£8.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arts)	Lesley Forsyth	Theatre Hire - Commercial	Contribution	£75.00	£79.00	£83.00	£87.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Arts)	Lesley Forsyth	Theatre Hire - Non-Commercial	Contribution	£44.00	£46.00	£48.00	£50.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hall lets, Letting Commission and School Letting - Category 1 user (eg Commercial Activities) - SMALL ROOM	Contribution	£22.50	£23.65	£24.85	£26.10	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hall lets, Letting Commission and School Letting - Category 1 user (eg Commercial Activities) - LARGE ROOM	Contribution	£45.40	£47.65	£50.05	£52.55	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hall lets, Letting Commission and School Letting - Category 2 user (eg Family Functions) - SMALL ROOM	Contribution	£13.30	£13.95	£14.65	£15.40	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hall lets, Letting Commission and School Letting - Category 2 user (eg Family Functions) - LARGE ROOM	Contribution	£26.60	£27.95	£29.35	£30.80	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hall lets, Letting Commission and School Letting - Category 3 user (eg Agency Letting) - SMALL ROOM	Contribution	£7.35	£7.70	£8.10	£8.50	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hall lets, Letting Commission and School Letting - Category 3 user (eg Agency Letting) - LARGE ROOM	Contribution	£14.70	£15.45	£16.20	£17.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hall lets, Letting Commission and School Letting - Category 4 user (eg Pre 5 groups) - SMALL ROOM	Contribution	£3.30	£3.45	£3.60	£3.80	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hall lets, Letting Commission and School Letting - Category 4 user (eg Pre 5 groups) - LARGE ROOM	Contribution	£6.45	£6.75	£7.10	£7.45	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hall lets, Letting Commission and School Letting - Category 5 user (eg Disabled org's) - SMALL ROOM	Contribution	£3.25	£3.45	£3.60	£3.80	6.2%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hall lets, Letting Commission and School Letting - Category 5 user (eg Disabled Org's) - LARGE ROOM	Contribution	£6.40	£6.75	£7.10	£7.45	5.7%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Astro Pitch Youth	Contribution	£15.10	£15.85	£16.65	£17.50	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Astro Pitch Adult	Contribution	£22.70	£23.85	£25.05	£26.30	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Stores hire Chairs (per item charge)	Contribution	£1.20	£1.25	£1.30	£1.35	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Community Facilities)	Donna Morrison	Hire of additional chair covers (STH Weddings)	Contribution	£2.90	£3.05	£3.20	£3.35	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Country Parks)	Lesley Forsyth	Campsite	Contribution	£10.00	£11.00	£12.00	£13.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Country Parks)	Lesley Forsyth	Events Fields	Contribution	£117.00	£123.00	£129.00	£135.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Country Parks)	Lesley Forsyth	Campsite Field	Contribution	£70.00	£74.00	£78.00	£82.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Country Parks)	Lesley Forsyth	Visitor Facility Block - Full Day	Contribution	£79.00	£83.00	£87.00	£91.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Country Parks)	Lesley Forsyth	Visitor Facility Block - Half Day	Contribution	£39.50	£41.50	£43.50	£45.50	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Country Parks)	Lesley Forsyth	Portacabin Toilets	Contribution	£20.00	£21.00	£22.00	£23.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Country Parks)	Lesley Forsyth	Ranger Service - All Other Groups	Contribution	£32.00	£34.00	£36.00	£38.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Country Parks)	Lesley Forsyth	Racquet Hall - NAC Group / School	Contribution	£14.70	£15.50	£16.50	£17.50	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Country Parks)	Lesley Forsyth	Racquet Hall - Non Commercial	Contribution	£26.60	£28.00	£29.50	£31.00	5.0%	5.0%	5.0%	
Communities & Housing	Connected Communities (Country Parks)	Lesley Forsyth	Racquet Hall - Commercial	Contribution	£45.50	£48.00	£50.50	£53.00	5.0%	5.0%	5.0%	
Communities & Housing	Planning Services	Allan Finlayson	Planning Search fees	Contribution	£106.05	£111.35	£116.92	£122.77	5.0%	5.0%	5.0%	
Communities & Housing	Planning Services	Allan Finlayson	Section 50 Certificates	Contribution	£131.25	£137.81	£144.70	£151.94	5.0%	5.0%	5.0%	
Communities & Housing	Planning Services	Allan Finlayson	Press Adverts Arran	Contribution	£76.67	£80.50	£84.53	£88.76	5.0%	5.0%	5.0%	
Communities & Housing	Planning Services	Allan Finlayson	Press Adverts Mainland	Contribution	£169.17	£177.63	£186.51	£195.84	5.0%	5.0%	5.0%	
Place	Economic Growth (Transportation)	Claire Fitzsimmons	Construction Consent Amendments	Contribution	£383.25	£402.41	£422.53	£443.66	5.0%	5.0%	5.0%	
Place	Economic Growth (Transportation)	Claire Fitzsimmons	Supply of Traffic Count data	Contribution	£210.89	£221.43	£232.50	£244.13	5.0%	5.0%	5.0%	
Communities & Housing	Heritage	Lesley Forsyth	Genealogy research hourly charge. Any additional costs incurred as a result of the work e.g Scotland People Vouchers, printing etc to be charged at cost	Contribution	£20.00	£21.00	£22.00	£23.00	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Magnifying Sheets	Contribution	£2.10	£2.50	£2.50	£2.50	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Tea/Coffee	Contribution	£1.30	£1.50	£1.50	£1.50	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Street Plans	Contribution	£3.00	£3.00	£3.00	£3.00	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	DVD Lending Service - DVD's per Week hire	Contribution	£1.80	£2.00	£2.00	£2.00	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	DVD Lending Service - Day ones (New releases) 2 nights hire	Contribution	£2.10	£2.50	£2.50	£2.50	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Audio Charges - CD	Contribution	£0.30	£0.50	£0.50	£0.50	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Room Hire - Category 1 user (eg Commercial Activities) - SMALL ROOM	Contribution	£22.50	£23.65	£24.85	£26.10	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Room Hire - Category 2 user (eg Family Functions) - SMALL ROOM	Contribution	£13.30	£13.95	£14.65	£15.40	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Room Hire - Category 3 user (eg Agency Letting) - SMALL ROOM	Contribution	£7.35	£7.70	£8.10	£8.50	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Room Hire - Category 4 user (eg Pre 5 groups) - SMALL ROOM	Contribution	£3.30	£3.45	£3.60	£3.80	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Room Hire - Category 5 user (eg Disabled org's) - SMALL ROOM	Contribution	£3.25	£3.45	£3.60	£3.80	6.2%	5.0%	5.0%	
Place	Energy and Sustainability	Jennifer Wraith	Electric Vehicle Charging Point - Destination/Kwh	Contribution	£0.19	£0.31	£0.33	£0.35	63.2%	5.0%	5.0%	
Place	Energy and Sustainability	Jennifer Wraith	Electric Vehicle Charging Point - Journey/Kwh	Contribution	£0.30	£0.37	£0.39	£0.41	23.3%	5.0%	5.0%	
Place	Energy and Sustainability	Jennifer Wraith	Overstay Flat Fee	Contribution	£10.00	£30.00	£32.00	£34.00	200.0%	5.0%	5.0%	

Directorate	Service	Manager	Charge Description	Charge Type	Current Approved Charge excluding VAT (£ 2023/24)	Proposed Charge (2024/25)	Indicative Charge (2025/26)	Indicative Charge (2026/27)	Basis of increase 2024/25 %	Basis of increase 2025/26 %	Basis of increase 2026/27 %	Note
Communities & Housing	Protective Services (Building Standards)	Scott McKenzie	Clearance Certificates	Contribution	£246.86	£259.20	£272.16	£285.77	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Building Standards)	Scott McKenzie	Searches	Contribution	£106.05	£111.35	£116.92	£122.77	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Building Standards)	Scott McKenzie	Section 50 Certificates	Contribution	£131.25	£137.81	£144.70	£151.94	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Building Standards)	Scott McKenzie	Section 89 Certificates	Contribution	£429.24	£450.70	£473.24	£496.90	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Bacteriological Swimming Pool Sampling	Contribution	£53.55	£56.23	£59.04	£61.99	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Legionella Swimming Pool Sampling	Contribution	£99.75	£104.74	£109.98	£115.48	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Food Hygiene Training Delegate Charge	Contribution	£30.45	£31.97	£33.57	£35.25	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Chemical Swimming Pool Sampling	Contribution	£73.50	£77.18	£81.04	£85.09	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Support Attestation	Contribution	£100.00	£105.00	£110.25	£115.76	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Pest Control - Fumigations/Sprays for heavy infestations e.g. bedbugs, fleas includes survey and revisit.	Contribution	£80.90	£84.90	£89.10	£93.60	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Pest Control Charge - Insects (Domestic)	Contribution	£52.50	£55.10	£57.90	£60.80	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Pest Control Charge - Rats/Mice/Insects (Commercial)	Contribution	£80.90	£84.90	£89.10	£93.60	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Pest Control Charge - Rats/Mice/Squirrels (Domestic) includes up to 3 visits.	Contribution	£80.90	£84.90	£89.10	£93.60	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Pest Control Charge - Wasp Nests/Bees	Contribution	£52.50	£55.10	£57.90	£60.80	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Section 50 Certificates	Contribution	£131.25	£137.81	£144.70	£151.94	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Certificate of Compliance (not required as part of licence application)	Contribution	£105.00	£110.25	£115.76	£121.55	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Health Certificate for export to China	Contribution	£37.80	£39.69	£41.67	£43.75	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Trading Standards)	Scott McKenzie	Liquid fuel measuring instruments - first meter tested	Contribution	£166.95	£175.30	£184.07	£193.27	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Trading Standards)	Scott McKenzie	Liquid fuel measuring instruments - each additional meter tested during same visit	Contribution	£102.90	£108.05	£113.45	£119.12	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Trading Standards)	Scott McKenzie	All other weighing and measuring equipment - one officer on site (per hour)	Contribution	£90.30	£94.82	£99.56	£104.54	5.0%	5.0%	5.0%	
Communities & Housing	Protective Services (Trading Standards)	Scott McKenzie	All other weighing and measuring equipment - two or more officers on site (per hour)	Contribution	£144.90	£152.15	£159.76	£167.75	5.0%	5.0%	5.0%	
Place	Bereavement Service	Wallace Turpie/ David Mackay	Interment of Eighteen and Over	Contribution	£846.00	£888.00	£932.00	£979.00	5.0%	5.0%	5.0%	
Place	Bereavement Service	Wallace Turpie/ David Mackay	Purchase of Exclusive Right of Burial (New Lair)	Contribution	£902.00	£947.00	£994.00	£1,044.00	5.0%	5.0%	5.0%	
Place	Bereavement Service	Wallace Turpie/ David Mackay	Purchase of Exclusive Right of Burial (Woodland Area)	Contribution	£902.00	£947.00	£994.00	£1,044.00	5.0%	5.0%	5.0%	
Place	Bereavement Service	Wallace Turpie/ David Mackay	Interment of Cremated Remains (Aged 18 and over)	Contribution	£239.00	£251.00	£264.00	£277.00	5.0%	5.0%	5.0%	
Place	Bereavement Service	Wallace Turpie/ David Mackay	Memorial Foundation	Contribution	£185.00	£194.00	£204.00	£214.00	5.0%	5.0%	5.0%	
Place	Bereavement Service	Wallace Turpie/ David Mackay	Dis-interments	Contribution	£1,019.00	£1,070.00	£1,124.00	£1,180.00	5.0%	5.0%	5.0%	
Place	Bereavement Service	Wallace Turpie/ David Mackay	Interment in common ground	Contribution	£265.00	£278.00	£292.00	£307.00	5.0%	5.0%	5.0%	
Place	Bereavement Service	Wallace Turpie/ David Mackay	Purchase of Exclusive Right of Burial - Cremated Remains Only (New Lair)	Contribution	£495.00	£520.00	£546.00	£573.00	5.0%	5.0%	5.0%	
Place	Bereavement Service	Wallace Turpie/ David Mackay	Purchase of Exclusive Right of Burial - Cremated Remains Only in Garden of Remembrance (New Lair)	Contribution	£495.00	£520.00	£546.00	£573.00	5.0%	5.0%	5.0%	
Place	Bereavement Service	Wallace Turpie/ David Mackay	Interment of Eighteen and Over (Saturdays and Public Holidays)	Contribution	£1,269.00	£1,332.00	£1,399.00	£1,469.00	5.0%	5.0%	5.0%	
Place	Bereavement Service	Wallace Turpie/ David Mackay	Transfer of Title Deeds/Duplicate Title Deeds	Contribution	£22.00	£23.00	£24.00	£25.00	5.0%	5.0%	5.0%	
Place	Bereavement Service	Wallace Turpie/ David Mackay	Memorial permit	Contribution	£46.00	£48.00	£50.00	£53.00	5.0%	5.0%	5.0%	
School Meals	FM	Carolyn Hope	Secondary School meals	Contribution	£2.05	£2.05	£2.05	£2.05	0.0%	0.0%	0.0%	
School Meals	FM	Carolyn Hope	Primary School meals	Contribution	£2.05	£2.05	£2.05	£2.05	0.0%	0.0%	0.0%	
Place	Largs Car Park	Wallace Turpie/ David Mackay	Car park Charges - up to 1 hour	Largs Car Park	£0.83	£0.83	£0.83	£0.83	0.0%	0.0%	0.0%	
Place	Largs Car Park	Wallace Turpie/ David Mackay	Car park Charges - over 1 hour up to 3 hours	Largs Car Park	£2.50	£2.50	£2.50	£2.50	0.0%	0.0%	0.0%	
Place	Largs Car Park	Wallace Turpie/ David Mackay	Car park Charges - over 3 hours	Largs Car Park	£4.17	£4.17	£4.17	£4.17	0.0%	0.0%	0.0%	
Place	Largs Car Park	Wallace Turpie/ David Mackay	Gallowgate Public Toilets Charge	Largs Car Park	£0.33	£0.33	£0.33	£0.33	0.0%	0.0%	0.0%	
Place	Streetscene Services	Wallace Turpie/ David Mackay	Abandoned Trolley Charge	Contribution	£33.00	£35.00	£37.00	£39.00	5.0%	5.0%	5.0%	
Place	Streetscene Services	Wallace Turpie/ David Mackay	Grass Cutting Scheme	Contribution	£74.00	£78.00	£82.00	£86.00	5.0%	5.0%	5.0%	
Place	Streetscene Services	Wallace Turpie/ David Mackay	Fly posting removal - varies by poster size. Minimum charge of £30 per poster	Contribution	£30.00	£32.00	£34.00	£36.00	5.0%	5.0%	5.0%	

Directorate	Service	Manager	Charge Description	Charge Type	Current Approved Charge excluding VAT (2023/24) £	Proposed Charge (2024/25)	Indicative Charge (2025/26)	Indicative Charge (2026/27)	Basis of increase 2024/25 %	Basis of increase 2025/26 %	Basis of increase 2026/27 %	Note
Place	Streetscene Services	Wallace Turpie/ David Mackay	Dog Fouling clean up charge	Contribution	£30.00	£32.00	£34.00	£36.00	5.0%	5.0%	5.0%	
Place	Streetscene Services	Wallace Turpie/ David Mackay	Fly tipping clean up charges - varies by quantity. Minimum charge of £114.06	Contribution	£114.06	£120.00	£126.00	£132.00	5.0%	5.0%	5.0%	
Place	Streetscene Services	Wallace Turpie/ David Mackay	Landfill charge per tonne	Contribution	£140.00	£147.00	£154.00	£162.00	5.0%	5.0%	5.0%	
Place	Streetscene Services	Wallace Turpie/ David Mackay	Mis-use of public bin. Minimum service charge of £114.06	Contribution	£114.06	£120.00	£126.00	£132.00	5.0%	5.0%	5.0%	
Place	Streetscene Services	Wallace Turpie/ David Mackay	Disposal of Waste within Caravans per tonne	Contribution	£140.00	£147.00	£154.00	£162.00	5.0%	5.0%	5.0%	
Place	Transport Services	Gordon Mitchell	Tachograph Calibration	Contribution	£60.90	£63.95	£67.15	£70.51	5.0%	5.0%	5.0%	
Place	Transport Services	Gordon Mitchell	Tachograph 2 year Inspection	Contribution	£42.00	£44.10	£46.31	£48.63	5.0%	5.0%	5.0%	
Place	Transport Services	Gordon Mitchell	Tachograph 6 year Inspection	Contribution	£60.90	£63.95	£67.15	£70.51	5.0%	5.0%	5.0%	
Place	Transport Services	Gordon Mitchell	CPC Training	Contribution	£70.00	£73.50	£77.18	£81.04	5.0%	5.0%	5.0%	
Place	Transport Services	Gordon Mitchell	Per hire charge for transport hires to external groups.	Contribution	£24.15	£25.36	£26.63	£27.96	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Section 56 Roads Opening Permit Vehicle Access Crossing	Contribution	£78.00	£82.00	£86.00	£90.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Section 56 Road Opening Permit Other works involving excavation in the public road	Contribution	£218.00	£229.00	£240.00	£252.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Section 56 Road Opening Permit Other works involving excavation in the public road. Duration charge for additional week.	Contribution	£103.00	£108.00	£113.00	£119.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Section 58 Road Occupation Permits Builders Materials - for up to 4 weeks	Contribution	£90.00	£95.00	£100.00	£105.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Section 58 Road Occupation Permits Cranes - for up to 4 weeks	Contribution	£90.00	£95.00	£100.00	£105.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Section 58 Road Occupation Permits Scaffolding - for up to 4 weeks	Contribution	£90.00	£95.00	£100.00	£105.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Section 85 Skip Permits - for up to 4 weeks	Contribution	£54.00	£57.00	£60.00	£63.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Temporary Traffic Signal Permit (three way or more only). This would be in addition to Section 56 charge.	Contribution	£128.00	£134.00	£141.00	£148.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Temporary Traffic Signal Permit (three way or more only). This would be in addition to Section 56 charge. Duration charge for additional week.	Contribution	£128.00	£134.00	£141.00	£148.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	56 charge. Duration charge for additional week.	Contribution	£39.00	£41.00	£43.00	£45.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Property Enquiry Adoption Plan	Contribution	£333.00	£350.00	£368.00	£386.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	NRSWA Section 109 Permission	Contribution	£447.00	£469.00	£492.00	£517.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	5 day Temporary Traffic Order (by notice)	Contribution	£447.00	£469.00	£492.00	£517.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Emergency Temporary Traffic Order (by notice)	Contribution	£447.00	£469.00	£492.00	£517.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Temporary Traffic Orders (advertised in press). Advertising costs are extra.	Contribution	£691.00	£726.00	£762.00	£800.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Supply of Traffic Count Data. Price per site.	Contribution	£218.00	£229.00	£240.00	£252.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Supply / Use of information from the Saturn and Paramics Traffic Models	Contribution	£1,407.00	£1,477.00	£1,551.00	£1,629.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Neighbourhood Watch Signs	Contribution	£39.00	£41.00	£43.00	£45.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Switching off Traffic Signals for third parties	Contribution	£154.00	£162.00	£170.00	£179.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Temporary signs for events.	Contribution	£103.00	£108.00	£113.00	£119.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Signs for new Housing Developments	Contribution	£397.00	£417.00	£438.00	£460.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	H Bar Markings (Access protection markings)	Contribution	£64.00	£67.00	£70.00	£74.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Amenity display licenses	Contribution	£29.00	£30.00	£32.00	£34.00	5.0%	5.0%	5.0%	
Place	Roads	Susan Macfadyen	Car Park Charges (Bellmans Close) - Up to 60 minutes	Contribution	£1.25	£1.25	£1.25	£1.25	0.0%	0.0%	0.0%	
Place	Roads	Susan Macfadyen	Car Park Charges (Bellmans Close) - Up to 120 minutes	Contribution	£1.67	£1.67	£1.67	£1.67	0.0%	0.0%	0.0%	
Place	Roads	Susan Macfadyen	Car Park Charges (Bellmans Close) - Up to 240 minutes	Contribution	£2.92	£2.92	£2.92	£2.92	0.0%	0.0%	0.0%	
Place	Roads	Susan Macfadyen	Penalty Charge Notice	Contribution	£100.00	£100.00	£100.00	£100.00	0.0%	0.0%	0.0%	
Place	Roads	Susan Macfadyen	Penalty Charge Notice if paid within 14 days	Contribution	£50.00	£50.00	£50.00	£50.00	0.0%	0.0%	0.0%	
Place	Roads	Susan Macfadyen	Charge certificate served and where PCN remains unpaid after day 56	Contribution	£150.00	£150.00	£150.00	£150.00	0.0%	0.0%	0.0%	
Place	Waste Resources	David Mackay	Collection and Disposal of Commercial White Goods per item	Contribution	£157.63	£165.51	£173.79	£182.48	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Bin Repair - standard lock supply & fitting	Contribution	£23.85	£25.04	£26.29	£27.60	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Bin Repair - new forest lock supply & fitting	Contribution	£34.65	£36.38	£38.20	£40.11	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Bin Repair - push to lock supply & fitting	Contribution	£48.13	£50.54	£53.07	£55.72	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Bin Repair - lid supplied & lock fixed cost	Contribution	£148.42	£155.84	£163.63	£171.81	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Bin Repair - Push to lock lid and lock supply & fitting	Contribution	£172.70	£181.34	£190.41	£199.93	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Bin Repair - one front wheel supplied and fitted cost	Contribution	£77.55	£81.43	£85.50	£89.78	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Bin Repair - one back wheel supplied and fitted cost	Contribution	£84.00	£88.20	£92.61	£97.24	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Special Uplift Charges	Contribution	£26.46	£27.78	£29.17	£30.63	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Special Uplift individual item Charges	Contribution	£5.29	£5.55	£5.83	£6.12	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Residual Waste Service 240 Litre Bin	Contribution	£6.10	£6.41	£6.73	£7.07	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Residual Waste Service 360 Litre Bin	Contribution	£9.16	£9.62	£10.10	£10.61	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Residual Waste Service 660 Litre Bin	Contribution	£16.77	£17.61	£18.49	£19.41	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Residual Waste Service 1100 Litre Bin	Contribution	£27.97	£29.37	£30.84	£32.38	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Residual Waste Service 1280 Litre Bin	Contribution	£32.62	£34.25	£35.96	£37.76	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Commercial Collection Residual Waste 240 Litre bin	Contribution	£6.58	£6.91	£7.26	£7.62	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Commercial Collection Residual Waste 360 Litre bin	Contribution	£9.88	£10.37	£10.89	£11.43	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Commercial Collection Residual Waste 660 Litre bin	Contribution	£18.09	£18.99	£19.94	£20.94	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Commercial Collection Residual Waste 1100 Litre bin	Contribution	£30.19	£31.70	£33.29	£34.95	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Commercial Collection Residual Waste 1280 Litre bin	Contribution	£35.22	£36.98	£38.83	£40.77	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Food/Organic 140 Litre Bin	Contribution	£5.10	£5.36	£5.63	£5.91	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Food/Organic 240 Litre Bin	Contribution	£9.13	£9.65	£10.19	£10.75	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Food/Organic 500 Litre Bin	Contribution	£18.25	£19.16	£20.12	£21.13	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Commercial Collection Mixed Recyclate 240 Litre bin	Contribution	£5.09	£5.34	£5.61	£5.89	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Mixed Recycling Waste 140 Litre bin	Contribution	£1.91	£2.01	£2.11	£2.22	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Subcontractor Commercial Refuse Scheduled Bin Uplift Food/Organic 140 Litre Bin	Contribution	£6.48	£6.80	£7.14	£7.50	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Subcontractor Commercial Refuse Scheduled Bin Uplift Garden Waste 240 Litre Bin	Contribution	£11.11	£11.67	£12.25	£12.86	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Subcontractor Commercial Refuse Scheduled Bin Uplift Food/Organic 500 Litre Bin	Contribution	£23.11	£24.27	£25.48	£26.75	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Refuse Scheduled Bin Uplift Residual Waste Service 240 Litre Bin	Contribution	£3.06	£3.21	£3.37	£3.54	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Refuse Scheduled Bin Uplift Residual Waste Service 360 Litre Bin	Contribution	£4.59	£4.82	£5.06	£5.31	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Refuse Scheduled Bin Uplift Residual Waste Service 660 Litre Bin	Contribution	£8.39	£8.81	£9.25	£9.71	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Refuse Scheduled Bin Uplift Residual Waste Service 1100 Litre Bin	Contribution	£13.98	£14.68	£15.41	£16.18	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Refuse Scheduled Bin Uplift Residual Waste Service 1280 Litre Bin	Contribution	£16.31	£17.13	£17.99	£18.89	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Scheduled Bin Uplift Mixed Recyclate Service 140 Litre Bin	Contribution	£1.38	£1.45	£1.52	£1.60	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Scheduled Bin Uplift Mixed Recyclate Service 240 Litre Bin	Contribution	£2.36	£2.48	£2.60	£2.73	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Scheduled Bin Uplift Mixed Recyclate Service 360 Litre Bin	Contribution	£3.53	£3.71	£3.90	£4.10	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Scheduled Bin Uplift Mixed Recyclate Service 660 Litre Bin	Contribution	£6.49	£6.81	£7.15	£7.51	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Scheduled Bin Uplift Mixed Recyclate Service 1100 Litre Bin	Contribution	£10.80	£11.34	£11.91	£12.51	5.0%	5.0%	5.0%	

Directorate	Service	Manager	Charge Description	Charge Type	Current Approved Charge excluding VAT (2023/24) £	Proposed Charge (2024/25)	Indicative Charge (2025/26)	Indicative Charge (2026/27)	Basis of increase 2024/25 %	Basis of increase 2025/26 %	Basis of increase 2026/27 %	Note
Place	Waste Resources	David Mackay	Charity Scheduled Bin Uplift Mixed Recyclate Service 1280 Litre Bin	Contribution	£12.56	£13.19	£13.85	£14.54	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Scheduled Bin Uplift Food/Organic 140 Litre Bin	Contribution	£2.56	£2.69	£2.82	£2.96	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Scheduled Bin Uplift Garden Waste 240 Litre Bin	Contribution	£4.39	£4.61	£4.84	£5.08	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Scheduled Bin Uplift Food/Organic 500 Litre Bin	Contribution	£9.11	£9.57	£10.05	£10.55	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Mixed Recyclate Service 140 Litre Bin	Contribution	£2.74	£2.88	£3.02	£3.17	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Mixed Recyclate Service 240 Litre Bin	Contribution	£4.70	£4.94	£5.19	£5.45	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Mixed Recyclate Service 360 Litre Bin	Contribution	£7.08	£7.43	£7.80	£8.19	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Mixed Recyclate Service 660 Litre Bin	Contribution	£12.96	£13.61	£14.29	£15.00	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Mixed Recyclate Service 1100 Litre Bin	Contribution	£21.60	£22.68	£23.81	£25.00	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Mixed Recyclate Service 1280 Litre Bin	Contribution	£25.13	£26.39	£27.71	£29.10	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Commercial Collection Residual Waste 140 Litre bin	Contribution	£3.86	£4.05	£4.25	£4.46	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Charity Refuse Scheduled Bin Uplift Residual Waste Service 140 Litre Bin	Contribution	£1.77	£1.86	£1.95	£2.05	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Residual Waste 140 Litre bin	Contribution	£1.93	£2.03	£2.13	£2.24	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Subcontractor Charity Commercial Collection Garden Waste 240 Litre bin	Contribution	£5.57	£5.85	£6.14	£6.45	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Commercial Refuse Scheduled Bin Uplift Residual Waste Service 140 Litre Bin	Contribution	£3.56	£3.74	£3.93	£4.13	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub contract Sack Sales Pre-Paid - Trade Recycling per 100	Contribution	£140.86	£147.90	£155.30	£163.07	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub contract Sack Sales Pre-Paid - Trade Waste per 50	Contribution	£139.71	£146.70	£154.04	£161.74	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Residual Waste 240 Litre bin	Contribution	£3.30	£3.47	£3.64	£3.82	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Residual Waste 360 Litre bin	Contribution	£4.94	£5.19	£5.45	£5.72	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Residual Waste 660 Litre bin	Contribution	£9.05	£9.50	£9.98	£10.48	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Residual Waste 1100 Litre bin	Contribution	£15.09	£15.84	£16.63	£17.46	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Residual Waste 1280 Litre bin	Contribution	£17.61	£18.49	£19.41	£20.38	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Mixed Recycling Waste 240 Litre bin	Contribution	£2.56	£2.69	£2.82	£2.96	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Mixed Recycling Waste 360 Litre bin	Contribution	£3.82	£4.01	£4.21	£4.42	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Mixed Recycling Waste 660 Litre bin	Contribution	£6.99	£7.34	£7.71	£8.10	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Mixed Recycling Waste 1100 Litre bin	Contribution	£11.66	£12.24	£12.85	£13.49	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Mixed Recycling Waste 1280 Litre bin	Contribution	£13.57	£14.25	£14.96	£15.71	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Food/Organic Waste 140 Litre bin	Contribution	£3.24	£3.40	£3.57	£3.75	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Charity Food/Organic Waste 500 Litre bin	Contribution	£11.55	£12.13	£12.74	£13.38	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Commercial Collection Mixed Recyclate 140 Litre bin	Contribution	£3.06	£3.21	£3.37	£3.54	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Commercial Collection Mixed Recyclate 240 Litre bin	Contribution	£5.09	£5.34	£5.61	£5.89	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Commercial Collection Mixed Recyclate 360 Litre bin	Contribution	£7.63	£8.01	£8.41	£8.83	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Commercial Collection Mixed Recyclate 660 Litre bin	Contribution	£13.98	£14.68	£15.41	£16.18	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Commercial Collection Mixed Recyclate 1100 Litre bin	Contribution	£23.32	£24.49	£25.71	£27.00	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sub-Contracted Commercial Collection Mixed Recyclate 1280 Litre bin	Contribution	£27.10	£28.46	£29.88	£31.37	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Event container delivery & uplift	Contribution	£72.93	£76.58	£80.41	£84.43	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Contamination charge - 140/240/360 ltr bins	Contribution	£18.24	£19.15	£20.11	£21.12	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Contamination charge - 500/660/1100/1280 ltr bins	Contribution	£42.55	£44.68	£46.91	£49.26	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Container retrieval - 140/240/360 ltr bins	Contribution	£18.24	£19.15	£20.11	£21.12	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Container retrieval - 500/660/1100/1280 ltr bins	Contribution	£42.55	£44.68	£46.91	£49.26	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Arran Yellow Tip Permit	Contribution	£61.61	£64.69	£67.92	£71.32	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Arran Blue Tip Permit	Contribution	£102.60	£107.73	£113.12	£118.78	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Green - Treatment per Te	Contribution	£60.78	£63.82	£67.01	£70.36	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Soil - Treatment per Te	Contribution	£36.47	£38.29	£40.20	£42.21	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Scrap - Treatment per Te	Contribution	£36.47	£38.29	£40.20	£42.21	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Paper & Cardboard - Treatment per Te	Contribution	£36.47	£38.29	£40.20	£42.21	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Wood - Treatment per Te	Contribution	£36.47	£38.29	£40.20	£42.21	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Plastics - Treatment per Te	Contribution	£60.78	£63.82	£67.01	£70.36	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Bricks/rubble - Treatment per Te	Contribution	£36.47	£38.29	£40.20	£42.21	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Lampheads - Treatment per Te	Contribution	£36.47	£38.29	£40.20	£42.21	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Skip Charges 20cyd - no treatment	Contribution	£116.23	£122.04	£128.14	£134.55	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Skip Charges 35cyd - no treatment	Contribution	£207.87	£218.26	£229.17	£240.63	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Special Uplift - disposal - 1/4te	Contribution	£39.27	£41.23	£43.29	£45.45	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Special Uplift - disposal - 1/2te	Contribution	£78.53	£82.46	£86.58	£90.91	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Special Uplift - disposal - Te	Contribution	£157.06	£164.91	£173.16	£181.82	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Void Uplift bin charge (Up to full set)	Contribution	£52.74	£55.38	£58.15	£61.06	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Special Uplift Squad - 30 min	Contribution	£52.74	£55.38	£58.15	£61.06	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Special Uplift Squad - 60 min	Contribution	£105.47	£110.74	£116.28	£122.09	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Special uplift - Confidential waste per bag	Contribution	£6.53	£6.86	£7.20	£7.56	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Direct disposal and treatment EFW per Te	Contribution	£157.06	£164.91	£173.16	£181.82	5.0%	5.0%	5.0%	

Directorate	Service	Manager	Charge Description	Charge Type	Current Approved Charge excluding VAT (2023/24) £	Proposed Charge (2024/25)	Indicative Charge (2025/26)	Indicative Charge (2026/27)	Basis of increase 2024/25 %	Basis of increase 2025/26 %	Basis of increase 2026/27 %	Note
COST PLUS FEES & CHARGES												
Communities & Housing	Libraries	Lesley Forsyth	Lost and Damaged Audio, based on actual costs	Cost plus	£0.00	£0.00	£0.00	£0.00	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Book Sales (NAC Stock), based on actual costs	Cost plus	£0.00	£0.00	£0.00	£0.00	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Black and White Photocopying/Printing A4 or A3 single-sided	Cost plus	£0.10	£0.10	£0.10	£0.10	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Black and White Photocopying/Printing A4 or A3 double-sided	Cost plus	£0.20	£0.20	£0.20	£0.20	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Colour Photocopying/Printing A4 or A3 single-sided	Cost plus	£0.40	£0.40	£0.40	£0.40	5.0%	5.0%	5.0%	
Communities & Housing	Libraries	Lesley Forsyth	Colour Photocopying/Printing A4 or A3 double-sided	Cost plus	£0.80	£0.80	£0.80	£0.80	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	New/Replacement Waste Container 360 Litre	Cost plus	£78.76	£82.70	£86.84	£91.18	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	New/Replacement Waste Container 1100 Litre	Cost plus	£429.91	£451.41	£473.98	£497.68	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	New/Replacement Waste Container Lid on Lid 1100 Litre	Cost plus	£492.77	£492.77	£517.41	£543.28	0.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	New/Replacement Waste Container 1280 Litre	Cost plus	£500.23	£525.24	£551.50	£579.08	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	New/Replacement Waste Container Lid on Lid 1280 Litre	Cost plus	£566.60	£566.60	£594.93	£624.68	0.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	New/Replacement Waste Container 240 Litre	Cost plus	£47.78	£50.17	£52.68	£55.31	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	New/Replacement Waste Container 140 Litre	Cost plus	£32.82	£34.46	£36.18	£37.99	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	New/Replacement Waste Container 660 Litre	Cost plus	£359.44	£377.41	£396.28	£416.09	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sack Sales Pre-Paid - Trade Recycling per 100	Cost plus	£131.94	£138.54	£145.47	£152.74	5.0%	5.0%	5.0%	
Place	Waste Resources	David Mackay	Sack Sales Pre-Paid - Trade Waste per 50	Cost plus	£127.88	£134.27	£140.98	£148.03	5.0%	5.0%	5.0%	

Directorate	Service	Manager	Charge Description	Charge Type	Current Approved Charge excluding VAT (2023/24) £	Proposed Charge (2024/25)	Indicative Charge (2025/26)	Indicative Charge (2026/27)	Basis of increase 2024/25 %	Basis of increase 2025/26 %	Basis of increase 2026/27 %	Note
NATIONALLY SET FEES & CHARGES												
Chief Executives	Legal - Licensing	Raymond Lynch	Landlord Registration - Principal	Nationally Set	£75.00	£75.00	£75.00	£75.00	0.0%	0.0%	0.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Landlord Registration - Property	Nationally Set	£17.00	£17.00	£17.00	£17.00	0.0%	0.0%	0.0%	
Chief Executives	Legal - Licensing	Raymond Lynch	Landlord Registration - Late Application	Nationally Set	£149.00	£149.00	£149.00	£149.00	0.0%	0.0%	0.0%	
Health & Social Care	Adults and Older People	Eleanor Currie	Blue Badge (charge for a three year period)	Nationally Set	£20.00	£20.00	£20.00	£20.00	0.0%	0.0%	0.0%	
Communities & Housing	Planning Services	Allan Finlayson	Planning Application fees - Operations eg Construction of buildings - planning permission in principle	Nationally Set	£600.00	£600.00	£600.00	£600.00	0.0%	0.0%	0.0%	
Communities & Housing	Planning Services	Allan Finlayson	Planning Application fees - Operations eg The erection of buildings - planning permission in principle	Nationally Set	£600.00	£600.00	£600.00	£600.00	0.0%	0.0%	0.0%	
Communities & Housing	Planning Services	Allan Finlayson	Planning Application fees - Operations eg The erection of buildings - where the area of gross floor space to be created does not exceed 40 sq metres	Nationally Set	£300.00	£300.00	£300.00	£300.00	0.0%	0.0%	0.0%	
Communities & Housing	Planning Services	Allan Finlayson	Planning Application fees - Uses of Land eg The change of use of a building Building Warrant Application Fees, set by BSD, please refer to fees section in link below for full list of charges:	Nationally Set	£600.00	£600.00	£600.00	£600.00	0.0%	0.0%	0.0%	
Communities & Housing	Protective Services (Building Standards)	Scott McKenzie	https://www.north-ayrshire.gov.uk/planning-and-building-standards/building-standards/building-warrants.aspx	Nationally Set	various	various	various	various	0.0%	0.0%	0.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Ship inspection charges up to 1,000 tonnes	Nationally Set	£125.00	£125.00	£125.00	£125.00	0.0%	0.0%	0.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Ship inspection charges 1,001 to 3,000 tonnes	Nationally Set	£170.00	£170.00	£170.00	£170.00	0.0%	0.0%	0.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Ship inspection charges 3,001 to 10,000 tonnes	Nationally Set	£250.00	£250.00	£250.00	£250.00	0.0%	0.0%	0.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Ship inspection charges 10,001 to 20,000 tonnes	Nationally Set	£325.00	£325.00	£325.00	£325.00	0.0%	0.0%	0.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Ship inspection charges 20,001 to 30,000 tonnes	Nationally Set	£415.00	£415.00	£415.00	£415.00	0.0%	0.0%	0.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Ship inspection charges over 30,000 tonnes	Nationally Set	£480.00	£480.00	£480.00	£480.00	0.0%	0.0%	0.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Ship inspection charges extensions	Nationally Set	£95.00	£95.00	£95.00	£95.00	0.0%	0.0%	0.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Ship inspection charges for vessels with the capacity to carry between 50 and 1,000 persons	Nationally Set	£480.00	£480.00	£480.00	£480.00	0.0%	0.0%	0.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Ship inspection charges for vessels with the capacity to carry more than 1,000 persons	Nationally Set	£820.00	£820.00	£820.00	£820.00	0.0%	0.0%	0.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Private water supplies - regulated supplies annual sampling and risk assessment	Nationally Set	£261.00	£261.00	£261.00	£261.00	0.0%	0.0%	0.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Private water supplies - non regulated supplies	Nationally Set	£118.00	£118.00	£118.00	£118.00	0.0%	0.0%	0.0%	
Communities & Housing	Protective Services (Environmental Health)	Scott McKenzie	Stray dog fee	Nationally Set	£25.00	£25.00	£25.00	£25.00	0.0%	0.0%	0.0%	
Place	Streetscene Services	Wallace Turpie/ David Mackay	Fly Tipping fine	Nationally Set	£200.00	£200.00	£200.00	£200.00	0.0%	0.0%	0.0%	
Place	Streetscene Services	Wallace Turpie/ David Mackay	Littering / Fly Posting fine	Nationally Set	£80.00	£80.00	£80.00	£80.00	0.0%	0.0%	0.0%	
Place	Streetscene Services	Wallace Turpie/ David Mackay	Dog Fouling fine	Nationally Set	£80.00	£80.00	£80.00	£80.00	0.0%	0.0%	0.0%	
Place	Streetscene Services	Wallace Turpie/ David Mackay	Abandoned vehicles minimum charge	Nationally Set	£150.00	£150.00	£150.00	£150.00	0.0%	0.0%	0.0%	
Place	Streetscene Services	Wallace Turpie/ David Mackay	Storage of vehicles until dismantled. Daily charge	Nationally Set	£20.00	£20.00	£20.00	£20.00	0.0%	0.0%	0.0%	
Place	Streetscene Services	Wallace Turpie/ David Mackay	Abandoned caravans / trailers minimum charge	Nationally Set	£500.00	£500.00	£500.00	£500.00	0.0%	0.0%	0.0%	
Place	Transport Services	Gordon Mitchell	MOT Class 4	Nationally Set	£54.85	£54.85	£54.85	£54.85	0.0%	0.0%	0.0%	
Place	Transport Services	Gordon Mitchell	MOT Class 5	Nationally Set	£59.55	£59.55	£59.55	£59.55	0.0%	0.0%	0.0%	
Place	Transport Services	Gordon Mitchell	MOT Class 7	Nationally Set	£58.60	£58.60	£58.60	£58.60	0.0%	0.0%	0.0%	
Place	Roads	Susan Macfadyen	NRSWA Public Utility Sample Inspections	Nationally Set	£36.00	£36.00	£36.00	£36.00	0.0%	0.0%	0.0%	

North Ayrshire Council General Services Revenue Budget 2024-25											
Summary by Directorate											
Subjective Analysis											
Directorate	Employee Costs £000	Property Costs £000	Supplies & Services £000	Transport & Plant Costs £000	Admin Costs £000	Other Agencies, Bodies & Persons £000	Transfer Payments £000	Other Expenditure £000	Capital Financing Costs £000	Income £000	TOTAL £000
Chief Executives	17,539	68	2,950	23	1,363	1,873	853	0	0	(4,456)	20,212
Communities & Housing	25,600	2,890	6,482	690	282	10,375	0	104	0	(31,546)	14,877
Education	142,026	1,108	25,318	99	168	7,861	580	0	71	(4,487)	172,745
Place	29,087	21,208	3,739	7,032	556	11,762	0	78	0	(19,749)	53,712
Other Corporate Items	1,895	355	10,793	302	2,202	4,859	34,074	556	(80)	(13,735)	41,223
Total Expenditure	216,147	25,629	49,283	8,146	4,571	36,730	35,507	739	(9)	(73,973)	302,769
Health & Social Care Partnership											124,499
Revised Total Expenditure	216,147	25,629	49,283	8,146	4,571	36,730	35,507	739	(9)	(73,973)	427,268

Funded by:

AEF	0	0	0	0	0	0	2,803	0	0	(359,390)	(356,587)
Council Tax	0	0	0	0	0	0	14,006	0	0	(79,688)	(65,681)
Contribution from Reserves	0	0	0	0	0	0	0	0	0	(5,000)	(5,000)
Total Funding	0	0	0	0	0	0	16,809	0	0	(444,078)	(427,268)

Objective Analysis	North Ayrshire Council General Services Revenue Budget 2024-25										
	Chief Executives										
	Subjective Analysis										
	Employee Costs £000	Property Costs £000	Supplies & Services £000	Transport Costs £000	Admin Costs £000	Other Agencies, Bodies & Persons £000	Transfer Payments £000	Other Expenditure £000	Capital Financing £000	Income £000	TOTAL £000
Chief Executive's Office	208	0	1	1	5	0	0	0	0	(56)	159
Change Programme	8	0	0	0	0	0	0	0	0	0	8
Audit,Fraud,Safety & Insurance	902	61	31	5	19	7	0	0	0	(306)	719
Corporate Procurement	1,037	0	11	1	8	107	0	0	0	(158)	1,006
Financial Services	1,478	0	165	1	29	2	0	0	0	(173)	1,500
Revenues	547	0	55	1	169	0	0	0	0	(1,359)	(587)
Employee Services	849	0	68	0	7	4	0	0	0	(38)	890
HR & OD	711	0	21	0	26	413	0	0	0	(56)	1,115
ICT	3,293	0	2,128	5	11	0	0	0	0	(239)	5,197
Business Support	1,383	0	6	0	2	0	0	0	0	(135)	1,256
Customer Services	2,825	0	247	2	48	1,093	853	0	0	(955)	4,112
Transformation Services	694	0	11	0	1	38	0	0	0	0	743
Legal & Licensing	1,212	0	32	5	38	0	0	0	0	(753)	534
Policy,Performance & Elections	581	0	20	1	10	7	0	0	0	(20)	599
Communications	492	0	8	1	4	0	0	0	0	(7)	498
Civil Contingencies	0	0	0	0	0	60	0	0	0	0	60
Committee Services	466	6	114	0	7	55	0	0	0	(125)	524
Member Services	300	0	31	0	975	88	0	0	0	(55)	1,340
Information Governance	553	0	2	0	4	0	0	0	0	(21)	538
Total	17,539	68	2,950	23	1,363	1,873	853	0	0	(4,456)	20,212

North Ayrshire Council General Services Revenue Budget 2024-25											
Communities & Housing											
Subjective Analysis											
Objective Analysis	Employee Costs £000	Property Costs £000	Supplies & Services £000	Transport Costs £000	Admin Costs £000	Other Agencies, Bodies & Persons £000	Transfer Payments £000	Other Expenditure £000	Capital Financing £000	Income £000	TOTAL £000
Connected Communities	6,441	264	712	25	77	5,362	0	0	0	(635)	12,245
Planning Services	824	0	101	4	21	30	0	0	0	(610)	370
Protective Services	2,861	112	102	21	16	148	0	0	0	(1,352)	1,908
Building Services	10,083	117	5,345	579	14	2,833	0	0	0	(21,515)	(2,543)
Property Governance	964	3	38	4	103	25	0	0	0	(1,142)	(7)
Other Housing	3,916	2,395	184	44	51	1,971	0	104	0	(5,762)	2,903
Works Scoping & Assurance	510	0	1	13	1	5	0	0	0	(530)	(0)
Total	25,600	2,890	6,482	690	282	10,375	0	104	0	(31,546)	14,877

North Ayrshire Council General Services Revenue Budget 2024-25											
Education											
Subjective Analysis											
Objective Analysis	Employee Costs	Property Costs	Supplies & Services	Transport Costs	Admin Costs	Other Agencies, Bodies & Persons	Transfer Payments	Other Expenditure	Capital Financing	Income	TOTAL
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Early Years Education	15,769	9	217	4	36	4,495	0	0	0	0	20,529
Primary Education	42,464	0	2,443	9	0	77	0	0	0	(55)	44,938
Secondary Education	44,785	0	15,715	8	0	0	0	0	0	(3)	60,505
Additional Support Needs	17,893	0	60	46	23	2,004	0	0	0	(267)	19,759
Education - Other	2,785	156	395	10	86	1,274	580	0	71	(1,264)	4,093
Pupil Equity Fund	4,172	0	0	0	0	0	0	0	0	0	4,172
Facilities Management	14,160	943	6,489	21	23	10	0	0	0	(2,898)	18,749
Total	142,026	1,108	25,318	99	168	7,861	580	0	71	(4,487)	172,745

North Ayrshire Council General Services Revenue Budget 2024-25											
Objective Analysis	Place										
	Subjective Analysis										
	Employee Costs	Property Costs	Supplies & Services	Transport Costs	Admin Costs	Other Agencies, Bodies & Persons	Transfer Payments	Other Expenditure	Capital Financing	Income	TOTAL
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Directorate & Support	221	0	2	0	7	0	0	0	0	(23)	207
Roads	4,834	28	2,290	31	79	977	0	0	0	(1,305)	6,933
Streetscene	7,627	160	381	197	21	168	0	0	0	(3,133)	5,420
Waste Resources	5,732	20	669	214	66	6,788	0	78	0	(4,413)	9,155
Economic Development	3,315	36	48	19	24	904	0	0	0	(320)	4,027
Growth & Investment	144	0	5	1	4	103	0	0	0	0	258
Property Management & Investment	4,730	13,362	216	52	338	81	0	0	0	(8,863)	9,916
Energy & Sustainability	447	7,574	4	1	6	218	0	0	0	(935)	7,314
Internal Transport	2,037	28	123	6,518	11	2,521	0	0	0	(757)	10,482
Total	29,087	21,208	3,739	7,032	556	11,762	0	78	0	(19,749)	53,712

Objective Analysis	North Ayrshire Council General Services Revenue Budget 2024-25										
	Other Corporate Items										
	Subjective Analysis										
	Employee Costs £000	Property Costs £000	Supplies & Services £000	Transport Costs £000	Admin Costs £000	Other Agencies, Bodies & Persons £000	Transfer Payments £000	Other Expenditure £000	Capital Financing £000	Income £000	TOTAL £000
Joint Boards	0	0	0	0	0	3,590	0	0	0	0	3,590
Pension Costs	1,895	0	0	0	0	0	0	0	0	0	1,895
Loan Charges & Capital Charges	0	0	0	0	0	0	0	0	(80)	22,809	22,729
Central Telephones	0	0	0	0	350	0	0	0	0	0	350
Other Corporate Items	0	0	10,793	0	1,588	0	0	356	0	0	12,737
Insurance	0	355	0	302	265	1,269	0	0	0	(2,191)	0
Housing Benefit	0	0	0	0	0	0	34,074	200	0	(34,353)	(78)
Total	1,895	355	10,793	302	2,202	4,859	34,074	556	(80)	(13,735)	41,223

NORTH AYRSHIRE COUNCIL

28 February 2024

North Ayrshire Council

Title: Capital Investment Programme 2024/25 to 2033/34

Purpose: To advise Council on the draft Capital Investment Programme to 2033/34

Recommendation: That Council :

- (a) approves the revised Capital Investment Programme to 2033/34 included in appendix 3;
- (b) notes that the programme will be reviewed on an on-going basis with the next major review in 2026/27; and
- (c) approves the refreshed Capital Investment Strategy included in appendix 4.

1. Executive Summary

1.1 This report outlines the recommendations of the full review of the capital investment programme which was undertaken during 2023/24.

1.2 The review considered the current Capital Investment Programme and takes cognisance of subsequent changes, including:

- The ongoing impact of construction industry inflation, cost volatility and supply chain issues across the overall Capital Investment Programme;
- Reductions in Scottish Government capital grants as detailed in the Local Government Finance Settlement 2024/25;
- A review of spending profiles across key capital projects to support the Council's priorities; and
- Revised levels of investment across projects, taking cognisance of Council priorities, external funding sources and investing in core assets through asset management plans.

1.3 The review included an assessment of all funding sources over the 10 years of the plan, including assumed levels of general capital grant, specific grants and a prudent assessment of the level of capital receipts over the period. Total available funding has been projected at £189.987m. The balance of funding required to deliver the capital programme will be met through prudential borrowing and this is anticipated at £216.472m.

1.4 The proposed Capital Investment Programme, aligned to the Council Plan priorities, is attached in Appendix 3 and will deliver a total programme of £406.459m to 2033/34.

- 1.5 Compliance with Regulations and the Prudential Code requires assurance to be provided on affordability and sustainability of the Capital Investment programme, this is provided in the Treasury Management and Investment Strategy (TMIS) which follows this report on the Council agenda. The TMIS recognises that this will require to be kept under review to ensure the underlying assumptions continue to apply.
- 1.6 The longer-term affordability of the current and future Capital Investment Programmes requires incremental increases the current General Fund financing budgets. A review of available General Fund financing budgets has been undertaken, with significant increases in revenue support recommended, as part of the General Services Revenue Estimates 2024/25 to 2026/27, to support the delivery of the draft Capital Investment Programme.
- 1.7 In addition to the TMIS, there is a requirement for the Council to publish a Capital Investment Strategy (CIS). As part of the review of the Capital Investment Programme, a review of the previous CIS has also been undertaken and a draft revised CIS is attached at Appendix 4.
- 1.8 The capital programme will continue to be reviewed on an on-going basis by Cabinet with any additional funding brought forward for approval as appropriate. Major reviews will be undertaken on a 3-year basis, with the next due to be completed during 2026/27.

2. Background

Capital Investment Programme 2024/25 to 2033/34

- 2.1 North Ayrshire Council approved the current Capital Investment Programme for the period 2023/24 to 2030/31 on 1 March 2023. A comprehensive review of the Programme was undertaken during 2023/24. This report contains the outcome of that review.

Review of Capital Funding

Scottish Government General Capital Grant

- 2.2 Local Government Finance Circular 8/2023 confirmed the level of General Capital Grant as £8.628m for 2024/25. This comprises a core General Capital element of £9.068m, which is a reduction of (£0.939m) from that previously anticipated, less a (£0.440m) reduction linked to the re-phasing of the Flooding Projects. In addition, the Scottish Government has indicated that North Ayrshire will receive an allocation of £0.100m during 2024/25 to support Coastal Change Adaptation. Projected at the core level of £9.068m to 2033/34, the total General Capital Grant for the period is forecast as £90.780m.

Scottish Government Specific Capital Grants

2.3 In addition to the General Capital Grant, the Council will receive two Specific Grants:

- £0.963m to tackle Vacant and Derelict Land with projects requiring Scottish Government approval; and
- £0.587m, to fund Cycling, Walking and Safer Streets (CWSS).

The Vacant and Derelict Land funding is a reduction of (£0.543m) from that received during 2023/24 and has only been confirmed for 2024/25. However, the CWSS funding has been projected at current levels to 2033/34.

2.4 A further Specific Grant allocation of £0.925m to support the Renewal of Play Parks programme has been confirmed outwith the Local Government Finance Settlement for the period 2024/25 to 2025/26.

2.5 In addition, the programme includes previous Specific Grant allocations in relation to a number of programmes which have been carried over into 2024/25 in line with revised project plans, including:

- £1.414m from the 2023/24 Vacant and Derelict Land allocation;
- £0.500m from the 2023/24 Islands Pit Stops; and
- £0.505m from the 2023/24 Place Based Investment Programme.

2.6 As a result, the total forecast Specific Grant income to 2033/34 is £9.214m.

Other Government Funding

2.7 The programme includes funding from the Scottish and UK Governments to support the Ayrshire Growth Deal. The total anticipated funding over the period is £57.265m. This has been aligned to the latest programme planning information.

2.8 The UK Government previously confirmed that North Ayrshire Council has been awarded £23.693m from the Levelling Up Fund to support the upgrading of the B714 to improve connectivity between North Ayrshire and the wider motorway network. £21.553m of this award is anticipated for receipt during financial years 2024/25 to 2025/26.

2.9 During 2024-25 the UK Government confirmed total funding of £0.253m to support the Digital SIP Great Harbour project. £0.128m of this is anticipated during 2024/25.

Other Internal Funds

2.10 The programme includes previously approved contributions from earmarked funds of £3.299m to support the Solar PV project and £5.595m to support the B714 Upgrade. However, these have been reduced by £4.000m to facilitate the transfer of the General Capital Grant support for the 2023/24 pay settlement to Revenue.

Capital Receipts

- 2.11 A review of projected income from capital receipts has been undertaken during 2023/24. This is forecast to realise income of £4.143m over the period of the programme in relation to the sale of other Council owned assets.

Other External Funding

- 2.12 In relation to additional grant funding from other external bodies, given the level of uncertainty around securing these funds, only those funds which have been confirmed, but not yet drawn down, have been included at this time. These include:

Funding Source	£m	Project
NAVT	0.800	Marine Tourism
NAVT	0.110	Repurposing Property Grant Fund
NAVT	0.101	Irvine Enterprise Area
Sustrans	0.036	AGD Great Harbour
	£1.047m	

Prudential Borrowing

- 2.13 The difference between the Council's Capital Investment Programme and funding from the above sources is met through prudential borrowing of £216.472m. The Capital Investment Programme will be delivered within the approved loan charges revenue budget, utilising the balances held in the Prudential Investment Fund and Capital Fund to smooth the revenue implications of the borrowing costs associated with the revised programme.

Development of the Capital Investment Programme to 2033/34

- 2.14 The approach to developing the draft Capital Investment Programme to 2033/34 included:

- A full review of the current programme to 2030/31;
- Identification of opportunities to reprioritise uncommitted projects;
- Review of the phasing of projects from a delivery and affordability perspective;
- Options appraisal of new requirements within the context of Council priorities;
- Consideration of lifecycle investment to protect core assets.

- 2.15 The current capital investment programme to 2030/31, as approved by Council on 1 March 2023, has been updated to reflect the changes to the Programme approved by Cabinet during 2023/24, including any re-phasing of programmes to reflect updated project plans.

Re-Profiling

- 2.16 A total of £33.336m of planned expenditure has been re-profiled from 2023/24 into 2024/25 to 2033/34 in line with updated project delivery timelines. Full details of individual projects re-phased from 2023/24 have been reported to Cabinet throughout the year.

2.17 In order to address the recommendations made within the Audit Scotland report on the audit of the 2022/23 annual accounts, the phasing of expenditure within the draft Capital Investment Programme has been reviewed to reflect historic expenditure patterns and organisational capacity. This has resulted in the rephasing of approximately 19% of the planned expenditure in both 2024/25 and 2025/26 for delivery in later years, without impacting on the overall value of investment within the programme. The actual levels of expenditure will be continually monitored and reported to Cabinet throughout the life of the programme.

Lifecycle Investment

2.18 Informed by the asset management plans, an additional £31.542m has been included in the Capital Investment Programme to ensure the Council continues to invest in its core assets and infrastructure. Many of these programmes include recurring annual investment which has been extended to include the period between the end of the current Capital Programme and 2033/34. These include:

- £11.400m for Roads investment to maintain a steady state road condition over the next ten years;
- £6.000m for the Vehicle Renewal programme;
- £4.200m for Property Lifecycle Investment to enable high priority cyclical and statutory investment to extend the life of the Council's core assets, ensuring that they remain fit for purpose and supporting delivery of core front line services;
- £3.612m for Schools ICT investment;
- £3.000m for Street Lighting replacement reflecting the age and condition of the lighting network;
- £1.680m for the Bridges infrastructure programme;
- £1.500m to support the Improvement Grants programme; and
- £0.150m for the Access Paths Network programme.

Additional Investments linked to Revised Funding

2.19 On 23 January 2024 Cabinet noted the provisional award of £37.4m for the Levelling up for Ayrshire – Commercial and Low Carbon Infrastructure project under round 3 of the UK Government's Levelling Up Fund (LUF). The bid centred around commercial estate development and associated low carbon infrastructure in Irvine and around Prestwick airport. However, all funding is currently provisional pending completion of the current validation and onboarding process. The Council requires to provide a minimum of 10% match funding to support all LUF bids and a provision for £2.000m of match funding has been included within the Capital Investment Programme.

2.20 Local Government Finance Circular 8/2023 confirmed the level of Cycling, Walking and Safer Streets specific grant for 2024/25 at £0.587m. Expenditure has been projected at this level for the full period of the Capital Investment Programme, resulting in additional investment of £1.768m to 2033/34. In addition, Vacant and Derelict Land specific grant for 2024/25 has been confirmed at £0.963m and has been reflected in additional investment at this level.

Additional / Revised Investments

- 2.21 In support of the Council's Sustainable North Ayrshire Strategy 2024-27, an additional investment of £5.430m in the decarbonisation of the Council's fleet is included. This investment will support the Council's Fleet Decarbonisation Route Map through the replacement of fossil fuelled vehicles with electric vehicles and more environmentally sustainable fleet solutions.
- 2.22 On 29 August 2023 Cabinet approved an additional investment of £5.000m to support the B714 Upgrade project. As previously noted, the UK Government confirmed an award of £23.693m from the Levelling Up Fund to support the upgrading of the B714 to improve connectivity between North Ayrshire and the wider motorway network. Following a review of the costs involved in the delivery of the project, together with appropriate value engineering, it was determined that an additional investment of £5.000m was required. The UK Government confirmed that no additional funding was being made available to support this project and Cabinet approved the additional investment, supported by funding from the Investment and Recovery & Renewal Funds, additional allocations from anticipated capital receipts not currently committed and the proposed utilisation of existing resources from within the existing programme.
- 2.23 Following completion of the initial tender process for Ardrossan North Shore, an additional investment of £3.914m is included to reflect the additional tender costs through inflationary related cost volatility and the requirement to maintain an appropriate level of contingency funding within the project.
- 2.24 An additional investment of £2.500m has been included to support the anticipated outcomes of the ongoing locality-based property review. This review is developing options around how the Council best utilises its property assets within a Best Value context, taking account of the needs of our communities, staff workstyles and climate impact. This investment provision will remain under review as the programme of work develops through 2024/25.
- 2.25 On 7 November 2023 Cabinet approved changes to the Home Ownership Made Easy (HOME) project with the site being transferred to the HRA for the provision of social housing. This has resulted in the withdrawal of investment from the current General Services Capital Investment Programme, including a (£1.033m) reduction in planned expenditure for 2024/25.
- 2.26 Recent years have witnessed periods of significant volatility across the construction industry linked to the ongoing legacy impacts of the Covid-19 pandemic, the influence of national economic developments and international externalities arising from global conflicts and their impacts on costs and supply chains. These volatilities have manifested locally through increased borrowing costs, inflationary pressures, limited availability of contractors, supply chain issues and material shortages which are impacting on tender returns and the cost of materials. Where the resultant cost pressures have been quantified, additional expenditure requirements have been identified in relation to specific projects. However, unquantified risks have also been identified, or are anticipated, across a number of other projects, including the Upper Garnock Flood Protection Scheme, Moorpark Primary School and Ardrossan Harbour Landside works. In order to support the management of these and other emerging risks, it is proposed that the £10.000m investment within the Flexibility budget over the next five years is maintained.

2.27 The current approved Capital Investment Programme to 2030/31 is attached at appendix 1. Full details of the proposed changes to the programme following the review, as outlined above, are included in appendix 2. The revised Capital Investment Programme covering the period from 2024/25 to 2033/34 is included in appendix 3. This will deliver a total programme of investment of £406.459m.

Future Affordability

2.28 The Prudential Investment Fund was created as part of the 2015/16 budget strategy to utilise short term underspends on General Fund financing budgets to offset longer term pressures to support Prudential Borrowing arising from the Capital Investment Programme.

2.29 Due to the significant investment planned by North Ayrshire Council over the period to 2033/34, set within the context of government grant forecasts and combined with the additional cost pressures identified across a number of projects, it is projected that these funds will be exhausted before the end of the current 10 year Capital Investment Programme. In order to ensure the affordability of current and future capital investments beyond this, it will be necessary to incrementally increase the current General Fund financing budgets over the period of the programme. Additional funding support to mitigate the significant cost increases and the increased cost of borrowing includes the use of the recurring element of the Service Concession flexibility, approved at Council on 15 February 2023, which resulted in an average contribution of £3.437m from 2022/23 and the utilisation of the balance of savings from the temporary reduction in the employers' superannuation contributions during 2024/25 and 2025/26.

2.30 In addition to the application of these non-recurring funds, it is necessary to include an indicative recurring pressure within the General Services Revenue Estimates 2024/25 to 2026/27. This includes an incremental contribution of £0.250m per annum from 2024/25, increasing to £0.450m from 2025/26 and £0.500m per annum from 2026/27. The impacts of inflationary pressures and interest rate fluctuations will continue to be monitored on an ongoing basis and the resultant increases in revenue contributions will be reviewed as part of the next major review of the capital programme, due to be undertaken during 2026/27.

Treasury Management and Investment Strategy (TMIS)

2.31 Compliance with Regulation and the Prudential Code requires assurance to be provided on affordability and sustainability of the Capital Investment Programme. This is provided in the Treasury Management and Investment Strategy (TMIS) which follows this report on the Council agenda. The TMIS recognises that this will require to be kept under review to ensure the underlying assumptions continue to apply.

Capital Investment Strategy

2.32 In addition to the TMIS there is also a requirement for the Council to publish a Capital Investment Strategy (CIS) which provides the overarching framework under which the draft Capital Investment Programme has been developed. The current CIS was approved by Council on 1 March 2023. During 2023/24 this has been refreshed with the revised CIS included at Appendix 4.

Conclusion

- 2.32 The draft Capital Investment Programme 2024/25 to 2033/34, including proposed funding, is attached at Appendix 3. This confirms total investment of £406.459m over the period. The proposed investment aligns with the Council's key priorities, as set out in the Council Plan 2023-2028, core asset management plans and the refreshed Capital Investment Strategy, included at Appendix 4.
- 2.33 The programme is affordable based on the estimated funding streams set out in the 2024/25 to 2026/27 Medium Term Financial Plan and from the mitigating actions noted earlier in this report to supplement the Loans Fund. These proposals have been developed within a very challenging financial landscape impacted by a combination of significant cost volatility across the Programme and an increased cost of borrowing. The affordability of the Programme is also highlighted within the Treasury Management and Investment Strategy, reported elsewhere on the agenda, and this will be monitored on an ongoing basis. A further, full assessment of the Programme's affordability will be undertaken as part of the next major review of the capital programme due for completion during 2026/27.

3. Proposals

- 3.1 It is proposed that Council :
- (a) approves the draft Capital Investment Programme 2024/25 to 2033/34 included in appendix 3;
 - (b) notes that the programme will be reviewed on an on-going basis with the next major review in 2026/27; and
 - (c) approves the refreshed Capital Investment Strategy included in appendix 4.

4. Implications/Socio-economic Duty

Financial

- 4.1 The revised capital programme is based on a number of assumptions around the availability of finance including capital grant and capital receipts. Given the forward projection for 10 years, it is essential that these and the cost of projects are kept under review.

There are a number of assumptions underpinning the current revenue projection including; the level of loans fund support, the level of future interest rates, delivery of the programme within the timelines outlined in the programme and application of the Capital Fund and the Prudential Investment Fund to smooth the revenue implications across the life of the plan.

Due to the long-term nature of the borrowing required to support this programme, a review of available financing budgets has been undertaken with a view to increasing the available funding and maintaining the future affordability of the Programme.

Human Resources

4.2 Through investment in the Capital Investment Programme, it is anticipated there will be additional staffing requirements. This will be considered on a project basis.

Legal

4.3 None.

Equality/Socio-economic

4.4 Where the Council is making decisions in relation to its spending priorities, it is obliged to comply with the public sector equality duty set out in the Equalities Act 2010. To meet this requirement, the Council assesses the impact of applying a decision against key groups to ensure that certain groups are not disadvantaged by those decisions. A number of the projects within the revised capital programme, will make a positive contribution to the Council's commitment to equalities.

Environmental and Sustainability

4.5 All projects within the revised plan will be delivered to minimise the impact on the environment and maximise sustainability. Further, specific projects within the plan will have a positive environmental impact.

Key Priorities

4.6 The refreshed Capital Investment Programme 2024/25 to 2033/34 supports the delivery of the outcomes as outlined in the Council Plan 2023-2028 by focusing our investment on priorities, managing risk and supporting the delivery of key priorities.

Community Wealth Building

4.7 The Council will aim to maximise opportunities within the context of the 5 pillars of Community Wealth Building from its investment programme. In particular, Ayrshire Growth Deal and growth and investment projects will make a positive contribution to economic regeneration across the region.

5. Consultation

5.1 Executive Directors have been consulted as part of the review the current capital investment programme and the identification of the proposed revisions and additions to the programme detailed in this report.

Mark Boyd
Head of Service (Finance)

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

Background Papers

Capital Investment Programme 2023/24 to 2030/31 – North Ayrshire Council 1 March 2023

North Ayrshire Council Approved Capital Programme 2024/25 - 2030/31 (Base)								
Project Description	Revised 24/25 £	Revised 25/26 £	Revised 26/27 £	Revised 27/28 £	Revised 28/29 £	Revised 29/30 £	Revised 30/31 £	Total £
EXPENDITURE								
Place								
Roads Improvement / Reconstruction	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	26,600,000
Lighting	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	7,000,000
Millport Coastal FPS	20,035,000							20,035,000
Millport Pier	349,920							349,920
Millburn FPS	1,109,982							1,109,982
Bridges infrastructure programme	954,564	560,000	560,000	560,000	560,000	560,000	460,000	4,214,564
B714 Improvements	8,000,000	16,351,443						24,351,443
Property lifecycle investment	1,000,000	1,000,000	1,000,000	1,100,000	1,000,000	1,000,000	1,000,000	7,100,000
HOME	1,033,021							1,033,021
Cemetery extns, walls & infra	300,000	268,162	23,042					591,204
Cmty, Kilbirnie - Works	200,000							200,000
Cmty, Ardrossan - Extension	300,000							300,000
Renewal of Play Parks	347,000	578,000						925,000
Vehicles	1,022,023	2,000,000	2,977,977	2,000,000	2,000,000	2,000,000	2,000,000	14,000,000
Montgomerie Park Masterplan		50,000	100,000	600,000	350,000	490,000	500,000	2,090,000
Cycling / Walker / Safer Streets	586,000	586,000	586,000	586,000	586,000	586,000	586,000	4,102,000
Access Paths Network Programme	50,000	50,000	50,000	50,000	50,000	50,000	50,000	350,000
Growth & Investment								
Ayrshire Growth Deal:								
AGD - i3 DPMC Phase 1	394,551							394,551
AGD - i3 DPMC Phase 2	400,000	2,000,000	2,150,030					4,550,030
AGD - i3 Flexible Business Space Phase 1	978,000	2,419,000	7,591,500	411,818				11,400,318
AGD - Hunterston - Centre for Low Carbon Energy & Circular Economy	335,000	335,000	4,196,000	4,196,000	4,196,000	4,195,881		17,453,881
AGD - Great Harbour	4,025,000	4,188,000	2,335,000	2,221,000	86,000	88,474		12,943,474
AGD - IMSE		250,000	273,740	3,200,000	3,250,000	3,250,000		10,223,740
AGD Marine Tourism - Ardrossan	512,000	4,500,000	1,689,621					6,701,621
AGD Marine Tourism - Arran	30,000	40,000	150,000	1,600,000	104,611			1,924,611
AGD Marine Tourism - Cumbræ	50,000	150,000	1,600,000	96,750				1,896,750
Ardrossan Harbour & Landside	1,793,701	1,793,702						3,587,403
Irvine Enterprise Area	103,079							103,079
Ardrossan North Shore	10,912,238	1,694,804						12,607,042
Sub Total	59,621,079	43,614,111	30,082,910	21,421,568	16,982,611	17,020,355	9,396,000	198,138,634
Communities								
Montgomerie Park School	15,413,953							15,413,953
Universal Free School Meals Expansion	122,420	1,538,830	2,090,270	1,944,294	333,087	3,067,241		9,096,142
Schools ICT Investment	752,000	752,000	752,000	752,000	752,000	752,000	752,000	5,264,000
Ardrossan New Build	15,183,238	19,000,185	35,238,359	4,600,000				74,021,782
Sub Total	31,471,611	21,291,015	38,080,629	7,296,294	1,085,087	3,819,241	752,000	103,795,877

North Ayrshire Council Approved Capital Programme 2024/25 - 2030/31 (Base)								
Project Description	Revised 24/25 £	Revised 25/26 £	Revised 26/27 £	Revised 27/28 £	Revised 28/29 £	Revised 29/30 £	Revised 30/31 £	Total £
Chief Executive								
ICT Investment Fund	382,400	376,600	702,600	297,600	282,600	282,600	297,600	2,622,000
WAN				500,000				500,000
LAN/WiFi				1,500,000				1,500,000
Telephony				650,000				650,000
Sub Total	382,400	376,600	702,600	2,947,600	282,600	282,600	297,600	5,272,000
Health & Social Care Partnership								
Community Alarms - Analogue to Digital	333,000							333,000
Improvement grants	500,000	500,000	500,000	500,000	500,000	500,000	500,000	3,500,000
Sub Total	833,000	500,000	500,000	500,000	500,000	500,000	500,000	3,833,000
Other								
Flexibility / Infrastructure Fund		7,000,000	100,000					7,100,000
Sub Total		7,000,000	100,000					7,100,000
TOTAL EXPENDITURE	92,308,090	72,781,726	69,466,139	32,165,462	18,850,298	21,622,196	10,945,600	318,139,511
INCOME								
Prudential Borrowing	68,762,811	33,183,283	50,474,139	13,173,462	1,218,552	(7,035,058)	352,600	160,129,789
Specific Grants - AGD	4,839,000	8,399,000	8,399,000	8,399,000	7,038,746	18,064,254		55,139,000
Specific Grants - Cycling, Walking & Safer Streets	586,000	586,000	586,000	586,000	586,000	586,000	586,000	4,102,000
Specific Grants - B714 Improvements	5,630,000	16,351,443						21,981,443
Specific Grants - Renewal of Play Parks	347,000	578,000						925,000
General Capital Grant	10,007,000	10,007,000	10,007,000	10,007,000	10,007,000	10,007,000	10,007,000	70,049,000
Recovery & Renewal	1,235,180							1,235,180
Grants & Contributions	901,099							901,099
Sale of land & buildings		3,677,000						3,677,000
TOTAL INCOME	92,308,090	72,781,726	69,466,139	32,165,462	18,850,298	21,622,196	10,945,600	318,139,511

North Ayrshire Council Capital Programme 2024/25 - 2033/34 - Revisions											
Project Description	Changes 24/25 £	Changes 25/26 £	Changes 26/27 £	Changes 27/28 £	Changes 28/29 £	Changes 29/30 £	Changes 30/31 £	Changes 31/32 £	Changes 32/33 £	Changes 33/34 £	Total £
EXPENDITURE											
Place											
Roads Improvement / Reconstruction								3,800,000	3,800,000	3,800,000	11,400,000
Traffic Calming	82,953										82,953
Lighting								1,000,000	1,000,000	1,000,000	3,000,000
Upper Garnock FPS	467,828										467,828
Millport Pier	(329,920)	154,960	134,960								(40,000)
Millburn FPS	343,547										343,547
Coastal Adaptations	99,727										99,727
Bridges infrastructure programme	(100,000)						100,000	560,000	560,000	560,000	1,680,000
Largs Promenade Seawall	50,000	50,000									100,000
B714 Improvements	(5,435,000)	(1,574,749)	12,211,695								5,201,946
Property lifecycle investment	51,160	400,000	600,000					1,000,000	1,000,000	1,000,000	4,051,160
Locality Based Property Review		1,000,000	1,500,000								2,500,000
HOME	(1,033,021)										(1,033,021)
Cemetery extns, walls & infra	(229,285)	(63,365)	122,560	11,521							(158,569)
Cmty, Kilbirnie - Works	(200,000)										(200,000)
Cmty, Ardrossan - Extension		450,000									600,000
Cmty, Kilbirnie - Walls	36,071	36,072									72,143
Cmty, Beith - Walls	51,416	51,417									102,833
Cmty, Abbey Tower - Walls	44,469	44,469									88,938
Cmty, Stev Hawkhill - Walls	51,196	51,196									102,392
Cmty, West Kilbride - Walls	47,282	47,282									94,564
Cmty, Kilbirnie - New	288,916	288,917									577,833
Goldcraigs Refurbishment	608,438	132,562									741,000
Vehicles	(2,023)		2,023						2,000,000	2,000,000	6,000,000
Fleet Decarbonisation	2,320,000	1,660,000	1,950,000								5,930,000
Shewalton landfill				48,949							48,949
Solar PV Investment - Nethermains	260,720	260,721									521,441
Solar PV Investment - Shewalton	1,825,377	1,825,377									3,650,754
Repurposing Property Grant Fund	250,000										250,000
Islands Pit Stops	500,000										500,000
Place Based Investment Programme	350,000										350,000
Digital - SIPP Great Harbour	127,882										127,882
PBIP 36 Bank Street	50,000										50,000
PBIP Galt House	25,000										25,000
Montgomerie Park Masterplan	137,500	112,500	(25,000)	50,000							275,000
VDLF - 2024/25 allocation	963,000										963,000
VDLF - Irvine Kyle Road Phase 2	1,087,018										1,087,018
VDLF - Development Work	119,012										119,012
VDLF - Tree Planting	47,600										47,600
VDLF Stalled Spaces Fund	100,000										100,000
Cycling / Walker / Safer Streets	1,000	1,000	1,000	1,000	1,000	1,000	1,000	587,000	587,000	587,000	1,768,000
Access Paths Network Programme	445,000							50,000	50,000	50,000	595,000

North Ayrshire Council											
Capital Programme 2024/25 - 2033/34 - Revisions											
Project Description	Changes 24/25 £	Changes 25/26 £	Changes 26/27 £	Changes 27/28 £	Changes 28/29 £	Changes 29/30 £	Changes 30/31 £	Changes 31/32 £	Changes 32/33 £	Changes 33/34 £	Total £
Growth & Investment											
Ayrshire Growth Deal:											
AGD - i3 DPMC Phase 1	5,898	300,000									305,898
AGD - i3 DPMC Phase 2	(300,449)	(1,750,000)	(693,169)	2,908,275							164,657
AGD - i3 Flexible Business Space Phase 1	1,047,920	(2,419,000)	(7,591,500)	(411,818)							(9,374,398)
AGD - i3 Flexible Business Space Phase 2	600,000	4,900,000	4,900,000	148,000	352,000						10,900,000
AGD - Hunterston - Centre for Low Carbon Energy & Circular Economy	333,892										333,891
AGD - Great Harbour	(2,737,647)	(1,881,436)	516,490	2,552,566	1,804,928	(31,909)					222,992
AGD - IMSE	445,000					(352,253)					92,747
AGD Marine Tourism - Ardrossan	(512,000)	(4,500,000)	(1,689,621)	2,000,000	2,500,000	224,285					(1,977,336)
AGD Marine Tourism - Arran	10,482					(37,837)					(27,355)
AGD Marine Tourism - Cumbræ	175,000	775,000	600,000	899,504							2,449,504
Ardrossan Harbour & Landside	(914,222)	(17,372)	896,851								(34,743)
Irvine Enterprise Area	(51,540)	51,540									
Ardrossan North Shore	18,500,543	35,500									18,536,043
Sub Total	20,255,740	422,591	13,436,289	8,207,997	4,620,091	(158,878)	101,000	8,997,000	8,997,000	8,997,000	73,875,830
Communities											
Montgomerie Park School	(2,364,552)										(2,364,552)
Universal Free School Meals Expansion	392,425	(327,021)	(544,010)	1,136,848	(913)	(137,500)					519,829
Schools ICT Investment	451,908	451,908	451,908					752,000	752,000	752,000	3,611,724
Ardrossan New Build	(8,080,621)	1,371,270	(4,559,147)	17,410,374							6,141,876
Sub Total	(9,600,840)	1,496,157	(4,651,249)	18,547,222	(913)	(137,500)		752,000	752,000	752,000	7,908,877
Chief Executive											
ICT Investment Fund	(158,700)	52,900	(145,500)	351,300							100,000
Telephony	115,000	115,000									230,000
Sub Total	(43,700)	167,900	(145,500)	351,300							330,000
Health & Social Care Partnership											
Community Alarms - Analogue to Digital	(264,024)	68,977									(195,047)
Improvement grants								500,000	500,000	500,000	1,500,000
Sub Total	(264,024)	68,977						500,000	500,000	500,000	1,304,953
Other											
Flexibility / Infrastructure Fund		(7,000,000)	3,223,000	3,521,036	3,155,964						2,900,000
Core Infrastructure, property and Vehicles Renewal Investment	2,000,000										2,000,000
Sub Total	2,000,000	(7,000,000)	3,223,000	3,521,036	3,155,964						4,900,000
TOTAL EXPENDITURE	12,347,176	(4,844,375)	11,862,540	30,627,555	7,775,142	(296,378)	101,000	10,249,000	10,249,000	10,249,000	88,319,660

North Ayrshire Council Capital Programme 2024/25 - 2033/34 - Revisions											
Project Description	Changes 24/25 £	Changes 25/26 £	Changes 26/27 £	Changes 27/28 £	Changes 28/29 £	Changes 29/30 £	Changes 30/31 £	Changes 31/32 £	Changes 32/33 £	Changes 33/34 £	Total £
	Changes 24/25 £	Changes 25/26 £	Changes 26/27 £	Changes 27/28 £	Changes 28/29 £	Changes 29/30 £	Changes 30/31 £	Changes 31/32 £	Changes 32/33 £	Changes 33/34 £	Total £
INCOME											
Prudential Borrowing	9,537,439	(3,597,408)	5,359,081	22,110,062	7,534,232	12,703,178	914,000	594,000	594,000	594,000	56,342,584
Specific Grants - AGD	(1,435,109)	(1,743,415)	6,731,279	9,455,493	1,178,910	(12,061,556)					2,125,602
Specific Grants - Cycling, Walking & Safer Streets	1,000	1,000	1,000	1,000	1,000	1,000	1,000	587,000	587,000	587,000	1,768,000
Specific Grants - Vacant & Derelict Funding	2,376,630										2,376,630
Specific Grants - Islands Pit Stop	500,000										500,000
Specific Grants - Place Based Investment Programme	505,000										505,000
Specific Grants - B714 Improvements	(428,054)										(428,054)
Specific Grants - Digital - SIPP Great Harbour	127,882										127,882
General Capital Grant - Flooding	(440,000)	440,000									
General Capital Grant	(839,273)	(939,000)	(939,000)	(939,000)	(939,000)	(939,000)	(939,000)	9,068,000	9,068,000	9,068,000	20,730,727
Capital Fund	885,000										885,000
Recovery & Renewal	1,359,673	703,707	710,180								2,773,560
Grants & Contributions	96,988	49,560									146,548
Sale of land & buildings	100,000	241,181						125,000			466,181
TOTAL INCOME	12,347,176	(4,844,375)	11,862,540	30,627,555	7,775,142	(296,378)	101,000	10,249,000	10,249,000	10,249,000	88,319,660

North Ayrshire Council Revised Capital Programme 2024/25 - 2033/34											
Project Description	Revised 24/25 £	Revised 25/26 £	Revised 26/27 £	Revised 27/28 £	Revised 28/29 £	Revised 29/30 £	Revised 30/31 £	Revised 31/32 £	Revised 32/33 £	Revised 33/34 £	Total £
EXPENDITURE											
Place											
Roads Improvement / Reconstruction	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	3,800,000	38,000,000
Traffic Calming	82,953										82,953
Lighting	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	10,000,000
Upper Garnock FPS	467,828										467,828
Millport Coastal FPS	20,035,000										20,035,000
Millport Pier	20,000	154,960	134,960								309,920
Millburn FPS	1,453,529										1,453,529
Coastal Adaptations	99,727										99,727
Bridges infrastructure programme	854,564	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000	5,894,564
Largs Promenade Seawall	50,000	50,000									100,000
B714 Improvements	2,565,000	14,776,694	12,211,695								29,553,389
Property lifecycle investment	1,051,160	1,400,000	1,600,000	1,100,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	11,151,160
Locality Based Property Review		1,000,000	1,500,000								2,500,000
Cemetery extns, walls & infra	70,715	204,797	145,602	11,521							432,635
Cmty, Ardrossan - Extension	450,000	450,000									900,000
Cmty, Kilbirnie - Walls	36,071	36,072									72,143
Cmty, Beith - Walls	51,416	51,417									102,833
Cmty, Abbey Tower - Walls	44,469	44,469									88,938
Cmty, Stev Hawkhill - Walls	51,196	51,196									102,392
Cmty, West Kilbride - Walls	47,282	47,282									94,564
Cmty, Kilbirnie - New	288,916	288,917									577,833
Goldcraigs Refurbishment	608,438	132,562									741,000
Renewal of Play Parks	347,000	578,000									925,000
Vehicles	1,020,000	2,000,000	2,980,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	20,000,000
Fleet Decarbonisation	2,320,000	1,660,000	1,950,000								5,930,000
Shewalton landfill				48,949							48,949
Solar PV Investment - Nethermains	260,720	260,721									521,441
Solar PV Investment - Shewalton	1,825,377	1,825,377									3,650,754
Repurposing Property Grant Fund	250,000										250,000
Islands Pit Stops	500,000										500,000
Place Based Investment Programme	350,000										350,000
Digital - SIPP Great Harbour	127,882										127,882
PBIP 36 Bank Street	50,000										50,000
PBIP Galt House	25,000										25,000
Montgomerie Park Masterplan	137,500	162,500	75,000	650,000	350,000	490,000	500,000				2,365,000
VDLF - 2024/25 allocation	963,000										963,000
VDLF - Irvine Kyle Road Phase 2	1,087,018										1,087,018
VDLF - Development Work	119,012										119,012
VDLF - Tree Planting	47,600										47,600
VDLF Stalled Spaces Fund	100,000										100,000
Cycling / Walker / Safer Streets	587,000	587,000	587,000	587,000	587,000	587,000	587,000	587,000	587,000	587,000	5,870,000
Access Paths Network Programme	495,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	945,000

North Ayrshire Council Revised Capital Programme 2024/25 - 2033/34											
Project Description	Revised 24/25 £	Revised 25/26 £	Revised 26/27 £	Revised 27/28 £	Revised 28/29 £	Revised 29/30 £	Revised 30/31 £	Revised 31/32 £	Revised 32/33 £	Revised 33/34 £	Total £
Growth & Investment											
Ayrshire Growth Deal:											
AGD - i3 DPMC Phase 1	400,449	300,000									700,449
AGD - i3 DPMC Phase 2	99,551	250,000	1,456,861	2,908,275							4,714,687
AGD - i3 Flexible Business Space Phase 1	2,025,920										2,025,920
AGD - i3 Flexible Business Space Phase 2	600,000	4,900,000	4,900,000	148,000	352,000						10,900,000
AGD - Hunterston - Centre for Low Carbon Energy & Circular Economy	668,892	335,000	4,196,000	4,196,000	4,196,000	4,195,880					17,787,772
AGD - Great Harbour	1,287,353	2,306,564	2,851,490	4,773,566	1,890,928	56,565					13,166,466
AGD - IMSE	445,000	250,000	273,740	3,200,000	3,250,000	2,897,747					10,316,487
AGD Marine Tourism - Ardrossan				2,000,000	2,500,000	224,285					4,724,285
AGD Marine Tourism - Arran	40,482	40,000	150,000	1,600,000	66,774						1,897,256
AGD Marine Tourism - Cumbrae	225,000	925,000	2,200,000	996,254							4,346,254
Ardrossan Harbour & Landside	879,479	1,776,330	896,851								3,552,660
Irvine Enterprise Area	51,539	51,540									103,079
Ardrossan North Shore	29,412,781	1,730,304									31,143,085
Sub Total	79,876,819	44,036,702	43,519,199	29,629,565	21,602,702	16,861,477	9,497,000	8,997,000	8,997,000	8,997,000	272,014,464
Communities											
Montgomerie Park School	13,049,401										13,049,401
Universal Free School Meals Expansion	514,845	1,211,809	1,546,260	3,081,142	332,174	2,929,741					9,615,971
Schools ICT Investment	1,203,908	1,203,908	1,203,908	752,000	752,000	752,000	752,000	752,000	752,000	752,000	8,875,724
Ardrossan New Build	7,102,617	20,371,455	30,679,212	22,010,374							80,163,658
Sub Total	21,870,771	22,787,172	33,429,380	25,843,516	1,084,174	3,681,741	752,000	752,000	752,000	752,000	111,704,754
Chief Executive											
ICT Investment Fund	223,700	429,500	557,100	648,900	282,600	282,600	297,600				2,722,000
WAN				500,000							500,000
LAN/WiFi				1,500,000							1,500,000
Telephony	115,000	115,000		650,000							880,000
Sub Total	338,700	544,500	557,100	3,298,900	282,600	282,600	297,600				5,602,000
Health & Social Care Partnership											
Community Alarms - Analogue to Digital	68,976	68,977									137,953
Improvement grants	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	5,000,000
Sub Total	568,976	568,977	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	5,137,953
Other											
Flexibility / Infrastructure Fund			3,323,000	3,521,036	3,155,964						10,000,000
Core Infrastructure, property and Vehicles Renewal Investment	2,000,000										2,000,000
Sub Total	2,000,000		3,323,000	3,521,036	3,155,964						12,000,000
TOTAL EXPENDITURE	104,655,266	67,937,351	81,328,679	62,793,017	26,625,440	21,325,818	11,046,600	10,249,000	10,249,000	10,249,000	406,459,171

North Ayrshire Council Revised Capital Programme 2024/25 - 2033/34											
Project Description	Revised 24/25 £	Revised 25/26 £	Revised 26/27 £	Revised 27/28 £	Revised 28/29 £	Revised 29/30 £	Revised 30/31 £	Revised 31/32 £	Revised 32/33 £	Revised 33/34 £	Total £
	Revised 24/25 £	Revised 25/26 £	Revised 26/27 £	Revised 27/28 £	Revised 28/29 £	Revised 29/30 £	Revised 30/31 £	Revised 31/32 £	Revised 32/33 £	Revised 33/34 £	Total £
INCOME											
Prudential Borrowing	78,300,250	29,585,875	55,833,220	35,283,524	8,752,784	5,668,120	1,266,600	594,000	594,000	594,000	216,472,373
Specific Grants - AGD	3,403,891	6,655,585	15,130,279	17,854,493	8,217,656	6,002,698					57,264,602
Specific Grants - Cycling, Walking & Safer Streets	587,000	587,000	587,000	587,000	587,000	587,000	587,000	587,000	587,000	587,000	5,870,000
Specific Grants - Vacant & Derelict Funding	2,376,630										2,376,630
Specific Grants - Islands Pit Stop	500,000										500,000
Specific Grants - Place Based Investment Programme	505,000										505,000
Specific Grants - B714 Improvements	5,201,946	16,351,443									21,553,389
Specific Grants - Digital - SIPP Great Harbour	127,882										127,882
Specific Grants - Renewal of Play Parks	347,000	578,000									925,000
General Capital Grant - Flooding	(440,000)	440,000									
General Capital Grant	9,167,727	9,068,000	9,068,000	9,068,000	9,068,000	9,068,000	9,068,000	9,068,000	9,068,000	9,068,000	90,779,727
Capital Fund	885,000										885,000
Recovery & Renewal	2,594,853	703,707	710,180								4,008,740
Grants & Contributions	998,087	49,560									1,047,647
Sale of land & buildings	100,000	3,918,181					125,000				4,143,181
TOTAL INCOME	104,655,266	67,937,351	81,328,679	62,793,017	26,625,440	21,325,818	11,046,600	10,249,000	10,249,000	10,249,000	406,459,171



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath



Capital Investment Strategy 2024-34



Introduction

The Capital Investment Strategy for North Ayrshire Council provides an overview of how capital expenditure plans, capital financing and treasury management activity contribute to the infrastructure and provision of services for the benefit of North Ayrshire communities and citizens. This refreshed strategy takes a long-term view and covers the period from 2024 to 2034. This is aligned to the Capital Investment Programme.

The Capital Investment Strategy is a reporting requirement of the CIPFA Prudential Code. Local authorities produce many plans and strategies in the course of their operations. However, it is recognised that within the context of capital planning, there is a need to produce an overarching view that addresses the following key considerations: -

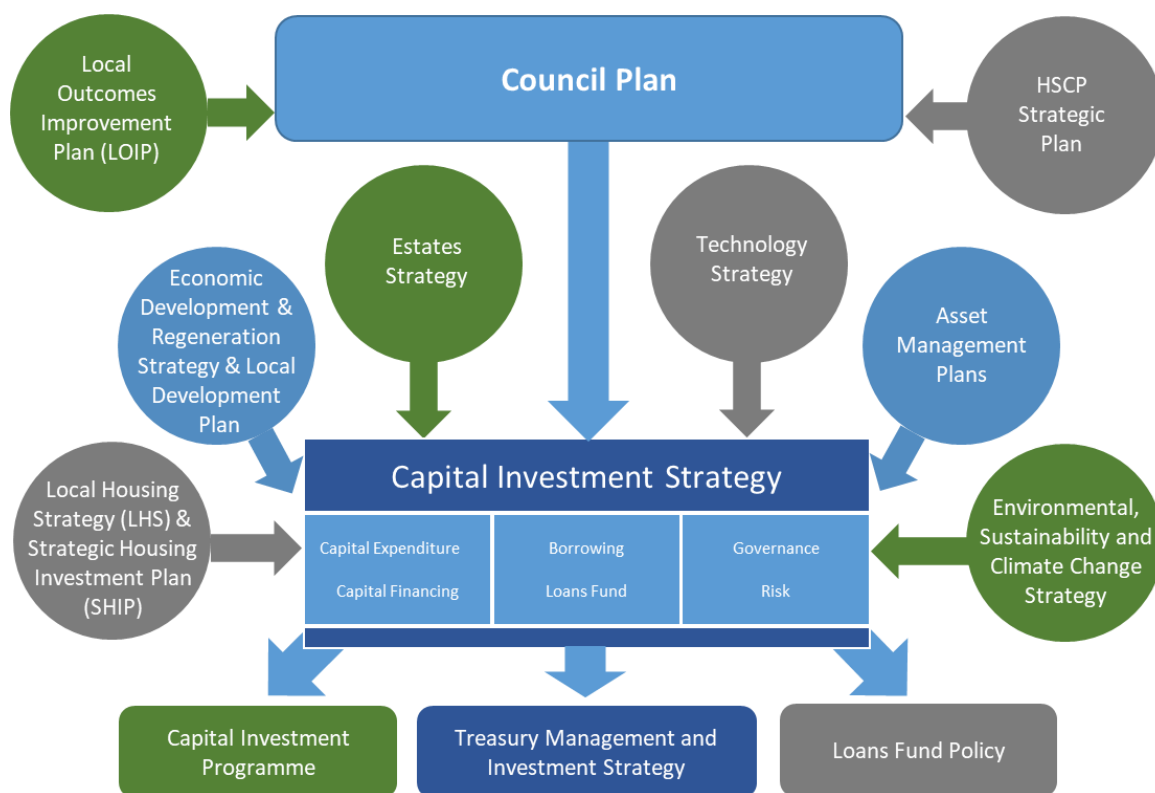
- Ensuring that capital plans are aligned to the strategic priorities as set out in the Council Plan.
- Ensuring that capital plans are affordable, prudent and sustainable.
- Demonstrating the linkage to local strategic planning and local asset management planning.
- Ensuring that financing decisions are taken in accordance with good professional practice and a full understanding of the risks involved.
- Demonstrating the Council has robust governance arrangements to support its capital planning activities

Background

North Ayrshire Council has ambitious plans to deliver significant capital investment over the planning period across housing, schools, economic development and infrastructure. Working in partnership with East Ayrshire, South Ayrshire, the UK and Scottish Government, the Ayrshire Growth deal will see the regeneration of the region through investment in strategic infrastructure across various sectors, including life sciences, tourism, manufacturing and aerospace.

Throughout 2023/24 the wider construction industry has reported significant, ongoing inflationary pressures linked to a number of factors, including additional costs as an ongoing consequence of the Covid-19 pandemic; upward pressure on input costs linked to international externalities such as ongoing global conflicts and its impact on global supply chains; material and labour shortages; and increased demand linked to reduced contractor availability. This has resulted in the identification of increased cost risks in relation to a number of our investment priorities.

The Capital Investment Strategy takes account of the Council's strategic priorities and considers any new investment within the context of outcomes, affordability or invest to save. Decisions made over the course of the programme for capital and treasury management will have financial consequences for the Council for many years in the future. There is also recognition of the need to balance investment between maintaining current assets and infrastructure against the ambitions for acquiring new assets. North Ayrshire Council's Capital Investment Programme is shaped and influenced by various associated strategies and plans.



The primary purpose of the Capital Investment Strategy is to provide an overarching view of how various plans and strategies inform capital investment and to demonstrate that this is both affordable and sustainable. The associated plans and strategies each focus on specific priority areas and, through appropriate governance structures, ultimately shape and influence the investment plans delivered through the Capital Investment Programme. Underpinning the Capital Investment Programme is the Treasury Management and Investment Strategy and Loans Fund Policy. Both ultimately consider the delivery of the capital programme within the context of affordability and risk and apply a measurement of what this means against key prudential and treasury indicators. The aim being to demonstrate affordability and sustainability over the long term.

Plans and Strategies

Council Plan 2023-2028

The mission for North Ayrshire Council is ***“Working together to improve the lives of our people in North Ayrshire.”*** To deliver on this mission 4 key strategic priorities, outlined below, have been developed to direct plans now and into the future.



Through appropriate governance frameworks all capital investment must demonstrate that it is aligned to the Council’s strategic themes, with particular focus and priority given to capital investment opportunities that meet multiple strategic priorities.

Community Planning Partnerships and Local Outcomes Improvement Plan

The North Ayrshire Community Planning Partnership is a partnership across a wide range of organisations. The **Local Outcomes Improvement Plan (LOIP) 2022 – 2030** provides a commitment by all partners to North Ayrshire communities and citizens across three main priority areas:



The Community Planning Partnership consists of 6 Locality Partnerships across North Ayrshire. Key to the success of the LOIP is working in partnership with a number of agencies to deliver better outcomes for citizens and communities. The partnership includes Scottish Government, Police Scotland, NHS Ayrshire and Arran, Skills Development Scotland, KA Leisure, Scottish Fire and Rescue and Scottish Enterprise. Through the Local Development Plan, one of the strategic policies is to deliver on local community priorities. Each Locality Partnership has agreed their own local priorities. The following diagram illustrates the links between the locality priorities and those in the LOIP:

WELLBEING



- Improving our mental health and wellbeing
- Improving access to financial services
- Increasing social inclusion
- Addressing social isolation
- Improving community wellbeing
- Improving access to facilities and amenities/regenerating community facilities
- Affordable housing

WORK



- Alleviating poverty and promoting equality of access to opportunities
- Supporting skills and work opportunities
- Promoting the local economy and tourism
- Work and local community

WORLD



- Improving our local environment
- Championing green health and the natural environment
- Moving around
- Transport
- Increasing civic pride and community engagement

This framework of community engagement and structured partnership working is vital when planning capital investment. More importantly, that local priorities are considered as part of any strategic planning framework.

Health and Social Care Partnership Strategic Commissioning Plan 2022-2030

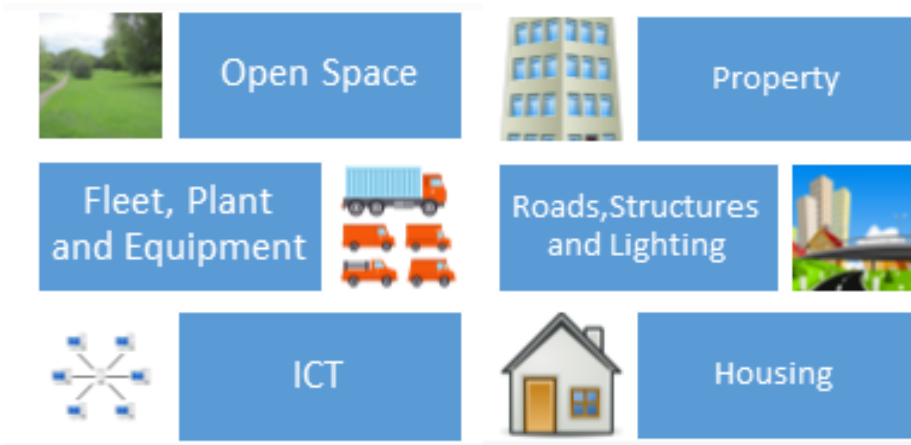
The North Ayrshire Health & Social Care Strategic Plan 2022-2030 was developed through engagement and collaboration with local people, service users, members of staff and other key stakeholders. It sets out our long-term ambitions for improving the health and wellbeing of everyone who lives in North Ayrshire.

The 2022-2030 plan continues the existing vision that **“all people who live in North Ayrshire are able to have a safe, healthy and active life”** and to achieve this the HSCP focuses on key priorities:



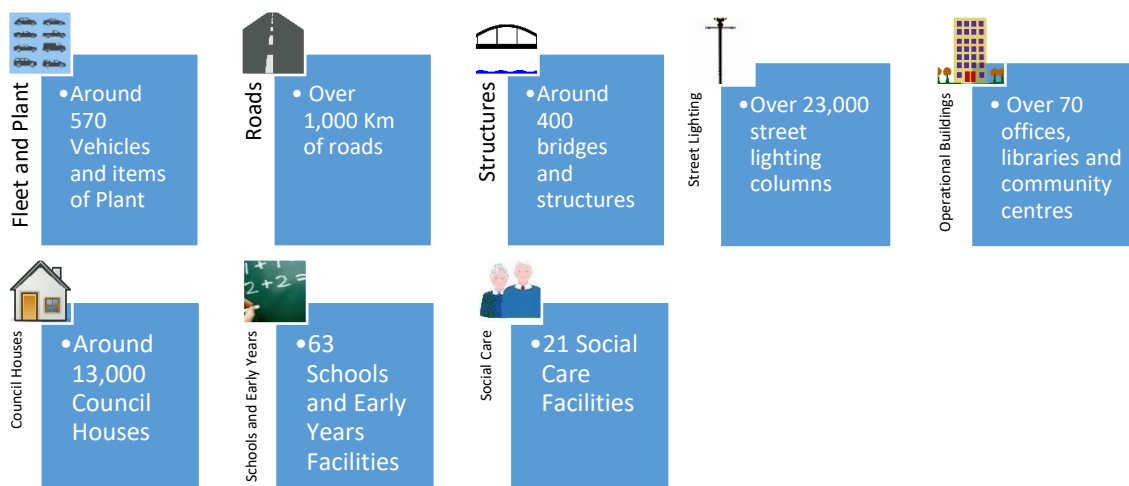
Asset Management Plans

Asset Management Plans aim to ensure that the Council holds the right assets and that they are fit for purpose in terms of condition, suitability and accessibility. The plans also provide the vehicle for identifying future investment needs across all asset classes. In line with the CIPFA “Guide to Asset Management and Capital Planning in Local Authorities” North Ayrshire has classified its assets into six categories:



The Council’s assets play a key role in the delivery of a wide range of essential services to our local communities, contribute to regeneration and help drive economic growth. The plans set out clear actions and include details of lifecycle investment costs required to maintain assets and infrastructure to an appropriate standard that supports service delivery. The plans are updated on an annual basis and chief officers across all Directorates hold the responsibility for maintaining the plans and reporting progress to the Council’s Cabinet on a bi-annual basis.

A snapshot of the asset portfolio for North Ayrshire Council includes:



Both capital and revenue financial resources across the General Fund and Housing Revenue Account are used to maintain the current asset base. From a capital perspective, planned investment which has been incorporated in the current Capital Investment Programme includes:

<p>Roads, Structures and Lighting</p>	<ul style="list-style-type: none"> Planned investment of £112.8m to 2033/34 including improvements to the roads and street lighting network, upgrading of the B714, flood prevention works at Upper Garnock and Millport and bridges infrastructure improvement.
<p>Fleet, Plant and Equipment</p>	<ul style="list-style-type: none"> Procurement and maintenance of all Council fleet vehicles and plant ensuring the fleet of 566 vehicles and heavy plant are maintained and operated in accordance with the Council's Operator's licences and Road Transport legislation. Prioritisation of emissions reductions through decarbonisation of vehicle fleet. Vehicle and plant capital investment is planned at £25.9m to 2033/34.
<p>Property</p>	<ul style="list-style-type: none"> To ensure Council properties meet all legislative requirements and they are sustainable, energy efficient and maintained to a high standard as well as ensuring the physical environment is able to support mobile and flexible work programmes, Investment is planned at £18.6m to 2033/34. It is also recognised that through the Estates Strategy further rationalisation and remodelling will continue to be progressed on a locality by locality basis, with capital receipts incorporated into the capital programme.
<p>Housing</p>	<ul style="list-style-type: none"> Underpinned by the Local Housing Strategy, the Strategic Housing Investment Plan and the 30 Year HRA Business Plan, responsibility for maintenance of around 13,000 council houses, ensuring legislative compliance and meeting the needs of tenants. In addition, delivery of an ambitious house building and improvement programme over the period 2024/25-2028/29 will see capital investment by the Council total £352.0m.
<p>ICT</p>	<ul style="list-style-type: none"> The Technology Strategy sets out how ICT supports service delivery and transformation. Significant changes to our ICT infrastructure have been reflected in the ICT Asset Management Plan. To deliver on the 6 key principles as outlined in the Technology Strategy £5.6m investment to 2033/34 is planned.
<p>Open Spaces</p>	<ul style="list-style-type: none"> The service maintains 2,410 hectares of public open space, a Country Park, 14 local parks, 44 cemeteries and burial grounds, 37 war memorials & monuments, 366 hectares of woodlands, 3 allotments, 91 sports facilities and playing fields, 84 equipped play areas and 12 multi-use games areas, residential greenspace, 38 water courses and open water features, 5 promenades and 16 beaches, three of which are Sites of Special Scientific Interest. The majority of investment is delivered through the Place service revenue budget, however, specific capital investment of £2.4m is planned to 2033/34 for cemetery infrastructure.

Local Housing Strategy 2023-28 and Strategic Housing Investment Plan 2024-29

The Local Housing Strategy sets out the Council's ambition: *'We want all our people to live in the right homes, in great places, with access to any support services they need.'*

The strategy mirrors the format of Scotland's first 20 year housing strategy, [Housing to 2040](#) and sets out four overarching outcomes which align to the four key strategies in Housing to 2040:

Housing to 2040 Strategy	More homes at the heart of great places	Affordability and choice	Affordable warmth and zero emission homes	Improving the quality of all homes
Local Housing Strategy Outcome	Our places support thriving and inclusive communities	Our people have affordable homes in the place they choose to live	Our homes are energy efficient and release less emissions	Our homes are in good condition and people can access any support services they need

The Strategic Housing Investment Plan is an extension of, and aligns to, the [Local Housing Strategy](#), supporting the objectives of the [Council Plan](#).

The Strategic Housing Investment Plan also aligns with the Council’s Community Wealth Building Strategy and supports the North Ayrshire Child Poverty Action Plan 2022-2023. Access to good quality and affordable housing is a key asset in addressing child poverty, and poverty overall.

The SHIP will secure investment in a total of 1,302 properties across North Ayrshire and provide sustainable, affordable, accessible high-quality homes which will contribute to the wider regeneration aims for the area. The Council projects in the SHIP represent investment of £194.464m (including an estimated £78.07m Scottish Government grant funding). Developments continue to be progressed across all six localities:

Arran	Garnock Valley	Irvine	Kilwinning	North Coast	Three Towns
--------------	-----------------------	---------------	-------------------	--------------------	--------------------

Public sector investment can have a transformational impact for communities, and the Council explores site and area specific opportunities with partners to secure maximum regeneration benefits. This supports the ambitions of the Council’s Regeneration Delivery Plan to drive forward place-based development on strategic regeneration sites, including town centres. Several SHIP projects completed to date are within, or near, town centres. The plan supports major housing led regeneration including the replacement of the 275 homes in the Fullarton tower blocks in Irvine and the provision of funding to assist the delivery of Housing’s Estate Based Regeneration Programme.

The Strategic Housing Investment Plan prioritises new social housing developments which include the provision of outdoor green space, and which support the principles of 20-minute neighbourhoods, where feasible. Developments are also planned utilising ‘secure by design’ principles.

The Council and its partners recognise that bringing former social housing stock into ownership can assist with housing management and maintenance issues and increase housing available through the North Ayrshire Housing Register. All developing registered social landlord partners with stock in North Ayrshire now have provision for buyback programmes in the SHIP.

New housing has a key role to play in carbon reduction, climate change mitigation, and in the alleviation of fuel poverty. The Council and its partners will continue to consider innovative and sustainable approaches to heat and power, such as low carbon heat, solar photovoltaic panels and smart technologies. The Council recognises that a ‘fabric first’ approach to sustainability can provide benefits to tenants, in terms of reducing heating costs. This investment aligns to the Council’s [Environmental Sustainability and Climate Change Strategy](#) in supporting affordable warmth to households across North Ayrshire. Developments will also be designed to promote sustainable travel.

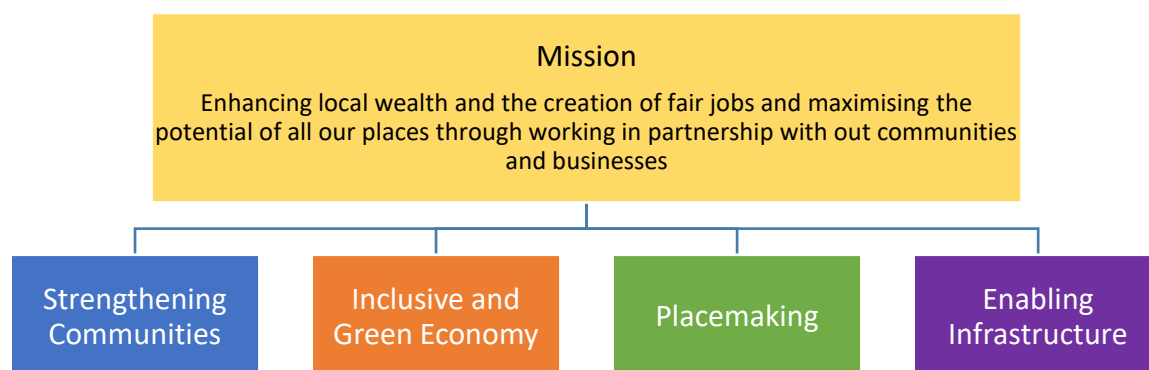
All amenity and sheltered housing in North Ayrshire should be built to an ambulant housing standard as a minimum. To ensure need is met now and in the future, the new [Local Housing Strategy](#) increased the target to ensure at least 10% of all tenure new build stock is suitable for wheelchair users (increased from 7% in the previous strategy).

Officers within the Place Directorate and the Health and Social Care Partnership developed a new supported accommodation housing model which has been implemented at sites across North Ayrshire to maximise tenant independence

The Local Housing Strategy recognises that the proportion of older people in North Ayrshire is higher than that of Scotland as a whole. The SHIP estimates the delivery of a further 311 amenity homes and 28 sheltered housing units. Alongside the new build programme, the Council will continue to deliver its sheltered housing re-provisioning programme, which includes £25m investment in the refurbishment of sheltered housing units out with the SHIP.

Regeneration Delivery Plan and Local Development Plan

The Regeneration Delivery Plan sets out our priorities for delivering on the regeneration ambitions of the Council Plan and Community Wealth Building strategy, working in partnership with communities. The Plan focuses on the delivery of physical regeneration across North Ayrshire through an ambitious project-based rolling action programme. The Regeneration Delivery Plan focuses activity around the four key regeneration themes:

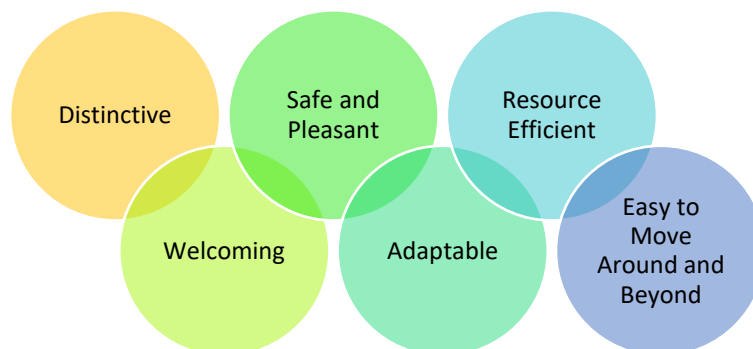


The Local Development Plan was adopted in November 2019 and aligns to the themes set out in the Regeneration Delivery Plan, it brings a targeted local context in guiding development and investment in North Ayrshire over the next 20 years. The focus is supporting and growing the business base across key sectors including manufacturing, engineering, life sciences, tourism and hospitality and regenerating towns and communities. The overarching aim of the plan is to deliver the Community Planning Partnership vision of a “Better Life” to the citizens and communities of North Ayrshire. The plan outlines the land use strategy that supports delivery of the Local Outcomes Improvement Plan 2022 – 2030 and focuses on four key strategic policies:



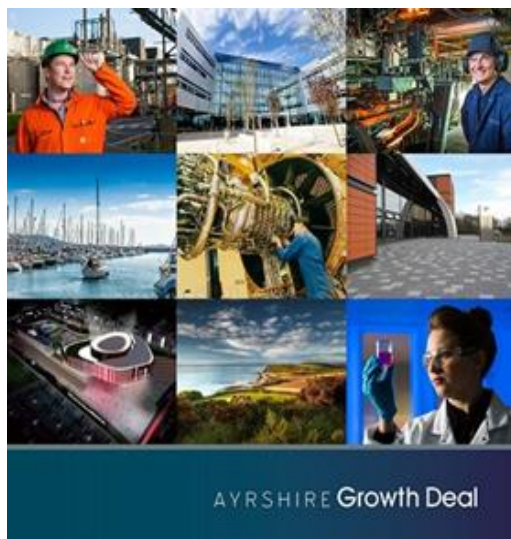
The Spatial Strategy is an overarching policy for supporting the LOIP. This directs development to towns and villages to support communities, the economy and environment, while recognising the value that the countryside and coastal areas offer both as natural resources worthy of protection and as an economic driver. An example of directing investment to towns is evidenced by the Montgomerie Park development with Council investment in road and service infrastructure to facilitate large scale housing development and regeneration and using capital receipts from land sale as a key source of funding.

The Placemaking policy supports the LOIP by ensuring that all development contributes to making quality places. This is measured by six qualities that define a successful place:



Through the Local Development Plan eight strategic development areas have been identified:

Hunterston	Ardrossan Harbour and North Shore	i3 - Irvine	Montgomerie Park, Irvine
Kilbirnie	Irvine Harbourside	Brodick	Cumbrae-Millport



Working in partnership with the UK and Scottish Government and East Ayrshire and South Ayrshire councils, the Ayrshire Growth Deal will regenerate the region through investment in strategic infrastructure across various sectors, including life sciences, tourism, manufacturing and aerospace, with total investment of over £251.5m. From a North Ayrshire perspective and to support investment into the strategic development areas, including the Ayrshire Growth Deal and wider economic regeneration activity, the Capital Investment Programme from 2024/25 to 2033/34 includes planned investment of £70.6m.

Finally, our Community Wealth Building Strategy helps to develop resilient, inclusive local economies, with more local employment and a larger and more diverse business base, ensuring that wealth is locally owned and benefits local people. All capital and revenue investment will be considered within the context of the Community Wealth Building Strategy, with maximising opportunities for local suppliers through procurement a key priority and pillar of the strategy.

Technology Strategy

The Technology Strategy was approved by North Ayrshire Council in August 2021 and sets out the vision, principles and key technologies that will support transformational change across North Ayrshire Council. Solutions will be designed in partnership to improve processes, service delivery and collaboration and ultimately improve outcomes. The six key Technology Strategy principles are:

<p>Deliberately designed</p> <ul style="list-style-type: none"> Holistic view of the business and deliver efficient, effective and agile solutions 	<p>People at the core</p> <ul style="list-style-type: none"> Solutions built around the needs of customers and people 	<p>Anytime, anywhere access</p> <ul style="list-style-type: none"> Access to systems, applications and information wherever they are 	<p>Cloud where appropriate</p> <ul style="list-style-type: none"> Utilise cloud based technologies where appropriate 	<p>Data driven</p> <ul style="list-style-type: none"> Utilise data to effectively inform our decision making 	<p>Secure by design</p> <ul style="list-style-type: none"> Operate securely whilst still taking advantage of technology innovations
--	---	--	--	--	---

Office 365 has been a transformative technology, enabling agile working and simplifying collaboration. The ICT Asset Management Plan incorporates the technology principles and, in terms of investment, a total of £5.6m is planned to 2033/34 to deliver technology solutions aligned to this strategy. From a financial planning perspective it is also recognised the shift from capital financing to revenue through software as a service, will lead to a remodelling of the way in which ICT investment is funded.

Estates Strategy

The key objective of North Ayrshire Council's Estate Strategy is to achieve rationalisation and remodelling of the Council's property portfolio on a locality basis.

The Estates Strategy plays a key role in maximising capital investment across multiple strategic priority areas, e.g. moving away from the traditional like for like school replacements to incorporating wider community campus facilities, including leisure and health and social care facilities. This approach was evidenced through the Largs campus facility which delivered primary, secondary, and early years provision as well as community use sport, theatre and leisure facilities.

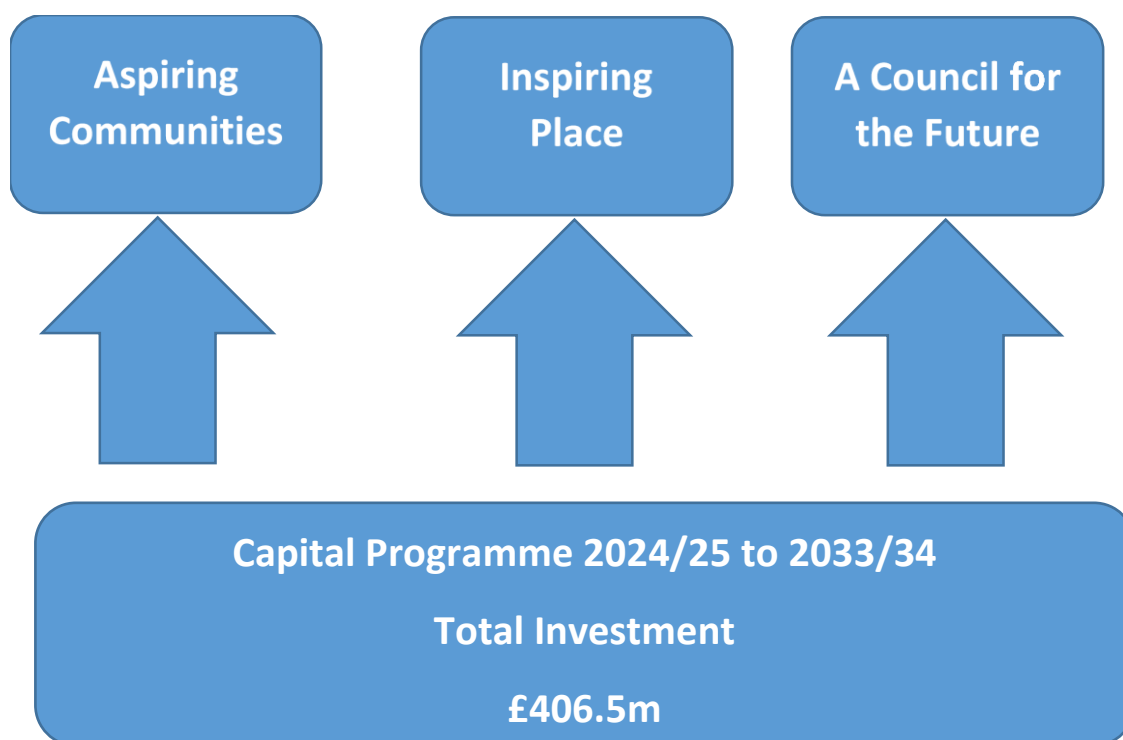
Through rationalisation of the Council's property portfolio, a key funding component to support the capital programme and provide flexibility in the Council's Revenue account, is the generation of capital receipts. Anticipated income from land and property capital receipts planned to support the capital programme totals £4.1m to 2033/34.

The neighbourhood approach outlined in the Estates Strategy also recognises community empowerment and, in particular, provides support to communities for asset transfers. This engagement is progressed through the Community Planning Partnerships.

General Fund Capital Investment Programme

North Ayrshire Council takes a long-term approach to capital investment, covering a 10-year period. The plan is updated annually and 2024/25 represents year 1 of the 10-year plan. A full refresh is undertaken every 3 years. The current Capital Investment programme is aligned to the strategic priorities as set out in the Council Plan and is the product of the various plans and strategies which impact on the assets and infrastructure of North Ayrshire Council. Through the Community Planning Partnerships and the Local Development Plan there is also clear linkage to local strategic planning and local asset planning.

Total capital investment of £406.5m from the Council's General Fund is planned over the period from 2024/25 to 2033/34, supporting the 3 key strategic priorities from the Council Plan. This includes planned expenditure of £70.6m towards the Ayrshire Growth Deal to 2033/34. It is recognised that the total level of investment across Ayrshire will be in the region of £251.5m (including £103m commitments from both the UK and Scottish Governments).



The capital plan includes £111.7m planned investment in Education. The major areas of education investment include;

Universal School meals Expansion - £9.6m	Ardrossan Campus- £80.2m	Montgomerie Park school £13.0m	Schools ICT Investment £8.9m
<ul style="list-style-type: none"> •Improvements to current kitchen and dining facilities across the school estate to create capacity for the anticipated uptake. 	<ul style="list-style-type: none"> •New build project as part of an exciting wider community facility development 	<ul style="list-style-type: none"> •New primary provision linked to Montgomerie park regeneration project and housing developments 	<ul style="list-style-type: none"> •Investment on ICT Equipment within the School Estate



Figure 1 Artist impression of Ardrossan Campus

Investment in education reflects the Council's desire to ensure children and young people have access to high quality facilities which support and promote excellent learning and teaching. Well designed and well-equipped buildings also support the promotion of positive health and well-being.

It is also recognised that investment in education contributes to and can be integrated within wider economic development and regeneration within the localities and this is reflected in the nature of the planned developments for Ardrossan Academy and Montgomerie Park school. Through stakeholder engagement, effective cross Directorate working within North Ayrshire Council and collaboration with other agencies including the Scottish Government, these new developments combine education provision with community facilities, residential, respite and housing provision as part of a wider focus on economic regeneration.



Figure 2 Artist impression of Montgomerie Park Primary School

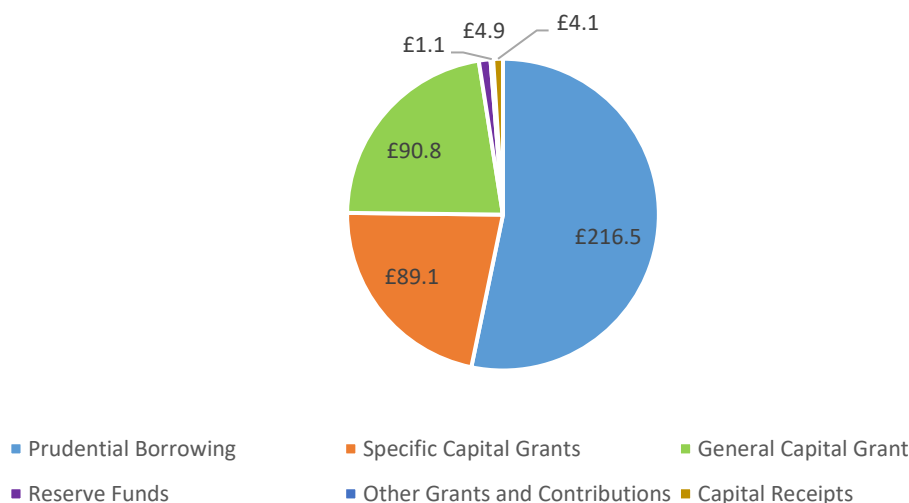
Investing in core assets and infrastructure is key to ensuring sustainability. A planned investment of £112.8m within Roads, Structures and Lighting includes £38.0m road improvements, £22.0m on flood prevention works and £29.6m on the upgrading of the B714 following a successful application to the UK Governments Levelling Up Fund. Property lifecycle investment of £11.2m, to support the property asset management plan, will ensure Council properties continue to be maintained to the appropriate standards in delivering services to citizens and communities. The plan includes investment in several key programmes of regeneration within North Ayrshire and, in respect of the Ayrshire Growth Deal, on a wider pan Ayrshire basis.

The Capital Investment Programme 2024/25 to 2033/34 sets out the ambition of North Ayrshire Council and supports the key strategic themes of the Council Plan. Through investment that supports regeneration and delivers first class education and community facilities, this strategic approach will help grow the population and the local economy. It is also recognised that key to a sustainable environment is the requirement to continue to invest in core assets and infrastructure.

Funding the Capital Investment Programme

Funding the Capital Investment Programme requires to be planned in an affordable and sustainable manner. The funding sources to support delivery of the £406.5m capital investment programme to 2033/34 include;

Funding the Capital Investment Programme £406.5million



The major sources of funding include assumptions on the level of general capital grant from Scottish Government to 2033/34 (£90.8m) and the level of prudential borrowing (£216.5m) required. The cost of borrowing is included within the Council's revenue budget process through the Medium-Term Financial Plan and the impact of borrowing is included as part of the Council's Treasury Management and Investment Strategy.

The Council takes a prudent approach when phasing the capital investment over the period, with the main objective to ensure general capital grant from Scottish Government is maximised.

Other income sources are also explored including external income, grants, partner contributions and capital receipts. The balance of funding is met from affordable prudential borrowing with annual loans fund repayments made to reduce the debt. This approach helps to ensure that investment in assets to deliver on the Council's strategic priorities is sustainable in the long term.

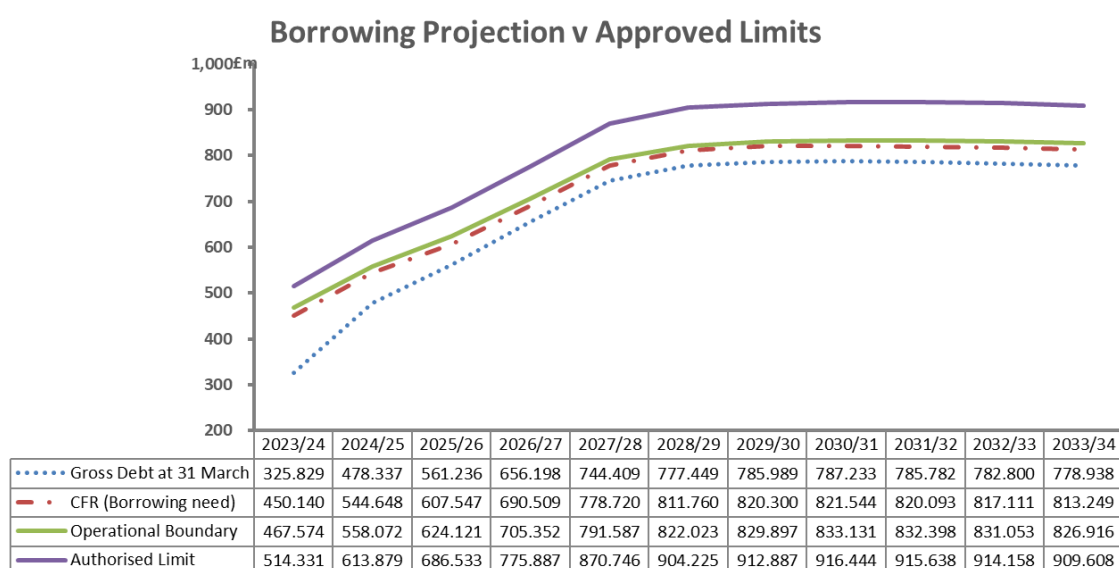
Treasury Management Strategy and Loans Fund Policy

The Prudential Code for Capital Finance in Local Authorities enables councils to set their own borrowing limits with a requirement to ensure that investment plans are affordable, prudent and sustainable. The Council can borrow over a number of years to supplement its capital income, provided the resultant annual debt repayments can be accommodated within future years' revenue budgets. The Council's annual Treasury Management and Investment Strategy sets out the prudential indicators and parameters over the medium to long term, with regular reporting to Council members through:

- Annual Treasury Management and Investment Strategy
- Mid-Year Treasury Update report
- Annual Report following the financial year end describing the activity compared to the strategy

The key prudential and treasury indicators include:

- Capital expenditure and financing
- The Council's overall borrowing need (the Capital Financing Requirement)
- Limits to borrowing activity through the Operational Boundary and the Authorised Limit.



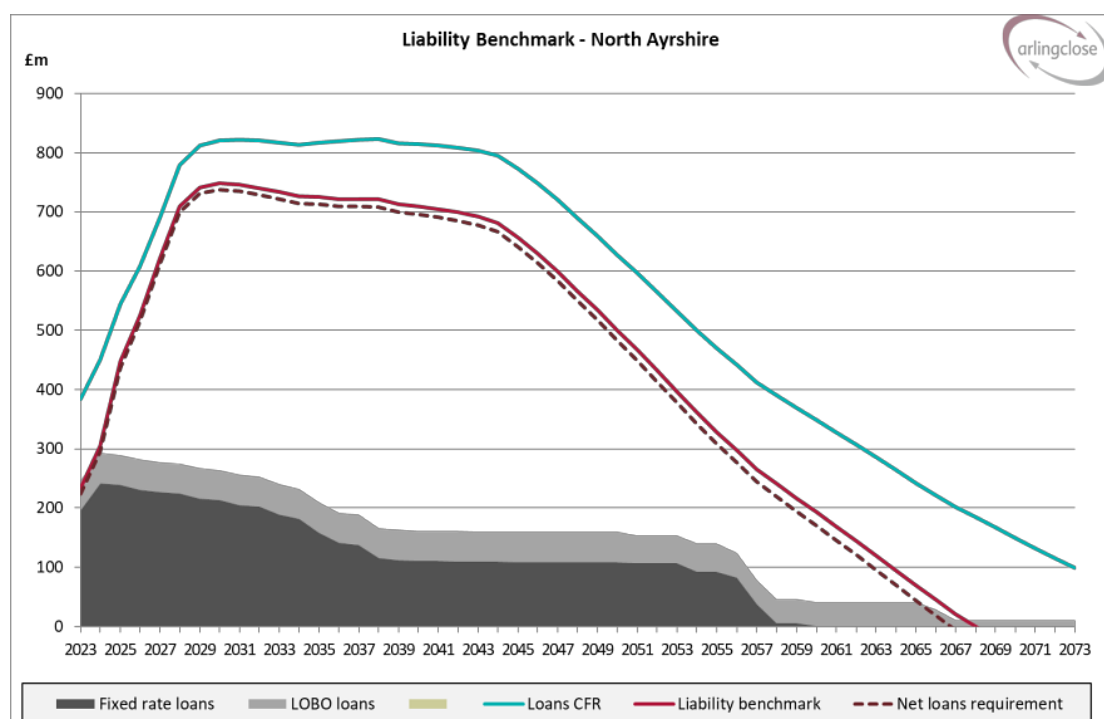
As reflected in the Treasury Management Strategy for 2024/25, the analysis of the Capital Financing Requirement for North Ayrshire Council indicates that the borrowing needs to support delivery of the capital programme will increase to £821.544m by 2030/31 and then reduce annually to 2033/34. The analysis also indicates that this borrowing need continues to be within the parameters of both the Operational Boundary (the expected maximum borrowing position of the Council) and the Authorised limit (the limit beyond which external debt is prohibited).

Another key affordability indicator is the ratio of financing costs to net revenue stream. This indicator identifies the trend in the cost of capital (borrowing and other long-term liabilities, net of investment income) against the net revenue stream of the Council. The estimates of financing costs include current commitments and those arising from the capital programme. The Housing Revenue Account (HRA) costs are aligned with the 30-year business plan.

Proportion of financing costs to net revenue stream	2023/24	2024/25	2025/26	2026/27
	Probable Outturn %	Estimate %	Estimate %	Estimate %
General Services	2.5%	3.5%	4.4%	4.9%
HRA	20.5%	24.0%	28.7%	30.5%

The estimated ratio of debt to net revenue stream across the next 3 years averages at 4.3% for General Services and 27.7% for the HRA. From a General Fund perspective, the CIPFA Directors of Finance Performance Indicators 2022/23 show a Scottish Local Authority average of 5.4%, therefore demonstrating a prudent borrowing policy. For the HRA, the indicative Scottish average in 2022/23 was 21.4%. The rising ratio within the HRA is indicative of the significant capital investment programme as outlined in the Strategic Housing Investment Plan. The level of loan charges is deemed prudent and affordable within the framework of the 30 year Housing business plan.

The Liability Benchmark, another treasury prudential indicator, is an important tool used to identify whether the Council is likely to be a long-term borrower or long-term investor, allowing it to shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.



Loans Fund Policy

In July 2016, the Scottish Government confirmed the new Loans Fund accounting arrangements under the provisions of the Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016. This regulation requires the Council to outline its policy on the repayment of Loans Fund advances. The Loans Fund advance is effectively the repayment of the principal linked to the capital expenditure which is required to be funded from borrowing. The broad aim of prudent repayment is to ensure that the authority's unfinanced capital expenditure is financed over the expected life of the asset and that each year's repayment amount is reasonably commensurate with the period and pattern of the benefits.

From a governance perspective the Loans Fund policy of North Ayrshire Council is included as part of the Treasury Management and Investment Strategy and submitted for approval to the North Ayrshire Council committee on an annual basis.

Governance

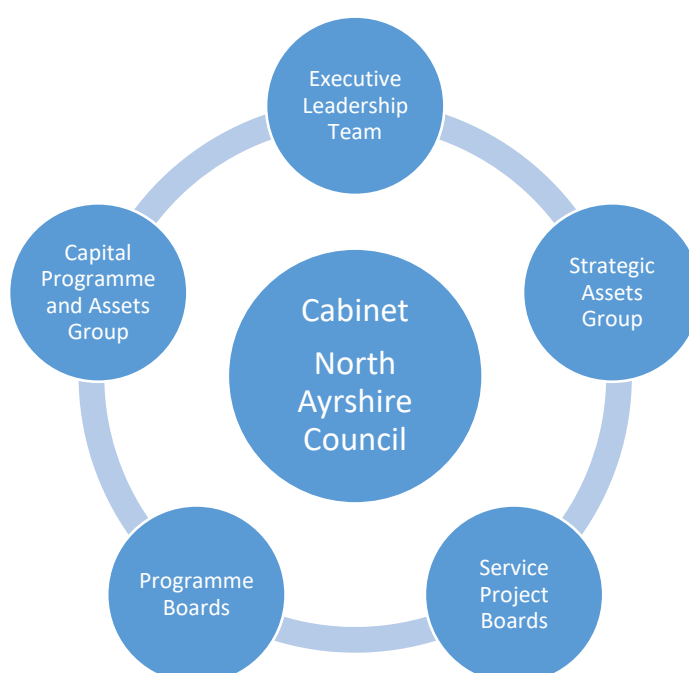
Having robust governance arrangements in place is key to ensuring effective strategic management of assets, from initial planning through to delivery, utilisation and disposal. North Ayrshire Council delivers a governance framework through a number of officer and member represented groups / committees.

To ensure a consistent approach is adopted when considering any new capital investment, a business case framework has been developed. The framework includes key criteria across:

- Aims and strategic objectives
- Scope and Benefits
- Options Appraisal,
- Risks, Constraints & Dependencies
- Procurement arrangements
- Monitoring of Key milestones
- Evaluation criteria & scoring
- Investment costs, funding and impact on revenue

All business cases are considered by the Capital Programme and Assets Group and the Executive Leadership Team, with a recommendation being made to Cabinet / Council, for inclusion of new projects into the Capital Investment Programme. A key focus when assessing potential capital investment is the alignment to the Council's strategic priorities, with the aim being to maximise opportunities where investment meets multiple strategic priorities and where there is the potential to lever in external funding.

The current governance framework is illustrated below:



The **Strategic Assets Group** provides a strategic focus on the Council's property assets. The key objective of the group is the effective utilisation of Council assets and to reduce the public sector's building footprint and deliver improved services from a smaller, more efficient and fit for purpose estate.

Service Project Boards are chaired by Executive Directors across each Directorate area with representation from relevant service managers. Following approval by North Ayrshire Council committee on the Capital Investment Programme, the Service Project Board is responsible for ensuring robust project management is in place to deliver projects on time and within budget.

Programme Boards provide a strategic focus at programme level and are chaired by the responsible Chief Officer. Each programme can include a number of individual projects across each Directorate which contribute to specific Council and programme objectives. To ensure the objectives are met the Chief Officer for the programme is responsible for strategic oversight including all projects that form part of the overall programme.

The Capital Programme and Assets Group is chaired by the Head of Service (Finance) and is responsible for:

- Ensuring a strategic and corporate overview of the Council's capital programme is in place.
- Developing and monitoring the Council's capital investment programme, tracking slippage on delivery and expenditure against approved budgets.
- Developing clear criteria for investment of Council resources on asset matters and assessing all investment business cases.
- Developing a prudent capital receipts programme for inclusion in the Council's Capital Programme.

The **Executive Leadership Team** consists of the Chief Executive, Executive Director Communities, Executive Director Place, Head of Democratic Services, Head of People and ICT and Head of Finance and is responsible for advising members on the relative priorities of the Council's long term investment needs and plays a key monitoring role in ensuring the major capital projects deliver the anticipated benefits on time and within budget. The Executive Leadership Team also considers all business cases for new areas of capital investment as well as being the escalation point for any key strategic decisions across the Capital Investment Programme prior to consideration by Cabinet or Council.

Cabinet is chaired by the Leader of the Council and is the main decision-making body of the Council. It consists of member portfolio holders from the Administration. Cabinet receives regular progress reports and approves amendments to the Capital Investment Programme.

North Ayrshire Council consists of all elected members and is chaired by the Provost. The Council approves the corporate framework and the medium and longer term Capital Investment Programme.

Knowledge & Skills

North Ayrshire Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions.

The Head of Finance is a qualified accountant and holds the position of Section 95 officer for the Council. The Council's Section 95 Officer is responsible for the proper administration of the Council's financial affairs and is required:

- to recommend treasury management policies / practices, review these regularly and monitor compliance;
- to submit regular treasury management updates;
- to receive and review management information;
- to review the performance of the treasury management function;
- to ensure the adequacy of treasury management resources and skills and the effective division of responsibilities within the treasury management function; and
- to approve the appointment of external service providers.

Where the Council does not have the knowledge and skills required, use is made of external advisers that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers to ensure that we have access to specialist knowledge and skills if required.

Decisions to invest in land and property are overseen in accordance with Council policies and the priorities from our Council plan, to capitalise on its position, power and influence to deliver tangible improvements to the lives of people in North Ayrshire. These decisions are made by suitably qualified personnel including architects and surveyors.

Risk

There are risks inherent across all capital planning and project delivery activity. Key planning risks are managed / mitigated through detailed business case development prior to any capital investment project getting approved. From a project delivery perspective, risk registers are maintained throughout the duration of the project and in accordance with standard project management practice. The long-term view to capital investment and the development of associated strategies also play a key role in risk management. Examples include:

- Development of a 10-year capital programme, considering funding and priorities in the long term
- Asset Management Plans and lifecycle maintenance which inform capital plans in the long term
- Treasury Management and Investment Strategy which considers borrowing levels in the long term.
- Local Housing Strategy and Strategic Housing Investment Plan takes a medium and long-term view of housing and regeneration priorities.

Conclusion

The Capital Investment Strategy for North Ayrshire Council provides an overview of how capital expenditure plans, capital financing and treasury management activity contribute to the infrastructure and provision of services for the benefit of North Ayrshire communities and citizens. It is a reporting requirement of the CIPFA Prudential Code.

The Strategy takes account of the Council's strategic priorities and considers any new investment within the context of outcomes and affordability. There is also recognition of the need to balance investment between maintaining current assets and infrastructure against the ambitions for acquiring new assets.

The current capital programme demonstrates an innovative approach in maximising investment across multiple strategic priority areas, with developments that incorporate education provision, community facilities, health and social care services and housing. This approach, whilst providing key services that deliver positive outcomes to communities, also contributes to the wider economic regeneration of North Ayrshire, helping to grow the population and the local economy.

Working in partnership with the UK and Scottish Government and East Ayrshire and South Ayrshire councils, the Ayrshire Growth Deal will regenerate the region through investment in strategic infrastructure across various sectors, including life sciences, tourism, manufacturing and aerospace, with total investment of over £251.5m.

Related Documents / Strategies / Plans

	Council Plan
	Local Development Plan
	Asset Management Plans
	Local Outcomes Improvement Plan
	Local Housing Strategy
	Strategic Housing Investment Plan
	Technology Strategy
	Estates Strategy
	10 Year Capital Investment Programme
	Regeneration Delivery Plan
	Treasury Management and Investment Strategy
	Loans Fund Policy
	HSCP Strategic Plan
	Environmental, Sustainability & Climate Change Strategy

NORTH AYRSHIRE COUNCIL

28 February 2024

North Ayrshire Council

Title: Revenue Estimates 2024/25 – Common Good Funds and Trusts

Purpose: To advise Council of the anticipated annual income and expenditure of the Common Good Funds and Trusts administered by North Ayrshire Council and seek approval for the level of funding to be made available for disbursement during 2024/25.

Recommendation: That Council:

- (a) approves the 2024/25 revenue estimates for the Common Good Funds and registered Charitable Trusts detailed in Appendix 1;
- (b) approves the carry forward of funds from Irvine Common Good Fund to meet the costs of essential works required at Seagate Castle, as noted at paragraph 2.2;
- (c) approves the amounts available for disbursement noted at paragraphs 2.12 and 2.13;
- (d) agrees to capital spend from the dormant and low value Trusts and Common Good Funds, and instructs officers to seek approval from the Office of the Scottish Charity Regulator (OSCR) prior to the disbursement of any grant which would result in the winding up of a Trust;
- (e) notes that approval will now be sought from OSCR for the winding up of the James Dyer Simpson Fund, H Watt Trust and J H Watt Trust, held within North Ayrshire Charitable Trust.

1. Executive Summary

1.1 The Council is the custodian of the Common Good Funds for the former burghs of Ardrossan, Irvine, Largs, Millport, Saltcoats and Stevenston and a number of charitable Trusts, which are largely composed of bequests made many years ago.

1.2 This report provides Members with an overview of the financial position of each Common Good Fund and Charitable Trust and recommends the level of expenditure which can be disbursed from each for 2024/25.

- 1.3 Following delays in previous financial years, previously approved essential works at Seagate Castle have not yet been completed and Council is asked to approve the carry forward of this budget to allow the completion of these works during 2024/25. Should cost projections exceed estimates, a further report will be presented to Council.
- 1.4 The Common Good Funds and Trusts make annual disbursements of grants to groups and individuals. The level of funding available for these grants is normally set at the net annual income of each Fund or Trust after meeting their expenditure commitments. For Common Good Funds, where the expenditure commitments exceed the annual income, the recommended budget for grant disbursement reflects the level of disbursements in previous years or £5,000, whichever is the greater.
- 1.5 In order to encourage the utilisation of funds across communities, in particular where the Trusts have been dormant or have low levels of income, it is recommended that, with the exception of those Trusts with significant balances, the full balance of the Trusts are approved as available for disbursement. Any disbursement which utilises the full capital balance will result in closure and will require the approval of OSCR. During 2024/25, the funds within Douglas Sellers Trust and Anderson Park Trust will be exhausted. Approval will be sought from OSCR for the disbursement of any remaining capital and winding up of these Trusts.
- 1.6 During 2023/24 the remaining capital within James Dyer Simpson Fund, H Watt Trust and J H Watt Trust, held within the North Ayrshire Charitable Trust, was disbursed. Approval will be sought from OSCR for winding up of these Trusts.

2. Background

Common Good Funds

- 2.1 The Council is the custodian of the Common Good Funds for the former burghs of Ardrossan, Irvine, Largs, Millport, Saltcoats and Stevenston. The purpose of the Common Good Funds is to benefit the general population within the defined areas of each of their respective towns.
- 2.2 At its meeting on 5 March 2020, Council approved the allocation of £0.250m from Irvine Common Good Fund to meet the costs of works required at Seagate Castle. Following delays in the completion of these works during previous financial years, Council is asked to approve the carry forward of the £0.189m balance to allow the completion of the works during 2024/25. As noted in the previous reports to Council, working on a structure as historic as this may flag up further works which may need to be addressed at the same time. Should cost projections exceed estimates, a further report will be presented to Council.

- 2.3 The Common Good Funds make annual disbursements to groups and individuals based on approved criteria. The levels of grant available for disbursement is determined after all expenditure commitments and projected income from assets has been assessed. Current practice has been for the remaining surplus to be made available for trustees to disburse, ensuring that capital balances are left intact, with the disbursement of funds from the capital balance requiring Council approval. It is recommended that this practice continues for those Common Good Funds with sufficient net income, with the minimum budget set at £5,000 for each.
- 2.4 In the case of Irvine and Largs Common Good Funds, the level of expenditure exceeds the level of income. In order to maximise the benefits to the community, it is proposed that the budgets for grant disbursement are set at a level which reflects previous years' disbursements.

Charitable Trusts

- 2.5 The Council also administers a number of Trusts which are largely composed of bequests made many years ago. Of these Trusts, there are only two which accrue significant levels of income; the Spier's Trust and the Margaret Archibald Trust. The Spier's Trust was founded in 1936 for the administration of Spier's School, Beith and for the provision of educational grants and bursaries for the benefit of the local area, comprising the parishes of Beith, Dalry, Dunlop, Kilbirnie, Lochwinnoch and Neilston. The purpose of the Margaret Archibald Trust is "to apply the capital and income from time to time, at the discretion of the Council, for the charitable purpose of persons in need who have attained sixty five years of age, living in the Parish of Dalry, Ayrshire".
- 2.6 The remaining Trusts comprise four town Trusts, covering Dalry, Kilbirnie & Glengarnock, Kilwinning and Largs, which provide assistance to persons in need within the defined area of each fund; the North Ayrshire Council Trust, which incorporates a further seven smaller funds; two minor Trusts and a number of sundry bequests listed on Appendix 2.
- 2.7 Historically a number of Trusts have experienced periods of dormancy where no grant applications have been received. OSCR is keen that charities fulfil their charitable purposes and the Council's external auditors have previously expressed concern about the continued lack of activity in these Trusts. If no other action is taken, the annual external audit fee and administrative charges will eventually exhaust these Trusts. As such, the utilisation of available funds through a particular project which complies with the Trust's purposes should be considered. It is, therefore, recommended that, with the exception of those Trusts with significant balances, the full balances of the town and minor Trusts are made available for disbursement. It should be noted that any disbursement which would result in the winding up of a registered Trust must be approved by OSCR before the relevant Locality Partnership agrees the grant. For those Trusts with significant balances, it is proposed that the budgets for grant disbursement are set at a level which reflects previous years' disbursements.
- 2.8 During 2024/25, the funds within Douglas Sellers Trust and Anderson Park Trust will be exhausted. Approval will be sought from OSCR for the disbursement of the remaining capital and winding up of these Trusts.

2.9 As previously reported to Council in March 2023, the James Dyer Simpson Fund, H Watt Trust and J H Watt Trust have disbursed all remaining funds and approval will now be sought from OSCR for the winding up of these 3 Trusts by the Council's Legal Services Team.

2.10 The following table summarises the anticipated income and expenditure for each Common Good Fund and Trusts and the proposed budget for grant disbursement for each:

	Estimated Balance at 1 April 2024	Estimated Income 2024/25	Estimated Expenditure 2024/25	Available for Disbursement	Estimated Balance at 31 March 2025
	£	£	£	£	£
Common Good Fund					
Ardrossan	344,472	44,320	(13,883)	(30,437)	344,472
Irvine	1,118,352	83,875	(239,430)	(41,041)	921,756
Largs	433,573	22,634	(29,061)	(10,000)	417,145
Millport	68,823	1,150	(378)	(5,000)	64,595
Saltcoats	14,781	230	(80)	(5,000)	9,931
Stevenston	188,342	17,430	(1,030)	(16,400)	188,342
TOTAL	2,168,342	169,639	(283,862)	(107,878)	1,946,241
Registered Charitable Trusts					
Dalry	1,823	30	(168)	(1,685)	0
Kilbirnie & Glengarnock	2,975	40	(174)	(2,841)	0
Kilwinning	37,618	630	(386)	(37,862)	0
Largs	2,261	30	(176)	(2,115)	0
Speir's Trust	61,666	4,230	(1,175)	(3,055)	61,666
Margaret Archibald Trust	211,661	14,266	(504)	(13,762)	211,661
Douglas Sellers Trust	164	0	(158)	(6)	0
Anderson Park Trust	22	0	0	(22)	0
NAC Charitable Trust	47,644	2,694	(316)	(2,378)	47,644
TOTAL	365,834	21,920	(3,057)	(63,726)	320,971

2.11 The remaining smaller trusts administered by the Council are listed in Appendix 2. Projected income for 2024/25 is £232 and during 2023/24, thus far, there have been no disbursements. Therefore, the full balance of £13,970 is available for disbursement during 2024/25.

3. Proposals

3.1 That Council:

- (a) approves the 2024/25 revenue estimates for the Common Good Funds and registered Charitable Trusts detailed in Appendix 1;
- (b) approves the carry forward of funds from Irvine Common Good Fund to meet the costs of essential works required at Seagate Castle, as noted at paragraph 2.2;
- (c) approves the amounts available for disbursement noted at paragraphs 2.12 and 2.13;
- (d) agrees to capital spend from the dormant and low value Trusts and Common Good Funds, and instructs officers to seek approval from the Office of the Scottish Charity Regulator (OSCR) prior to the disbursement of any grant which would result in the winding up of a Trust;
- (e) notes that approval will now be sought from OSCR for the winding up of the James Dyer Simpson Fund, H Watt Trust and J H Watt Trust, held within North Ayrshire Charitable Trust.

4. Implications/Socio-economic Duty

Financial

- 4.1 Approval of the budgets will allow each Locality Partnership to disburse individual grants up to the approved levels.

All income and expenditure which relates to Common Good properties must be charged to the relevant Common Good Fund.

Human Resources

- 4.2 None.

Legal

- 4.3 All expenditure from Trusts and Common Good Funds must be for the purposes of the Trust or meet the Common Good criteria of benefitting the inhabitants of the Common Good area.

Equality/Socio-economic

- 4.4 None.

Environmental and Sustainability

- 4.5 None.

Key Priorities

- 4.6 This report directly supports the Council Plan 2023 to 2028 by developing strong relationships with communities and providing support for community organisations in achieving their goals.

Community Wealth Building

- 4.7 None.

5. Consultation

- 5.1 Legal Services have been consulted on the recommendations and procedures for winding up the Trusts.

[Click here to enter text.](#)

Mark Boyd

Head of Service Finance(Chief Executives)

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

Background Papers

None

Index of Common Good and Trust Funds

Page

Appendix 1

Common Good Funds

Ardrossan	1
Irvine	2
Largs	3
Millport	4
Saltcoats	4
Stevenston	5

Trusts

North Ayrshire Council (Dalry) Charitable Trust	6
North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust	6
North Ayrshire Council (Kilwinning) Charitable Trust	7
North Ayrshire Council (Largs) Charitable Trust	7
Speir's Trust	8
Margaret Archibald Trust	8
Douglas Sellers Trust	9
Anderson Park Trust	9
North Ayrshire Council Charitable Trust	10

Appendix 2

Sundry Bequests	11
-----------------	----

Budget 2023/24 £	Projected Outturn 2023/24 £	COMMON GOOD FUND - ARDROSSAN	Proposed Budget 2024/25 £
308,045	325,082	Projected Common Good Balance Brought Forward at 1 April	344,472
		INCOME	
38,500	38,500	Rental - Ardrossan Civic Centre	38,500
7,700	15,090	Loans Fund Interest (on cash balances)	5,820
46,200	53,590	TOTAL INCOME FOR THE YEAR	44,320
		EXPENDITURE	
		Property Costs	
12,000	0	External Property Repairs - Ardrossan Civic Centre	12,000
		Others	
1,586	1,586	Administration - Charge from Finance	1,883
13,586	1,586	SUB TOTAL OF EXPENDITURE	13,883
32,614	52,004	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	30,437
32,614	32,614	Available for Disbursement as Grants	30,437
0	19,390	FINAL SURPLUS/(DEFICIT) FOR THE YEAR INCLUDING GRANTS	0
308,045	344,472	COMMON GOOD BALANCE CARRIED FORWARD AT 31 MARCH	344,472

Budget 2023/24 £	Projected Outturn 2023/24 £	COMMON GOOD FUND - IRVINE	Proposed Budget 2024/25 £
1,093,549	1,115,681	Projected Common Good Balance Brought Forward at 1 April	1,118,352
		INCOME	
		Property Rentals	
25,000	25,000	Woodlands Centre	25,000
11,500	11,500	Bank Street (Church of Latter Day Saints)	11,500
13,385	13,385	Irvine Moor	13,385
13,000	13,000	Ground East Road (McConnachies)	13,000
2,000	2,000	East Road New Car Park	2,000
		Other Income	
27,340	49,260	Loans Fund Interest (on cash balances)	18,990
92,225	114,145	TOTAL INCOME FOR THE YEAR	83,875
		EXPENDITURE	
		Property Costs	
500	500	General Repairs	500
10,500	10,219	Rates on vacant properties (36/38 Bank Street)	10,500
3,110	3,110	Electricity	1,837
30,445	28,995	Grounds Maintenance*	30,445
210,000	21,000	Property Maintenance - Seagate Castle	189,000
1,000	980	Other Property Costs	1,000
255,555	64,804		233,282
		Others	
5,629	5,629	Administration - Charge from Finance	6,148
5,629	5,629		6,148
261,184	70,433	SUB TOTAL OF EXPENDITURE	239,430
(168,959)	43,712	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	(155,555)
26,500	41,041	Available for Disbursement as Grants	41,041
(195,459)	2,671	FINAL SURPLUS/(DEFICIT) FOR THE YEAR INCLUDING GRANTS	(196,596)
898,090	1,118,352	COMMON GOOD BALANCE CARRIED FORWARD AT 31 MARCH	921,756

Budget 2023/24 £	Projected Outturn 2023/24 £	COMMON GOOD FUND - LARGS	Proposed Budget 2024/25 £
425,819	431,752	Projected Common Good Balance Brought Forward at 1 April	433,573
		<u>INCOME</u>	
		Property Rentals (Including Insurance Premiums)	
7,315	7,315	Haylie House	7,315
1,250	1,250	Douglas Park Bowling Club	1,250
210	210	Douglas Park Grazings	210
6,000	6,000	Douglas Park Tennis Club & Children's Nursery	6,539
		Other Income	
10,650	19,000	Loans Fund Interest (on cash balances)	7,320
25,425	33,775	TOTAL INCOME FOR THE YEAR	22,634
		<u>EXPENDITURE</u>	
		Property Costs	
5,584	5,300	Electricity	10,976
13,462	13,462	Grounds Maintenance*	14,714
1,000	1,000	Other Property Costs	1,000
		Others	
2,192	2,192	Administration - Charge from Finance	2,371
22,238	21,954	SUB TOTAL OF EXPENDITURE	29,061
3,187	11,821	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	(6,427)
10,000	10,000	Available for Disbursement as Grants	10,000
(6,813)	1,821	FINAL SURPLUS/(DEFICIT) FOR THE YEAR INCLUDING GRANTS	(16,427)
419,006	433,573	COMMON GOOD BALANCE CARRIED FORWARD AT 31 MARCH	417,145

* For the upkeep of ground at Douglas Park.

Budget 2023/24 £	Projected Outturn 2023/24 £	COMMON GOOD FUND - MILLPORT	Proposed Budget 2024/25 £
66,008	67,433	Projected Common Good Balance Brought Forward at 1 April	68,823
		<u>INCOME</u>	
1,630	3,020	Loans Fund Interest (on cash balances)	1,150
1,630	3,020	TOTAL INCOME FOR THE YEAR	1,150
		<u>EXPENDITURE</u>	
		Others	
335	335	Administration - Charge from Finance	378
335	335	SUB TOTAL OF EXPENDITURE	378
1,295	2,685	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	772
1,295	1,295	Available for Disbursement as Grants	5,000
0	1,390	FINAL SURPLUS/(DEFICIT) FOR THE YEAR INCLUDING GRANTS	4,228
66,008	68,823	COMMON GOOD BALANCE CARRIED FORWARD AT 31 MARCH	64,595

Budget 2023/24 £	Projected Outturn 2023/24 £	COMMON GOOD FUND - SALTCOATS	Proposed Budget 2024/25 £
15,106	15,213	Projected Common Good Balance Brought Forward at 1 April	14,781
		<u>INCOME</u>	
350	640	Loans Fund Interest (on cash balances)	230
350	640	TOTAL INCOME FOR THE YEAR	230
		<u>EXPENDITURE</u>	
73	72	Administration - Charge from Finance	80
73	72	SUB TOTAL OF EXPENDITURE	80
277	568	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	150
1,000	1,000	Available for Disbursement as Grants	5,000
(723)	(432)	FINAL SURPLUS/(DEFICIT) FOR THE YEAR INCLUDING GRANTS	(4,850)
14,383	14,781	COMMON GOOD BALANCE CARRIED FORWARD AT 31 MARCH	9,931

Budget 2023/24 £	Projected Outturn 2023/24 £	COMMON GOOD FUND - STEVENSTON	Proposed Budget 2024/25 £
175,310	184,472	Projected Common Good Balance Brought Forward at 1 April	188,342
		INCOME	
		Property Rentals	
14,250	14,250	New Street (Health & Social Care)	14,250
		Other Income	
4,380	8,250	Loans Fund Interest (on cash balances)	3,180
18,630	22,500	TOTAL INCOME FOR THE YEAR	17,430
		EXPENDITURE	
902	902	Administration - Charge from Finance	1,030
902	902	SUB TOTAL OF EXPENDITURE	1,030
17,728	21,598	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	16,400
17,728	17,728	Available for Disbursement as Grants	16,400
0	3,870	FINAL SURPLUS/(DEFICIT) FOR THE YEAR INCLUDING GRANTS	0
175,310	188,342	COMMON GOOD BALANCE CARRIED FORWARD AT 31 MARCH	188,342

Budget 2023/24 £	Projected Outturn 2023/24 £	NAC (DALRY) CHARITABLE TRUST	Proposed Budget 2024/25 £
1,878	1,903	Projected Trust Balance Brought Forward at 1 April	1,823
47	80	INCOME Loans Fund Interest (on cash balances)	30
47	80	TOTAL INCOME FOR THE YEAR	30
160	160	EXPENDITURE Administration - Charge to Finance	168
160	160	SUB TOTAL OF EXPENDITURE FOR THE YEAR	168
(113)	(80)	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	(138)
1,765	0	Available for Disbursement as Grants	1,685
(1,878)	(80)	FINAL SURPLUS/(DEFICIT) FOR THE YEAR INCLUDING GRANTS	(1,823)
0	1,823	TRUST BALANCE CARRIED FORWARD AT 31 MARCH	0

Budget 2023/24 £	Projected Outturn 2023/24 £	NAC (KILBIRNIE & GLENGARNOCK) CHARITABLE TRUST	Proposed Budget 2024/25 £
2,978	3,010	Projected Trust Balance Brought Forward at 1 April	2,975
75	130	INCOME Loans Fund Interest (on cash balances)	40
75	130	TOTAL INCOME FOR THE YEAR	40
165	165	EXPENDITURE Administration - Charge from Finance	174
165	165	SUB TOTAL OF EXPENDITURE FOR THE YEAR	174
(90)	(35)	FINAL SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	(134)
2,888	-	Available for Disbursement as Grants	2,841
(2,978)	(35)	FINAL SURPLUS/(DEFICIT) FOR THE YEAR	(2,975)
0	2,975	TRUST BALANCE CARRIED FORWARD AT 31 MARCH	0

Budget 2023/24 £	Projected Outturn 2023/24 £	NAC (KILWINNING) CHARITABLE TRUST	Proposed Budget 2024/25 £
36,045	37,594	Projected Trust Balance Brought Forward at 1 April	37,618
934	1,650	<u>INCOME</u> Loans Fund Interest (on cash balances)	630
934	1,650	TOTAL INCOME FOR THE YEAR	630
342	342	<u>EXPENDITURE</u> Administration - Charge from Finance	386
342	342	SUB TOTAL OF EXPENDITURE FOR THE YEAR	386
592	1,308	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	244
36,637	1,284	Available for Disbursement as Grants	37,862
(36,045)	24	FINAL SURPLUS/(DEFICIT) FOR THE YEAR INCLUDING GRANTS	(37,618)
0	37,618	TRUST BALANCE CARRIED FORWARD AT 31 MARCH	0

Budget 2023/24 £	Projected Outturn 2023/24 £	NAC (LARGS) CHARITABLE TRUST	Proposed Budget 2024/25 £
3,301	3,328	Projected Trust Balance Brought Forward at 1 April	2,261
83	100	<u>INCOME</u> Loans Fund Interest (on cash balances)	30
83	100	TOTAL INCOME FOR THE YEAR	30
167	167	<u>EXPENDITURE</u> Administration - Charge from Finance	176
167	167	SUB TOTAL OF EXPENDITURE FOR THE YEAR	176
(84)	(67)	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	(146)
3,217	1,000	Available for Disbursement as Grants	2,115
(3,301)	(1,067)	FINAL SURPLUS/(DEFICIT) FOR THE YEAR INCLUDING GRANTS	(2,261)
0	2,261	TRUST BALANCE CARRIED FORWARD AT 31 MARCH	0

Budget 2023/24 £	Projected Outturn 2023/24 £	ANDERSON PARK TRUST	Proposed Budget 2024/25 £
8	22	Projected Trust Balance Brought Forward at 1 April	22
0	0	<u>INCOME</u> Loans Fund Interest (on cash balances)	0
0	0	TOTAL INCOME FOR THE YEAR	0
0	0	<u>EXPENDITURE</u> Administration - Charge from Finance	0
0	0	SUB TOTAL OF EXPENDITURE FOR THE YEAR	0
0	0	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	0
8	0	Available for Disbursement as Grants	22
(8)	0	FINAL SURPLUS/(DEFICIT) FOR THE YEAR INCLUDING GRANTS	(22)
0	22	TRUST BALANCE CARRIED FORWARD AT 31 MARCH	0

Budget 2023/24 £	Projected Outturn 2023/24 £	MARGARET ARCHIBALD BEQUEST	Proposed Budget 2024/25 £
197,297	197,817	Projected Trust Balance Brought Forward at 1 April	211,661
10,130	10,688	<u>INCOME</u> Share dividends	10,696
1,093	9,250	Loans Fund Interest (on cash balances)	3,570
11,223	19,938	TOTAL INCOME FOR THE YEAR	14,266
302	444	<u>EXPENDITURE</u> Administration - Charge from Finance	504
302	444	SUB TOTAL OF EXPENDITURE FOR THE YEAR	504
10,921	19,494	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	13,762
10,921	5,650	Available for Disbursement as Grants	13,762
0	13,844	FINAL SURPLUS/(DEFICIT) FOR THE YEAR INCLUDING GRANTS	0
197,297	211,661	TRUST BALANCE CARRIED FORWARD AT 31 MARCH	211,661

Budget 2023/24 £	Projected Outturn 2023/24 £	MARGARET ARCHIBALD BEQUEST	Proposed Budget 2024/25 £
197,297	197,817	Projected Trust Balance Brought Forward at 1 April	211,661
		INCOME	
10,130	10,688	Share dividends	10,696
1,093	9,250	Loans Fund Interest (on cash balances)	3,570
11,223	19,938	TOTAL INCOME FOR THE YEAR	14,266
		EXPENDITURE	
302	444	Administration - Charge from Finance	504
302	444	SUB TOTAL OF EXPENDITURE FOR THE YEAR	504
10,921	19,494	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	13,762
10,921	5,650	Available for Disbursement as Grants	13,762
0	13,844	FINAL SURPLUS/(DEFICIT) FOR THE YEAR INCLUDING GRANTS	0
197,297	211,661	TRUST BALANCE CARRIED FORWARD AT 31 MARCH	211,661

Budget 2023/24 £	Projected Outturn 2023/24 £	DOUGLAS SELLERS TRUST	Proposed Budget 2024/25 £
291	306	Projected Trust Balance Brought Forward at 1 April	164
		INCOME	
7	10	Loans Fund Interest (on cash balances)	0
7	10	TOTAL INCOME FOR THE YEAR	0
		EXPENDITURE	
152	152	Administration - Charge from Finance	158
152	152	SUB TOTAL OF EXPENDITURE FOR THE YEAR	158
(145)	(142)	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	(158)
146	0	Available for Disbursement as Grants	6
(291)	(142)	FINAL SURPLUS/(DEFICIT) FOR THE YEAR	(164)
0	164	TRUST BALANCE CARRIED FORWARD AT 31 MARCH	0

Budget 2023/24	Projected Outturn 2023/24	NORTH AYRSHIRE COUNCIL CHARITABLE TRUST (excluding SPIERS TRUST)	Proposed Budget 2024/25
£	£		£
42,363	44,194	Projected Trust Balance Brought Forward at 1 April	47,644
		<u>INCOME</u>	
1,885	1,904	Dividends	1,904
1,027	2,080	Loans Fund Interest (on cash balances)	790
2,912	3,984	TOTAL INCOME FOR THE YEAR	2,694
		<u>EXPENDITURE</u>	
284	284	Administration - Charge from Finance	316
284	284	SUB TOTAL OF EXPENDITURE FOR THE YEAR	316
2,628	3,700	SURPLUS/(DEFICIT) FOR THE YEAR BEFORE GRANTS	2,378
2,628	250	Available for Disbursement as Grants	2,378
0	3,450	FINAL SURPLUS/(DEFICIT) FOR THE YEAR INCLUDING GRANTS	0
42,363	47,644	TRUST BALANCE CARRIED FORWARD AT 31 MARCH	47,644

Sundry Bequests

Name of Funds	Investment	Projected Income 2024/25	Available for Disbursement 2024/25	Purpose of Bequest
	£	£	£	
Isabella McPhee Memorial Fund	2,962	50	3,012	Largs - Annual Putting Competition (Mackerston)
N Stewart	1,682	28	1,710	Provision of Liberty at Rothesay and Arran
Sturrock	3,033	51	3,084	Upkeep of Springside Community Centre
Clark Trophy	568	10	577	Road Safety Competition
Ayrshire Accident Relief	4,009	68	4,077	Accident Relief
Cast/Florist/N Child	290	5	295	No information available
Miss Hanslip Bequest	1,195	20	1,215	No information available
Total	13,738	232	13,970	

NORTH AYRSHIRE COUNCIL

28 February 2024

North Ayrshire Council

Title: Treasury Management and Investment Strategy 2024/25

Purpose: To seek approval for the proposed Strategy for Treasury Management and Investment activities within the Council for the financial year 2024/25.

Recommendation: That Council approves the Treasury Management and Investment Strategy for 2024/25 as attached at Appendix 1

1. Executive Summary

- 1.1 The Council is required by regulations issued under the Local Government in Scotland Act 2003 and the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2021 Edition (the CIPFA Code) to approve a Treasury Management Strategy before the start of each financial year. The Council is also required by regulation to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (2021) under Part 7 of the Local Government in Scotland Act 2003. In addition, the Consent by Scottish Ministers for the Investment of Money by Scottish Local Authorities, which came into force in April 2010, requires the Authority to approve an Investment Strategy before the start of each financial year.
- 1.2 The Treasury Management and Investment Strategy attached to this report complies fully with these requirements and provides:
- a summary of the Council's capital plans;
 - an outline of the treasury management strategy in relation to borrowing and the impact of capital plans on this borrowing; and
 - an outline of the investment strategy including the type of instruments available for investment and our permitted counterparties.
- 1.3 The strategy provides key prudential and treasury indicators to 2033/34 which clearly articulate the operational parameters associated with Treasury Management and Investment as well as offering assurance in relation to the affordability and sustainability of capital investment plans.

1.4 The key points highlighted in this report are;

- the continuation of an “under borrowed” position;
- interest rate forecasts predict that the UK Bank Rate will begin to decline in the latter half of 2024 and continue to decline until December 2025;
- notes the introduction of International Financial Reporting Standard (IFRS)16 which from 1 April 2023 sees leases, which were previously off balance sheet, now being included. Although leases form part of the other long term liability figures which make up the Prudential Indicators, it is not currently anticipated that the Indicators will be exceeded. The full impact will not be known until the end of the financial year 2023/24, an updated report may be required to inform the members of the detailed impact of IFRS 16 with amended Prudential Indicators for approval.

1.5 As recommended under the CIPFA Prudential and Treasury Management Codes, updated performance information in relation to the treasury management and prudential indicators are reported to Cabinet on a quarterly basis as part of the regular Revenue and Capital Monitoring arrangements.

2. Background

2.1 CIPFA defines treasury management as:

‘The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.’

2.2 The Local Government Scotland Act 2003 and the Prudential Code requires the Council to approve an annual Treasury Management and Investment Strategy which outlines the Council's strategy in relation to borrowing and the Council's strategy for managing investments giving priority to the security and liquidity of those investments.

2.3 The Treasury Management and Investment Strategy 2024/25 is attached at Appendix 1. The overall objectives of the strategy are as follows:

Borrowing

- to minimise the revenue cost of borrowings;
- to manage the Council’s cash flow;
- to manage the borrowing repayment profile;
- to assess interest rates’ movements and borrow/invest accordingly;
- to monitor and review the level of variable rate loans held in order to take advantage of interest rate movements; and
- to identify and evaluate opportunities for debt rescheduling.

Investments

- to protect capital security of the invested funds;
 - to obtain the best market return whilst recognising that security and liquidity are key priorities;
 - to specify criteria for identifying creditworthy counterparties; and
 - to specify the types of investments permitted and appropriate limits for each.
- 2.4 The strategy provides detailed key prudential and treasury indicators to 2033/34, aligned to the Council's current capital investment programme, which clearly articulate the operational parameters associated with Treasury Management and Investment as well as offering assurances in relation to the affordability and sustainability of capital investment strategy, including;
- the General Services capital plan to 2033/34; and
 - the Housing Revenue Account Capital Plan to 2053/54
- 2.5 The strategy also links with the key objectives of the Prudential Code that capital investment programmes:
- should be set at a level that delivers the Council's strategic priorities; and
 - are affordable in terms of the impact of the resultant debt repayments on revenue budgets.
- 2.6 The Treasury Management and Investment Strategy includes prudential indicators which are critical in assessing the affordability of capital investment plans and their impact on the Council's overall finances. The indicator used to demonstrate affordability is the proportion of financing costs to the net revenue stream (for both General Fund and Housing Revenue Account).
- 2.7 There are a number of other key indicators designed to ensure that the Council operates within well-defined limits. The strategy, therefore, specifies:
- limits we do not expect external debt to exceed;
 - appropriate levels of fixed rate borrowing versus variable rate borrowing;
 - upper and lower limits on the maturity of the debt portfolio, which reduces the Council's exposure to large sums falling due for refinancing at any one time; and
 - limits on investments placed for more than 365 days.
- 2.8 The Council expects to hold an 'under-borrowed' position at 31 March 2024. This means that the capital borrowing need (the Capital Financing Requirement) has not been fully funded by debt, due to the level of the Council's internal funds. The use of internal funds instead of borrowing will continue in order to minimise borrowing costs. This under-borrowed position will decline through time as internal funds reduce and borrowing is required to be undertaken to replace internal funding.

2.9 The Treasury Management and Investment Strategy includes details of the Council's policy on repayment of loans fund advances. The Council's policy complies with the options currently available under the Local Authority (Capital Financing and Accounting) (Scotland) Regulations 2016 and the asset lives and methodologies used have been reviewed to provide for the prudent repayment of advances.

3. Proposals

3.1 That Council approves the Treasury Management and Investment Strategy for 2024/25 as attached at Appendix 1.

4. Implications/Socio-economic Duty

Financial

4.1 Financial implications are detailed in the report attached at Appendix 1.

Human Resources

4.2 None.

Legal

4.3 The Local Government in Scotland Act 2003 and supporting regulations require the Council to set out its Treasury Strategy for borrowing and to prepare an Annual Investment Strategy. The Local Authority (Capital Financing and Accounting) (Scotland) Regulations 2016 require the Council to set a policy for the repayment of loans fund advances.

Equality/Socio-economic

4.4 None.

Environmental and Sustainability

4.5 None.

Key Priorities

4.6 The Treasury Management Strategy aligns with the Council Plan 2023-28 by ensuring robust governance arrangements are in place to fulfil the Council's statutory duties, manage risk and support delivery of key priorities.

Community Wealth Building

4.7 None.

5. Consultation

- 5.1 The Council's treasury advisors, Arlingclose Ltd, were consulted in the preparation of the Strategy.

Mark Boyd
Head of Service (Finance)

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

Background Papers

None



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Treasury Management and Investment Strategy 2024/25

Table of Contents

- 1 Purpose 3**
- 2 Executive Summary 5**
- 3 Capital and Prudential Indicators 2024/25 – 2026/27 7**
 - Capital Expenditure and Financing 7
 - The Council's Overall Borrowing Need (the Capital Financing Requirement) 8
 - The Liability Benchmark 9
 - Limits to Borrowing Activity 10
 - Affordability Prudential Indicators 11
- 4 Treasury Management Strategy 12**
 - Interest Rate Forecast 12
 - Current Portfolio Position 13
 - Controls on Borrowing Activity 14
 - LOBOs 15
 - Policy on Borrowing in Advance of Need 15
 - Debt Rescheduling 15
 - Borrowing Sources 15
 - Policy on Use of Financial Derivative 16
 - Policy on Repayment of Loans Fund Advances 16
- 5 Investment Strategy 17**
 - Current Portfolio Position 18
 - Environmental, Social and Governance (ESG) Policy 18
 - Creditworthiness Policy 18
 - Bail-in Risk 19
 - Investment Strategy and Permitted Investments 20
 - Summary of Material Investments, Guarantees and Liabilities 21
 - Monitoring of Investment Strategy 21
- Appendices**
 - Appendix 1: Prudential Indicators 2028 to 2034 22
 - Appendix 2: Treasury Risk Register 25
 - Appendix 3: Permitted Investments, Risks and Mitigating Controls 27
 - Appendix 4: Policy on Repayment of Loans Fund Advances 32
 - Appendix 5: Economic Background 34

1 Purpose

The Council is required by regulations issued under the Local Government in Scotland Act 2003 and the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2021 Edition* (the CIPFA Code) to approve a Treasury Management Strategy before the start of each financial year. The Council is also required by regulation to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (2021) under Part 7 of the Local Government in Scotland Act 2003.

In addition, the Consent by Scottish Ministers for the Investment of Money by Scottish Local Authorities, which came into force in April 2010, requires the Authority to approve an Investment Strategy before the start of each financial year.

This strategy meets these requirements fully.

Three main reports on Treasury Management activity are presented to Members each year, incorporating a variety of policies, estimates and actuals. These are:

- **Annual Treasury Management and Investment Strategy** (this report), which is submitted to full Council before the start of each financial year.
- **Mid-Year Treasury Management and Investment Report**, submitted to Cabinet as soon as possible following 30 September each year.
- **Annual Treasury Management and Investment Report**, submitted to full Council annually by the 30 June following the end of each financial year.

Responsibilities

Regulations place responsibility on Members for the review and scrutiny of treasury management policy and activities. The following Scheme of Delegation has been adopted by the Council:

Full Council

- to receive and review reports on treasury management policies, practices and activities;
- to approve the annual Treasury Management and Investment Strategy.

Cabinet

- to approve amendments to the treasury management policy statement and treasury management practices;
- to approve the division of responsibilities;
- to receive and review regular monitoring reports and act on recommendations.

Section 95 Officer

The Council's Section 95 Officer is responsible for the proper administration of the Council's financial affairs and is required:

- to recommend treasury management policies / practices, review these regularly and monitor compliance;
- to submit regular treasury management updates;
- to receive and review management information;
- to review the performance of the treasury management function;
- to ensure the adequacy of treasury management resources and skills and the effective division of responsibilities within the treasury management function; and
- to approve the appointment of external service providers.

External Treasury Advisers

The Council recognises that there is value in employing external providers of treasury management services, in order to access specialist skills and resources.

However, it recognises that the responsibility for treasury management decisions remains with the Council at all times and officers will ensure that undue reliance is not placed upon external advice.

The Council's current external treasury management advisors are Arlingclose Limited. The contract started on 5 April 2021 and was in place for an initial 3 year period. A one year extension has been agreed taking the existing contract to 5 April 2025. The Council will ensure that the terms of their appointment and the methods by which their value is assessed are properly agreed, documented and subject to regular review.

2 Executive Summary

The treasury management function ensures that the Council's funds are managed in accordance with the relevant professional codes, so that sufficient cash is available to meet service activity. This involves both the organisation of the cashflow and, where capital plans require, the organisation of appropriate borrowing facilities.

CIPFA defines treasury management as:

“The management of the organisation’s borrowing, investments and cashflows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

This document outlines the Council's Annual Treasury Management Strategy and Annual Investment Strategy providing:

- a summary of the Council's capital plans;
- an outline of the treasury management strategy in relation to borrowing and the impact of capital plans on this borrowing; and
- an outline of the investment strategy including the type of instruments available for investment and our permitted counterparties.

Key prudential and treasury indicators are provided throughout this strategy which clearly articulate the operational parameters in relation to Treasury Management and Investment, as well as providing assurances in relation to the affordability and sustainability of capital investment plans. Table 1 contains the key prudential and treasury indicators within the report.

Table 1

Prudential and Treasury Indicators	2023/24 Probable Outturn £m	2024/25 Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m
Capital Expenditure:				
General Services	112.312	104.655	67.937	81.329
HRA	39.730	52.417	75.709	65.552
Total	152.042	157.072	143.646	146.881
Loans Capital Financing Requirement (CFR):				
General Services	269.594	346.096	372.693	425.982
HRA	180.546	198.552	234.854	264.527
Total	450.140	544.648	607.547	690.509
Gross Borrowing	325.829	478.337	561.236	656.198
Operational Boundary for Borrowing	467.574	558.072	624.121	705.352
Authorised Limit for Borrowing	514.331	613.879	686.533	775.887
Total Operational Boundary (Including PPP/NPD)	555.306	641.366	702.711	779.069
Total Authorised Limit (Including PPP/NPD)	602.063	697.173	765.123	849.604
Liability Benchmark	160.988	258.447	329.296	416.677
Investments	30.000	30.000	30.000	30.000

A summary of this is provided as follows, with more detailed information provided in the body of the report.

Capital Expenditure for the General Fund (GF) reflects the capital investment programme for 2024/25 to 2033/34 and Housing Revenue Account (HRA) reflects the capital investment programme for 2024/25 and the capital investment plans included in the latest business plan. To ensure the financial consequences of the new programme are fully transparent, all relevant indicators have been projected to 2033/34 and these can be found in Appendix 1.

The **Capital Financing Requirement (CFR)** is the underlying borrowing requirements of the Council.

Gross Borrowing reflects the actual borrowing which has been undertaken. This is projected to be lower than the CFR as the Council continues with its strategy to use internal funds.

The **Operational Boundary** is the maximum borrowing and other long-term liabilities to fund previous years' and the current year capital programme, building in flexibility for the timing of the different funding streams and principal repayments. The operational boundary includes any other long-term liabilities (e.g. PPP/NPD schemes, finance leases) however no borrowing is actually required against these schemes as a borrowing facility is included in the contract.

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

The **Liability Benchmark** is an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

Affordability of borrowing is measured by the percentage of financial costs relative to the net revenue stream of the GF and HRA.

Full details of these can be found on page 11.

The **average investment** rate estimated for 2024/25 is 4.25% and is reflective of the Council's appetite for risk, the short term nature of investments and the permitted instruments and counterparties selected.

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

Client Status

The second Market in Financial Instruments Directive (MiFID II), introduced in January 2018, classifies Local Authorities as "retail clients" unless they choose to opt-up to "professional client" status. This has the advantages of lower fees and access to a greater range of products and investment firms. The Council continues to opt-up to professional client status. In order to meet the professional client criteria, the Council must hold a £10m investment portfolio at all times and have at least one officer with the necessary level of experience and knowledge to understand the risks involved in the management of the investments.

3 Capital and Prudential Indicators 2024/25 – 2026/27

In exercising its power to borrow, the Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016 require the Authority to have regard to the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities (the Prudential Code). The Prudential Code is a framework to ensure Councils demonstrate effective control over levels of, and decisions relating to, capital investment activity, including borrowing. The 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.

Capital Expenditure and Financing

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously and those forming part of the 2024/25 budget setting.

The 2024/25 budget proposes an updated Capital Investment Programme for General Services to 2033/34 and updated investment plans for the HRA for 2024/25 and the capital investment plans included in the latest business plan. All projects within the Capital Programme are linked to the Council's key strategic priorities. These are also covered in the Capital Investment Strategy, produced in line with the requirements of the Prudential Code. To ensure that the financial consequences of the new programme are fully transparent, all relevant indicators have been projected to 2033/34 and these can be found in Appendix 1. Table 2 shows the capital expenditure plans and how they are being financed by capital or revenue resources over the next three years. The borrowing figure in Table 2 is the difference between the estimates for total capital expenditure and the other funding sources.

Table 2

Estimates of Capital Expenditure and Income	2023/24	2024/25	2025/26	2026/27
	Probable Outturn £m	Estimate £m	Estimate £m	Estimate £m
General Services Capital expenditure	112.312	104.655	67.937	81.329
Funded by:				
Borrowing	51.246	78.300	29.586	55.833
Receipts / Grants	59.661	22.875	37.647	24.786
Funded from Revenue	1.405	-	-	-
Funded from Reserves	-	3.480	0.704	0.710
Total	112.312	104.655	67.937	81.329
HRA Capital expenditure	39.730	52.417	75.709	65.552
Funded by:				
Borrowing	21.284	24.116	43.279	37.306
Receipts / Grants	6.785	15.871	21.483	16.868
Funded from Revenue	5.151	11.492	9.010	7.422
Funded from Reserves	6.510	0.938	1.937	3.956
Total	39.730	52.417	75.709	65.552

The Council's Overall Borrowing Need (the Capital Financing Requirement)

This indicator outlines the Council's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not been paid from either a capital or a 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 the payment of capital commitments on an ongoing basis. 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 is shown below and is a key prudential indicator. The opening balances include the PPP/NPD schemes on the balance sheet, which increase 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 subtracted from the total CFR to identify the Loans CFR. The Loans CFR is forecast to rise over the next few years as capital expenditure financed by borrowing increases.

Table 3

Capital Financing Requirement (CFR)	2023/24	2024/25	2025/26	2026/27
	Probable Outturn £m	Estimate £m	Estimate £m	Estimate £m
General Services	357.326	429.390	451.283	499.699
HRA	180.546	198.552	234.854	264.527
Sub-total	537.872	627.942	686.137	764.226
Less PPP/NPD long-term liability	(87.732)	(83.294)	(78.590)	(73.717)
Loans Capital Financing Requirement (CFR)	450.140	544.648	607.547	690.509
Movement in CFR				
General Services		76.502	26.597	53.289
HRA		18.006	36.302	29.673
Annual Change		94.508	62.899	82.962

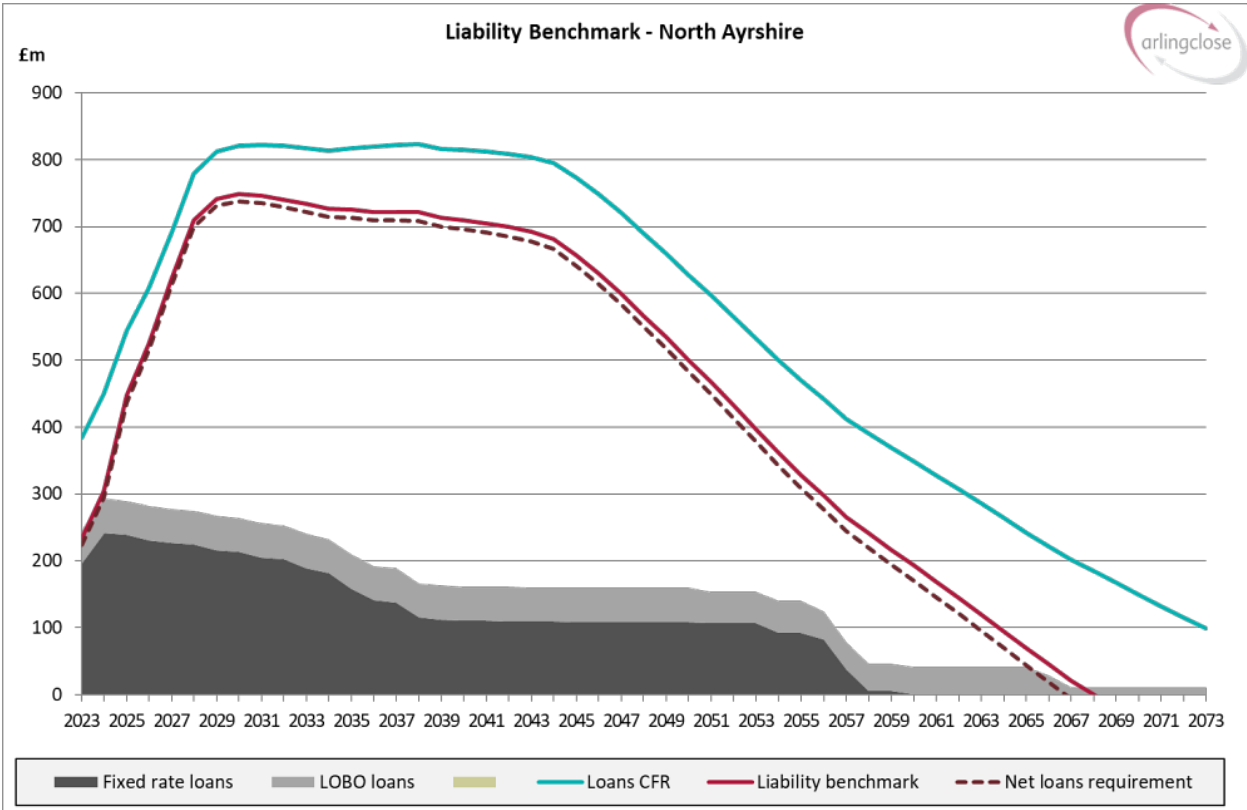
Liability Benchmark

The liability benchmark, which is now a treasury prudential indicator, is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

Table 4

Liability Benchmark	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual £m	Estimate £m	Forecast £m	Forecast £m	Forecast £m
Loans CFR	384.1	450.1	544.6	607.5	690.5
Less Balance sheet resources	-252.2	-299.2	-296.2	-288.3	-283.8
Net loans requirement	131.881	150.988	248.447	319.296	406.677
Liquidity allowance	10.0	10.0	10.0	10.0	10.0
Liability Benchmark	141.881	160.988	258.447	329.296	416.677

Following on from the medium-term forecasts in the table above, the long-term liability benchmark assumes capital expenditure funded by borrowing will be in line with the 10 year capital plan and 30 year HRA business plan respectively, loans fund advances on new capital expenditure based on asset life and income, expenditure and reserves all increasing by inflation of 2.5% a year with any specific adjustments made for planned use of reserves. This is shown in the chart below together with the maturity profile of the Council's existing borrowing:



The Liability benchmark graph above is used to inform the Council’s borrowing strategy. The shaded grey area shows the Councils current debt and the gap between this and the Liability benchmark line is how much more borrowing the Council likely needs to undertake to support its current capital plans once taking into account its balance sheet resources. The above graph indicates that long term borrowing for the period of up to 25 years would be most appropriate to meet the Councils borrowing needs and mitigate against interest rate risk.

Limits to borrowing activity

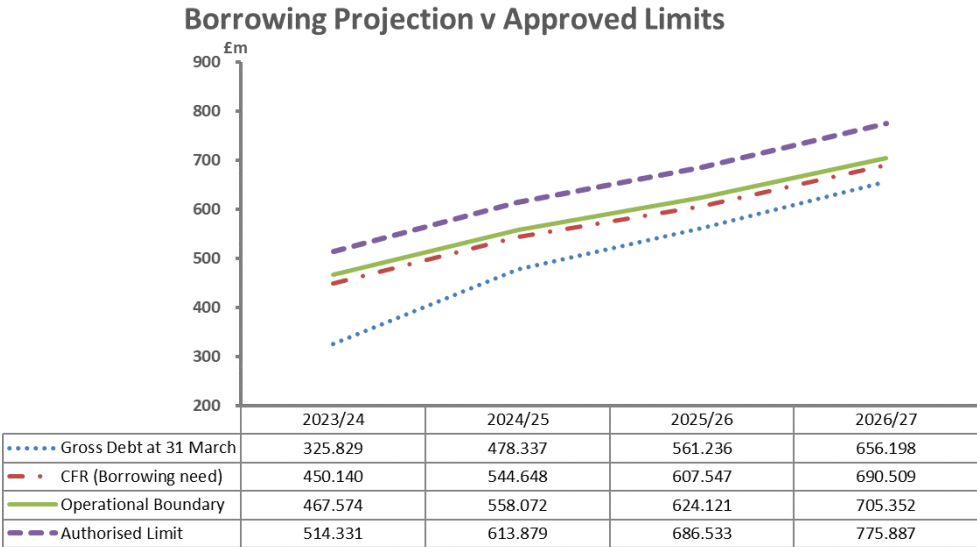
The Operational Boundary

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 are acceptable, subject to the authorised limit not being breached.

The Authorised Limit

The authorised limit represents a limit beyond which external debt is prohibited. This limit is set by Council and can only be revised by Council 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. The current limit is set at 10% above the Operational Boundary.

The following graph shows the projected levels of the Operational Boundary and Authorised Limit for Borrowing, compared with the Council’s CFR and gross debt position. CIPFA’s Prudential Code for Capital Finance in Local Authorities recommends that the Council’s total debt should not exceed the highest forecast CFR over the next three years. This provides Councils with some flexibility to borrow to meet future capital investment requirements but provides a balance to ensure debt is not held for long periods of time without an underlying need to fund capital investment. The graph below confirms that the Council expects to comply with this recommendation.



*NB: Figures exclude PPP/NPD

Leasing – International Financial Reporting Standard (IFRS) 16

From 1 April 2023, leases which were previously off balance sheet will now be included. Although leases form part of the other long term liability figures which make up the Prudential Indicators above, it is not currently anticipated that the Indicators will be exceeded. The full impact will not be known until the end of the financial year 2023/24, an updated report may be required to inform the members of the detailed impact of IFRS 16 with amended Prudential Indicators for approval.

Affordability Prudential Indicators

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. The cost impact of borrowing decisions are reflected in the Council’s budget as loan charges. These have been projected to 2033/34 in line with the capital plan.

Actual and estimates of the proportion of financing costs to net revenue stream.

This indicator identifies the trend in the cost of capital (borrowing and other long-term liabilities net of investment income) against the net revenue stream and reflects the profile of the loans fund advances together with future capital investment. The estimates of financing costs include current commitments and those arising from the capital programme. The HRA costs are aligned with the 30-year business plan.

Table 5

Proportion of financing costs to net revenue stream	2023/24	2024/25	2025/26	2026/27
	Probable Outturn	Estimate	Estimate	Estimate
	%	%	%	%
General Services	2.5%	3.5%	4.4%	4.9%
HRA	20.5%	24.0%	28.7%	30.5%

Capital expenditure impacts on the revenue budget through financing charges, so it is essential that the Council ensures the financing costs remain affordable and do not constitute an excessive proportion of the revenue resources available. From a General Fund perspective, the CIPFA Directors of Finance Performance Indicators 2022/23 show a Scottish Local Authority average of 5.4%, therefore demonstrating a prudent borrowing policy. For the HRA, the indicative Scottish average in 2022/23 was 21.4%. The rising ratio within the HRA is indicative of the significant capital investment programme as outlined in the Strategic Housing Investment Plan. The level of loan charges is deemed prudent and affordable within the framework of the 30 year Housing business plan.

4 Treasury Management Strategy

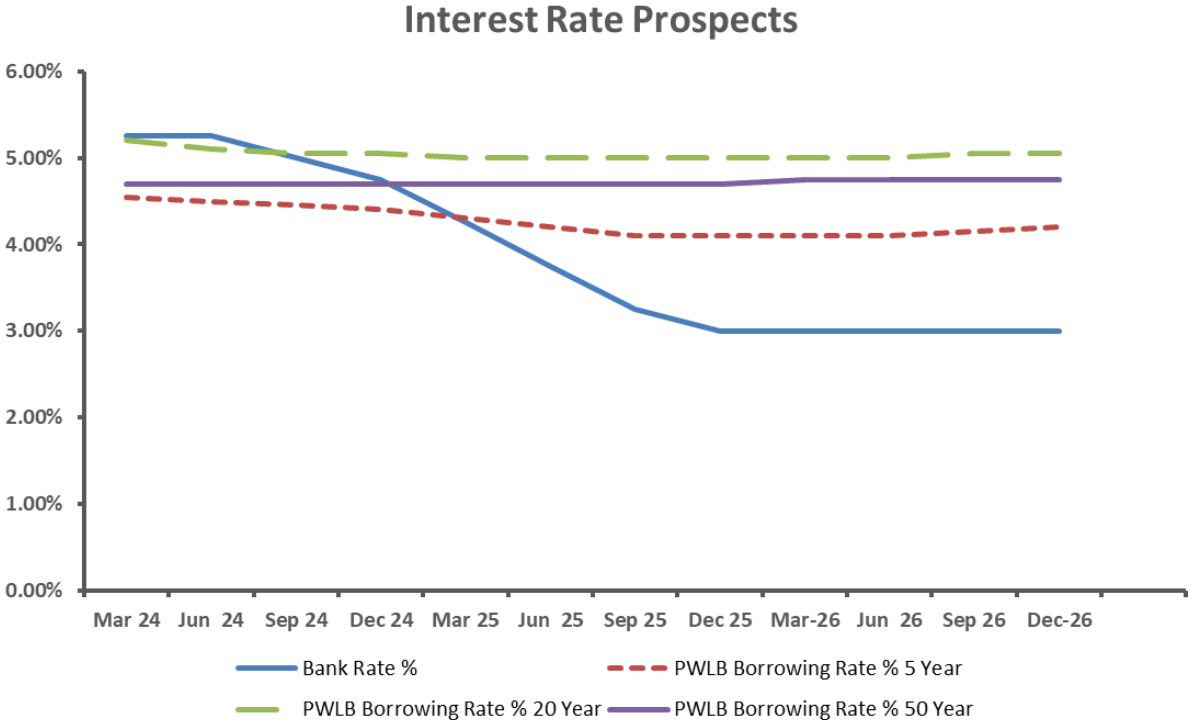
The treasury management function ensures that the Council’s funds are managed in accordance with the relevant professional codes, so that sufficient cash is available to meet service activity. This involves both the organisation of the cashflow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy. The primary objectives of the Council’s borrowing strategy is to minimise the revenue impact of borrowing and to effectively manage the repayment profile of the debt.

The treasury strategy aligns with the Council Plan by contributing to “maximising financial flexibilities to help support delivery of priorities” and “Maximising value from the use of our assets” as referred to under the priority of “A Sustainable Council”. The Council Plan can be found on the Council’s website at: www.north-ayrshire.gov.uk.

Economic Outlook

Interest rate forecast

Interest rate forecasts are key to forecasting the costs of future borrowing. The Council’s treasury management adviser Arlingclose is forecasting that the bank rate will begin to decline in the latter half of 2024 and continue to decline until December 2025 before settling at 3%. The projected rates are shown in the following graph alongside an assessment of PWLB borrowing rates to December 2026:



Current Portfolio Position

The Council’s projected treasury portfolio position at 31 March 2024, with future year estimates, is summarised below. Table 6 shows the probable outturn of gross debt at 31 March 2024, and the estimated gross debt 2024/25 – 2026/27, against the underlying capital borrowing need (the CFR) highlighting any over or under borrowing. Both the external debt and CFR exclude the Council’s liabilities in respect of the PPP/NPD schemes.

Table 6

Current Portfolio Position (excluding PPP/NPD)	2023/24	2024/25	2025/26	2026/27
	Probable Outturn	Estimate	Estimate	Estimate
	£m	£m	£m	£m
Gross Debt at 31 March	325.829	478.337	561.236	656.198
CFR	450.140	544.648	607.547	690.509
(Under)/Over Borrowed Position	(124.311)	(66.311)	(46.311)	(34.311)

Within the prudential indicators there are a number of key indicators to ensure that the Council operates within well-defined limits. One of these is that the Council’s gross debt should not, except in the short term, exceed the total of the CFR. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue purposes.

The Council’s borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. The Council is currently under-borrowed. This means that the capital financing requirement (CFR), has not been fully funded with loan debt because the cash supporting the Council’s internal balances and cashflow is being used as a temporary measure. This strategy is currently prudent, as investment returns are low and counterparty risk is high. Where possible, the Council will continue to use internal funds but will balance this strategy against movements in interest rates as outlined above.

Against this background and the risks within the economic forecast, caution will be adopted within 2024/25 treasury operations. The Section 95 Officer will monitor interest rates and adopt a pragmatic approach to changing circumstances. For example:

- if it is anticipated that there is a significant risk of a sharp fall in long and short-term rates, then long-term borrowings will be postponed and potential rescheduling from fixed rate funding into short-term borrowing will be considered.
- if it is anticipated that there is a significant risk of a sharp rise in long and short-term rates than that currently forecast, then the portfolio position will be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates are still lower than they are expected to be in the next few years.

Any such decisions will be reported to the Cabinet as part of the mid-year and annual treasury outturn report. A summary of treasury risks and mitigating controls can be found at Appendix 2.

Controls on Borrowing Activity

The purpose of these controls is to manage the risk and impact of any adverse movement in interest rates. However, if they are set to be too restrictive, they may impair opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies a maximum limit for variable interest rates based upon the debt position net of investments;
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates.

Table 7

	2023/24 Probable Outturn £m	2023/24 Limit £m	2024/25 Limit £m	2025/26 Limit £m	2026/27 Limit £m
Limits on fixed interest rates based on net debt	274.879	514.331	613.879	686.533	775.887
Limits on variable interest rates based on net debt	50.950	60.000	60.000	60.000	60.000

- Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large sums falling due for refinancing; both upper and lower limits are required.

Table 8

Maturity Profile of Borrowing	2023/24 Probable Outturn £m	2023/24 Probable Outturn %	Lower Limit %	Upper Limit %
Under 12 months	53.428	18%	0%	50%
12 months and within 24 months	2.888	1%	0%	50%
24 months and within 5 years	10.032	3%	0%	50%
5 years and within 10 years	24.439	8%	0%	75%
10 years and above	208.152	70%	25%	90%
Total Borrowing	298.938	100%		

* Note the Under 12 months figure in the above table includes £38.950m LOBOs which have call options in year.

The impact of a 1% rise in interest rates based on the Councils current debt portfolio is shown in the table below:

Table 9

Interest rate Risk Exposure	2024/25 £m	2025/26 £m	2026/27 £m
Impact of 1% increase in Interest rates	0.420	0.561	0.604
Impact of 1% decrease in Interest rates	(0.191)	(0.302)	(0.344)

*Note there is a lower impact of a 1% reduction as the LOBO loans are unlikely to be called when the rate reduces.

LOBOs

The Council currently holds £50.950m of Lender's Option Borrower's Option (LOBO) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. Similar to other debt held by the Council we continue to work with treasury management advisers to identify financially beneficial opportunities to repay LOBO loans.

Policy on Borrowing in Advance of Need

The Council will not borrow more than, or in advance of, its needs purely to profit from the investment of the extra sum borrowed. Any decision to borrow in advance will be within forward approved CFR estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

Risks associated with any advance borrowing activity will be subject to appraisal and subsequent reporting in either the mid-year or annual treasury report.

Debt Rescheduling

As short-term borrowing rates are cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long-term to short-term debt. However, these savings will need to be considered in the light of the current treasury position and the cost of any premiums incurred on early debt repayment.

Potential reasons for debt rescheduling include:

- the generation of cash savings and / or discounted cashflow savings; or
- the enhancement of the portfolio balance (amend the maturity profile and / or risk).

The recent rise in interest rates means that more favourable debt rescheduling opportunities should arise than in previous years. All debt rescheduling proposals will be reported to Cabinet / full Council as part of the annual or mid-year report.

Borrowing Sources

Approved sources of long-term and short-term borrowing are:

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board) and any successor body;
- UK Infrastructure Bank Ltd
- Any institution approved for investments (see Appendix 3);
- Any other bank or building society authorised to operate in the UK;
- Any other UK public sector body;
- UK public and private sector pension fund (except Strathclyde Pension Fund);
- Capital market bond investors; or

- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues.

In addition, capital finance can be raised by the following methods that are not borrowing, but are classed as other debt liabilities:

- Leases;
- Hire purchase;
- Private Finance Initiatives (including PPP/NPD); or
- Sale and leaseback arrangements.
- Similar asset based finance

Alternatives to PWLB

North Ayrshire Council has previously raised the majority of its long-term borrowing from the PWLB but will consider long-term loans from other sources including banks, pensions and local authorities. The Council will also investigate the possibility of issuing bonds and similar instruments, which may offer lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. One example of such funding is the UK Municipal Bonds Agency, an organisation which issues bonds on the capital markets and lends the proceeds to local authorities. As these will represent a more complex form of borrowing, any decision to borrow in this way will be the subject of a separate report to Council.

PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield. The Council therefore intends to avoid this activity in order to retain its access to PWLB loans.

Policy on Use of Financial Derivatives

A financial derivative is a contract, which derives its value from the performance of an underlying entity. They are used for a number of purposes, including insuring against price movements. In the absence of any explicit legal power to do so, the Council will not use standalone financial derivatives (such as swaps, forwards, future and options). Derivatives embedded into loans and investments, including pooled funds and forward starting transactions, may be used and the risks that they present will be managed in line with the overall treasury risk management strategy.

Policy on Repayment of Loans Fund Advances

The prudent repayment of Loans Fund Advances are made under the provisions of The Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016, which came into force on 1 April 2016.

These Regulations require North Ayrshire Council to outline its policy on the repayment of loans fund advances. The loans fund advance is effectively the repayment of the 'principal' linked to the capital expenditure which is funded from borrowing.

The statutory guidance identifies a number of options for the prudent repayment of advances, including basing the repayments on:

- the depreciation charges made against the assets;
- the life of the assets, using either the annuity or equal instalments methodology; or
- the funding or income streams attached to the assets.

For the majority of projects undertaken by the Council, the policy is to repay loans fund advances linked to asset life using the annuity methodology. However, where appropriate, the repayment of advances arising from projects with associated income streams will be matched to the profile of the income.

The Council will continue to consider the most appropriate repayment methods, which align to the benefits of the assets and ensure a prudent repayment, for existing and future advances.

The policy is outlined in full in Appendix 4.

5 Investment Strategy

The Council's investment strategy has regard to the Local Government Investment (Scotland) Regulations (and accompanying finance circular) and the 2021 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults or of receiving unsuitably low investment income. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.

The aim of the Investment Strategy is to provide security of investment and minimisation of risk by generating a list of high creditworthy counterparties which will enable diversification. Investment instruments identified for use in the financial year, along with their associated risks and controls can be found in Appendix 3.

Counterparty limits are set through the Council's Treasury Management Practices. The maximum that will be lent to any one organisation (other than the UK Government) will be £10 million. A group of banks under the same ownership, will be treated as a single organisation for limit purposes.

The Council uses purpose-built cash flow forecasting software to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's revenue budget and cash flow forecast.

Given the risk of bail-in (as defined on page 19) and continued low returns from short-term unsecured bank investments, the Council will take opportunities, as cash flows permit, to further diversify into more secure asset classes during 2024/25. This diversification will mitigate further risks associated with investments.

Current Portfolio Position

Table 10

Current Portfolio Position	2023/24	2024/25	2025/26	2026/27
	Probable Outturn	Estimate	Estimate	Estimate
	£m	£m	£m	£m
Investments at 31 March	30.000	30.000	30.000	30.000
Net Debt at 31 March	295.829	448.337	531.236	626.198

Environmental, Social and Governance (ESG) Policy

Environmental, social and governance (ESG) considerations are increasingly a factor in global investors’ decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council’s ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level. When investing in banks and funds, the Council will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code. A list of ESG Initiative signatories is updated quarterly by the Council’s treasury advisor Arlingclose to support the Council’s decision making process for investing.

Creditworthiness policy

In accordance with the above, and in order to minimise risk, the Council has clearly stipulated the minimum acceptable credit quality of counterparties for inclusion on its lending list. The Council uses Arlingclose’s Approved Counterparties List which takes full account of the ratings, outlooks and watches published by all three ratings agencies. Ratings are monitored on a real time basis with any changes notified electronically supplemented by weekly update.

Investment decisions are made by reference to the lowest published long-term credit rating and analysis from the Council’s treasury management advisers. The Council considers high credit quality organisations and investments as those having a credit rating of A- or higher and which are domiciled in the UK or in a foreign country with a sovereign rating of AA+ or higher. For money market funds that are more diversified, “high credit quality” is defined as those having a credit rating of A- or higher. However, in addition to credit ratings, the Council will consider investments in organisations based on independent analysis from our treasury management advisors.

All credit ratings are monitored by the Treasury Team who are alerted to changes in ratings of the main rating agencies through Arlingclose’s weekly updates and following credit developments. Where a downgrade results in the counterparty or investment scheme no longer meeting the Council’s minimum criteria, any investment will be withdrawn immediately, where breakage costs are not excessive.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

The Council recognises that credit ratings are good, but not comprehensive, indicators of investment default. Full regard is therefore given to other available information on the credit quality of the organisations in which it invests including credit default swap prices, financial statements, information on government support, reports in the financial press and analysis from the Council's treasury management adviser. No investment will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

Bail-in Risk

Since the financial crisis, global authorities have embarked on a wide ranging review of the banking sector to ensure that the cost to the public purse of any future crises is contained. One of the most significant changes has arisen from the Financial Services (Banking Reform) Act 2013 which added the bail-in of certain unsecured creditors to the Special Resolution Regime (SRR) granted to the Bank of England under the Banking Act 2009. Bail-in is the opposite of bail-out and requires the country's banking authority to bail-in funds from existing investments if a bank requires it to remain financially sustainable.

Local authority deposits in banks are unsecured and because other previously unsecured creditors such as retail investors have become preferred under UK and EU Directives, it means that the risks associated with local authority unsecured investments in banks have risen.

The best solution to mitigating against bail-in risk is to invest with high quality and credit worthy institutions. The identification of these institutions remains a key objective of the investment strategy. Ensuring diversification of investment counterparties is also an effective risk management approach and is reflected in investment counterparty limits.

Investment Strategy and Permitted Investments

The Investment Regulations (Code on the Investment of Money by Local Authorities) require the Council to approve all types of investments to be used and to set appropriate limits for the amount that can be held in each investment type. In determining its permitted investments, the Council must identify the treasury risks associated with each type of instrument and the controls put in place to limit risk on each investment type. Full details can be found in Appendix 3.

Investment Returns Expectations

The Bank Rate is forecast to gradually fall during the second half of 2024 and continue with gradual reductions until December 2025. Bank Rate forecasts for financial year ends (March) are:

- 2024/25 4.25%
- 2025/26 3.00%
- 2026/27 3.00%

The estimated rates for returns on investments placed for periods up to 100 days during each financial year for the next three years are as follows:

- 2023/24 4.25%
- 2024/25 3.00%
- 2025/26 3.00%

Investment Treasury Indicator and Limit

This is a control on the total principal funds invested for greater than 1 year. This limit is set with regard to the Council’s liquidity requirements and to reduce the need for early sale of an investment, and is based on the availability of funds after each year-end.

Table 11

Maximum principal sums invested for more than 1 year	2023/24 Probable Outturn £m	2024/25 Limit £m	2025/26 Limit £m	2026/27 Limit £m
Principal sums invested for more than 1 year	-	10.000	10.000	10.000

For cashflow management, the Council will seek to utilise its money market funds and short-dated deposits (overnight to three months) in order to benefit from the compounding of interest.

Summary of Material Investments, Guarantees and Liabilities

In line with the requirements in respect of the Council’s Capital Investment Strategy information is provided on material Investments, Guarantees and Liabilities. Reporting of this fits better within the TMIS. Information is provided in the table below;

The Council has the current historic investments on the balance sheet as at 31st March 2023:

Category	Value as at 31 March 2023 £m
Long-term Debtors	0.044
Total	0.044

The long-term debtors represent loan finance provided by the Council to other parties which relates to Advances for House Purchases.

Monitoring of Investment Strategy

An update on the investment position of the Council will be reported to Cabinet in the 2024/25 Mid-Year Treasury report and the Annual Treasury Report will be submitted to the Council after the end of the financial year.

Appendix 1: Prudential Indicators 2028 to 2034

Estimates of Capital Expenditure and Income	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m	£m
General Services Capital expenditure	62.793	26.625	21.326	11.047	10.249	10.249	10.249
Funded by:							
Borrowing	35.284	8.753	5.668	1.267	0.594	0.594	0.594
Receipts / Grants	27.509	17.872	15.658	9.780	9.655	9.655	9.655
Funded from Revenue	-	-	-	-	-	-	-
Funded from Reserves	-	-	-	-	-	-	-
Total	62.793	26.625	21.326	11.047	10.249	10.249	10.249
HRA Capital expenditure	80.075	46.543	25.272	24.382	24.928	25.792	26.804
Funded by:							
Borrowing	62.024	33.999	11.881	11.435	10.260	10.366	9.211
Receipts / Grants	8.466	1.566	0.588	0.004	-	-	-
Funded from Revenue	9.585	10.978	12.803	12.943	14.668	15.426	17.593
Funded from Reserves	-	-	-	-	-	-	-
Total	80.075	46.543	25.272	24.382	24.928	25.792	26.804

Capital Financing Requirement (CFR)	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m	£m
General Services	526.200	526.243	523.368	515.233	505.572	494.885	482.934
HRA	320.543	348.064	353.599	357.152	359.314	360.353	360.299
Sub-total	846.743	874.307	876.967	872.385	864.886	855.238	843.233
Less PPP/NPD long-term liability	(68.023)	(62.547)	(56.667)	(50.841)	(44.793)	(38.127)	(29.984)
Sub-total	778.720	811.760	820.300	821.544	820.093	817.111	813.249
Movement in CFR							
General Services	32.195	5.519	3.005	(2.309)	(3.613)	(4.021)	(3.808)
HRA	56.016	27.521	5.535	3.553	2.162	1.039	(0.054)
Annual Change	88.211	33.040	8.540	1.244	(1.451)	(2.982)	(3.862)

* A negative annual change in CFR reflects a reduction in the need to finance capital investment from borrowing.

	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Proportion of financing costs to net revenue stream	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m	£m
General Services	5.4%	5.8%	5.7%	5.9%	6.0%	6.0%	5.9%
HRA	30.6%	31.6%	30.8%	31.8%	30.8%	31.1%	29.8%

	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Current Portfolio Position (excluding PPP/NPD)	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m	£m
Gross Debt at 31 March	744.409	777.449	785.989	787.233	785.782	782.800	778.938
CFR	778.720	811.760	820.300	821.544	820.093	817.111	813.249
(Under)/Over Borrowed Position	(34.311)	(34.311)	(34.311)	(34.311)	(34.311)	(34.311)	(34.311)

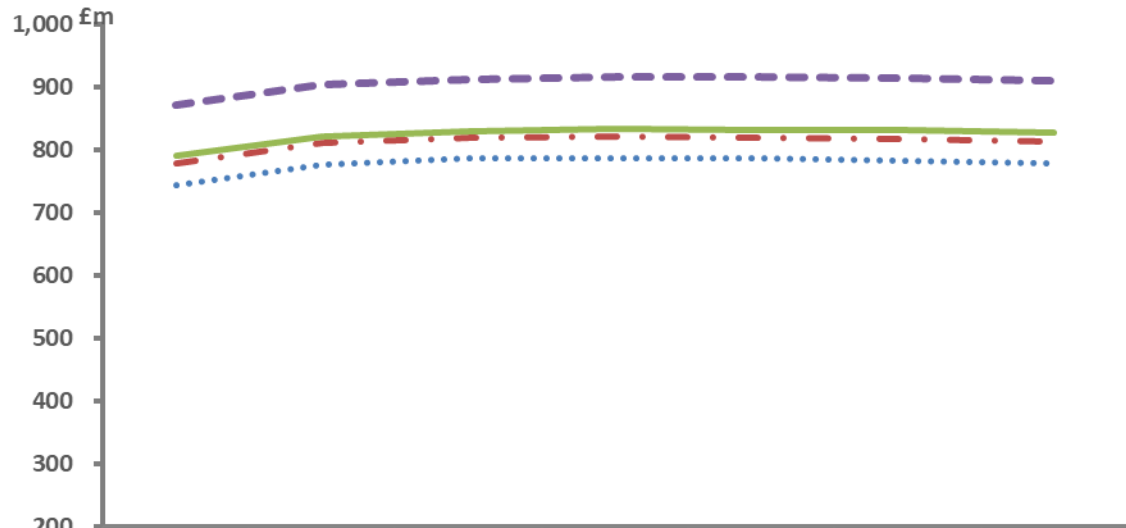
	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Current Portfolio Position	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m	£m
Investments at 31 March	20.000	20.000	20.000	20.000	20.000	20.000	20.000
Net Debt at 31 March	724.409	757.449	765.989	767.233	765.782	762.800	758.938

	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Operational Boundary	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m	£m
Anticipated borrowing	791.587	822.023	829.897	833.131	832.398	831.053	826.916
PPP/NPD long-term liability	68.023	62.547	56.667	50.841	44.793	38.127	29.984
Operational Boundary	859.610	884.570	886.564	883.972	877.191	869.180	856.900

	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Authorised Limit	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m	£m
Operational Boundary + 10%	870.746	904.225	912.887	916.444	915.638	914.158	909.608
PPP/NPD long-term liability	68.023	62.547	56.667	50.841	44.793	38.127	29.984
Authorised Limit	938.769	966.772	969.554	967.285	960.431	952.285	939.592

	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Liability Benchmark	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	£m	£m	£m	£m	£m	£m	£m
Loans CFR	778.703	811.758	820.298	821.542	820.091	817.109	813.247
Less Balance sheet resources	(79.143)	(80.754)	(82.914)	(86.815)	(91.078)	(95.174)	(99.326)
Net loans requirement	699.560	731.004	737.384	734.727	729.013	721.935	713.921
Liquidity allowance	10.250	10.506	10.769	11.038	11.314	11.597	11.887
Liability Benchmark	709.810	741.510	748.153	745.765	740.327	733.532	725.808

Borrowing Projection v Approved Limits



	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
••••• Gross Debt at 31 March	744.203	777.233	785.762	786.995	785.532	782.539	778.665
- - - CFR (Borrowing need)	778.514	811.544	820.073	821.306	819.843	816.850	812.976
— Operational Boundary	791.391	821.817	829.681	832.904	832.160	830.803	826.655
- - - Authorised Limit	870.530	903.999	912.649	916.194	915.376	913.883	909.321

Appendix 2: Treasury Risk Register

Risk Title	Description	Consequence of Risk	Current Controls	RAG Status
Credit and Counterparty Risk	This is the risk of failure by a counterparty (bank or building society) to meet its contractual obligations to the organisation particularly due to the counterparty's diminished creditworthiness, and the resulting detrimental effect on the organisation's capital or current (revenue) resources. There are no counterparties where this risk is zero although AAA rated organisations have a very high level of creditworthiness.	That investment funds will not be returned in full to the Council as per the contractual obligation of the counterparty.	The Council sets minimum credit criteria to determine which counterparties and countries are of sufficiently high creditworthiness to invest securely. The RAG status is Amber because this risk will never be fully eliminated.	Amber
Liquidity Risk	This is the risk that cash will not be available when it is needed. Whilst it could be said that all counterparties are subject to at least a very small level of liquidity risk, in this document, liquidity risk has been treated as whether or not instant access to cash can be obtained from each form of investment instrument. While some forms of investment e.g. gilts, Certificates of Deposit, corporate bonds can usually be sold immediately if the need arises, there are two caveats: - a) cash may not be available until a settlement date up to three days after the sale; and b) there is an implied assumption that markets will not freeze up and so the instrument in question will find a ready buyer.	That the Council has insufficient access to cash to enable it to carry out its activities.	The Council has a cash flow forecasting model to enable it to determine how long investments can be made for and how much can be invested. This has a high level of assurance around regular cash inflows and outflows. Some of the Council's cashflow related investments are invested in Money Market Funds which provide very high daily liquidity.	Green

Risk Title	Description	Consequence of Risk	Current Controls	RAG Status
Market Risk	This is the risk that, through adverse market fluctuations in the value of the sums that the Council borrows and invests, there is a detrimental impact on the Council.	That investment funds will not be returned in full to the Council as per the contractual obligation of the counterparty due to market variations.	Only a proportion of the Council's investments will be invested in instruments whose value are subject to market movements. The proportion will not exceed the maximum percentage the Council will invest in investments over 1 year	Green
Interest Rate Risk	This is the risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately. The Council has set limits for its fixed and variable rate exposure in its Treasury Indicators in this report	That the Council will be faced with unexpected higher interest costs due to market variations.	The Council manages this risk by having a view of the future course of interest rates and then formulating a treasury management strategy accordingly which aims to maximise investment earnings consistent with control of risk or alternatively, seeks to minimise expenditure on interest costs on borrowing.	Green
Legal and Regulatory Risk	This is the risk that the organisation itself, or an organisation with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, including failure to comply with the CIPFA Codes and that the organisation suffers losses accordingly.	That investment funds will not be returned in full to the Council due to the failure of the counterparty to comply with their contractual obligations	The Council will not undertake any form of investing until it has ensured that it has all necessary powers and has complied with all regulations.	Green

Appendix 3: Permitted Investments, Risks and Mitigating Controls

Type of Investment	Description and Risk	Mitigating Controls	Council Limits
Banks Unsecured	<p>These are accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks, which are established by more than one country, e.g. European Investment Bank. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail.</p>	<p>Diversifying investments is crucial to managing bail-in risk, in addition to determining proportionate counterparty and maturity limits. Certificates of Deposit, which are tradable on the secondary market and which can be sold prior to maturity, will also assist in managing credit risk.</p>	<p>The combined secured and unsecured investments in any one bank will not exceed £10m.</p>
Banks Secured	<p>These are covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. Reverse purchase agreements involve the purchase of securities with the agreement to sell at a future date at a higher price. Collateralised arrangement are an investment with collateral such as properties or debt.</p>	<p>These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits.</p>	<p>The combined secured and unsecured investments in any one bank will not exceed £10m.</p>

Type of Investment	Description and Risk	Mitigating Controls	Council Limits
Operational Bank Accounts	The Council will incur operational exposures to its banking services provider, Clydesdale Bank, through current accounts. The bank is not currently on the Council's lending list as its credit ratings are below the investment credit rating criteria of A-. These balances are not classed as investments but are still subject to the risk of bail-in and balances will therefore be minimised.	The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion (which applies to Clydesdale Bank) are more likely to be bailed in than made insolvent, increasing the chance of the Council maintaining operational continuity.	The Council monitors its operational accounts on a daily basis, transferring any surplus funds to investment accounts and there for minimising the amount held in the operational bank account at any time.
Government	These are loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. Includes the UK Debt Management Office.	These investments are not subject to bail-in, and there is an insignificant risk of insolvency.	Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.
Corporates	These are loans, bonds and commercial paper issued by companies other than banks and registered social landlords. Loans to unrated companies will only be made if approved through a separate report to Council.	These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. This risk will be mitigated by taking independent external advice and diversifying investments over a number of counterparties.	Loans to unrated companies would be made as part of a diversified pool in order to spread the risk widely.

Type of Investment	Description and Risk	Mitigating Controls	Council Limits
Registered Social Landlords	These are loans and bonds issued by, guaranteed by or secured on the assets of Registered Social Landlords (Housing Associations). These bodies are regulated by the Scottish Housing Regulator and by the Homes and Communities Agency for Registered Providers of Social Housing in England.	As providers of public services, they retain the likelihood of receiving government support if needed and are therefore considered low risk.	Policy driven, managing all associated risks.
Money Market Funds	These are diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a management fee.	Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts.	<p>It is recommended that no more than 10% of the Council's total investments are invested in any one MMF and that the amount invested is no more than 0.5% of the size of a MMF used for liquidity purposes.</p> <p>For pooled investment vehicles that invest in bonds, equities and property, all of which operate on a variable net asset value (VNAV) it is recommended that no more than 10% of the Council's total investments are invested in each fund. These investments will be held for periods greater than 1 year.</p>

Type of Investment	Description and Risk	Mitigating Controls	Council Limits
Investment Properties	These are non-operational properties that are being held pending disposal, or for a longer-term rental income stream. They are highly illiquid assets with high risk to value (the potential for property prices to fall or for rental voids).	<p>In larger investment portfolios, some small allocation of property-based investment may counterbalance/ complement the wider cash portfolio. Property holding will be re-valued regularly and reported annually with gross and net rental streams.</p> <p>Member approval required and each application must be supported by the service rationale behind the loan and the likelihood of partial or full default.</p>	Policy driven, managing all associated risks.
Loans to third parties, including soft loans	These are service investments either at market rates of interest, or below market rates (soft loans). These types of investments may exhibit credit risk and are likely to be highly illiquid.	Each third party loan requires Member approval and each application must be supported by the service rationale behind the loan and the likelihood of partial or full default. Interest payments and loan repayments will be monitored and the likelihood of partial or full default reassessed regularly.	Policy driven, amount and loan maturity limit will be determined on a case-by-case basis.
Loans to a local authority company	These are service investments either at market rates of interest, or below market rates (soft loans). These types of investments may exhibit credit risk and are likely to be highly illiquid.	<p>Each loan to a local authority company requires Member approval and each application must be supported by the service rationale behind the loan and the likelihood of partial or full default.</p> <p>Interest payments, loan repayments, and their timeliness will be monitored and the likelihood or partial or full default reassessed regularly.</p>	Policy driven, amount and loan maturity limit determined on a case-by-case basis, managing all associated risks.

Type of Investment	Description and Risk	Mitigating Controls	Council Limits
Shareholdings in a local authority company	These are service investments, which may exhibit market risk and are likely to be highly illiquid.	Each equity investment in a local authority company requires Member approval and each application must be supported by the service rationale behind the investment and the likelihood of loss. Service investments will be subject to scrutiny by Financial Services on a regular basis and will include scrutiny of financial statements issued by the local authority company.	Policy driven, amount determined on a case-by-case basis, managing all associated risks.
Non-local authority shareholdings	These are non-service investments, which may exhibit market risk, will only be considered for longer term investments and are likely to be liquid.	Any non-service equity investment will require separate Member approval and each application must be supported by the service rationale behind the investment and the likelihood of loss. Non-service investments will be subject to scrutiny by Financial Services on a regular basis, reported to Members, and will include scrutiny of financial statements issued by the company.	Policy driven, amount and anticipated time frame for shareholding determined on a case-by-case basis, managing all associated risks.

Appendix 4: Policy on Repayment of Loans Fund Advances

Policy on Repayment of Loans Fund Advances

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 Council is also statutorily required to repay Loans Fund advances and to prudently determine the periods over which it will repay Loans Fund advances and the amount of repayments in any financial year.

Loans Fund advances comprise several items and the estimated opening balances for 2024/25, where applicable for North Ayrshire Council, are:

- capital expenditure (£454.140m);
- grants to third parties and expenditure on third party assets which would be classified as capital expenditure by a local authority (£0m);
- loans to third parties (£0m); and
- expenditure for which a borrowing consent has been issued by the Scottish Government (£0m).

Prudent repayment of Loans Fund advances

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 Council’s annual accounts require to include a disclosure of details of Loans Fund transactions. The HRA Loans Fund advances and associated annual repayments are identified separately from that of the General Fund.

The broad aim of prudent repayment is to ensure that the Council’s unfinanced capital expenditure is repaid over the period of years in which that expenditure is expected to provide a benefit and that each year’s repayment amount is reasonably commensurate with the period and pattern of the benefits.

The statutory guidance requires the Council to approve a policy on Loans Fund repayments each year and recommends a number of options for calculating prudent repayments. North Ayrshire Council’s policy is as follows:

For the majority of projects undertaken by the Council the policy is to use the asset life method to repay loans fund advances on an annuity basis, which is similar to the repayment of a mortgage where principal payments are lower at the start of the mortgage and build up to deliver full repayment over the term of the mortgage. As well as annuity, the asset life method has the option of equal instalments.

The Council will continue to consider the most appropriate repayment method which aligns to the benefits of the assets and ensures a prudent repayment.

In addition, there are some projects where income streams are attached to the project which can be reasonably associated with the borrowing which will be undertaken. In these circumstances it may be more appropriate for the advances to be repaid on a profile which matches this income. For these unique projects, loans fund advances may be profiled for repayment to match the income and not on the annuity basis.

These options comply with the statutory guidance and the Council will continue to consider all options available to it.

The repayment of Loans Fund advances will therefore be equal to the annual amount determined in accordance with the Local Authority (Capital Finance and Accounting) (Scotland) Regulations 2016.

The above regulations state that Council's may vary the period and/or amount of the repayments if they consider it prudent to do so. As a result, officers continue to review existing loans fund advances for opportunities to ensure the most prudent repayment method is being used.

Estimates of prudent Loans Fund repayment

The Council'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
2022/23 actual	352.989	2.492	13.994	19.962	-5.372	384.065
2023/24	384.065	51.246	21.284	-1.461	-4.994	450.140
2024/25 - 28/29	450.140	207.757	200.724	-13.655	-33.205	811.760
2029/30 - 33/34	811.760	8.717	53.153	-19.464	-40.918	813.247
2034/35 - 38/39	813.247	0.000	78.267	-23.657	-51.933	815.923
2039/40- 43/44	815.923	0.000	97.847	-58.078	-60.818	794.874
2044/45 - 48/49	794.874	0.000	10.337	-80.229	-65.921	659.061
2049/50 - 53/54	659.061	0.000	0.000	-97.915	-60.944	500.202
2054/55 - 58/59	500.202	0.000	0.000	-74.414	-56.485	369.303
2059/60 - 63/64	369.303	0.000	0.000	-44.604	-61.121	263.578
2064/65 - 68/69	263.578	0.000	0.000	-36.656	-60.019	166.904
2069/70 & later	166.904	0.000	0.000	-37.396	-129.507	0.000

Policy on Apportioning Interest to the HRA

Interest and expenses on all new borrowing is allocated to the HRA based on the share of total borrowing taken each year.

Appendix 5: Economic Background – Arlingclose’s View December 2023

Economic Outlook

The impact on the UK from higher interest rates and inflation, a weakening economic outlook, an uncertain political climate due to an upcoming general election, together with war in Ukraine and the Middle East, will be major influences on the Authority’s treasury management strategy for 2024/25.

The Bank of England (BoE) increased Bank Rate to 5.25% in August 2023, before maintaining this level for the rest of 2023. In December 2023, members of the BoE’s Monetary Policy Committee voted 6-3 in favour of keeping Bank Rate at 5.25%. The three dissenters wanted to increase rates by another 0.25%.

The November quarterly Monetary Policy Report (MPR) forecast a prolonged period of weak Gross Domestic Product (GDP) growth with the potential for a mild contraction due to ongoing weak economic activity. The outlook for CPI inflation was deemed to be highly uncertain, with upside risks to CPI falling to the 2% target coming from potential energy price increases, strong domestic wage growth and persistence in price-setting.

Office for National Statistics (ONS) figures showed CPI inflation was 3.9% in November 2023, down from a 4.6% rate in the previous month and, in line with the recent trend, lower than expected. The core CPI inflation rate declined to 5.1% from the previous month’s 5.7%, again lower than predictions. Looking ahead, using the interest rate path implied by financial markets the BoE expects CPI inflation to continue falling slowly, but taking until early 2025 to reach the 2% target before dropping below target during the second half 2025 and into 2026.

ONS figures showed the UK economy contracted by 0.1% between July and September 2023. The BoE forecasts GDP will likely stagnate through 2024. The BoE forecasts that higher interest rates will constrain GDP growth, which will remain weak over the entire forecast horizon.

The labour market appears to be loosening, but only very slowly. The unemployment rate rose slightly to 4.2% between June and August 2023, from 4.0% in the previous 3-month period, but the lack of consistency in the data between the two periods made comparisons difficult. Earnings growth has remained strong but has showed some signs of easing; regular pay (excluding bonuses) was up 7.3% over the period and total pay (including bonuses) up 7.2%. Adjusted for inflation, regular pay was 1.4% and total pay 1.3%. Looking forward, the MPR showed the unemployment rate is expected to be around 4.25% in the second half of calendar 2023, but then rising steadily over the forecast horizon to around 5% in late 2025/early 2026.

Having increased its key interest rate to a target range of 5.25-5.50% in August 2023, the US Federal Reserve appears now to have concluded the hiking cycle. It is likely this level represents the peak in US rates following a more dovish meeting outcome in December 2023. US GDP grew at an annualised rate of 4.9% between July and September 2023, ahead of expectations for a 4.3% expansion and the

2.1% reading for Q2. But the impact from higher rates has started to feed into economic activity and growth will weaken in 2024. Annual CPI inflation was 3.1% in November.

Eurozone inflation has declined steadily since the start of 2023, falling to an annual rate of 2.4% in November 2023. Economic growth has been weak and GDP contracted by 0.1% in the three months to September 2023. In line with other central banks, the European Central Bank has increased rates, taking its deposit facility, fixed rate tender, and marginal lending rates to 3.75%, 4.25% and 4.50% respectively.

Credit outlook

Credit Default Swap (CDS) prices were volatile during 2023, spiking in March on the back of banking sector contagion concerns following the major events of Silicon Valley Bank becoming insolvent and the takeover of Credit Suisse by UBS. After then falling back in Q2 of calendar 2023, in the second half of the year, higher interest rates and inflation, the ongoing war in Ukraine, and now the Middle East, have led to CDS prices increasing steadily.

On an annual basis, CDS price volatility has so far been lower in 2023 compared to 2022, but this year has seen more of a divergence in prices between ringfenced (retail) and non-ringfenced (investment) banking entities once again.

Moody's revised its outlook on the UK sovereign to stable from negative to reflect its view of restored political predictability following the volatility after the 2022 mini-budget. Moody's also affirmed the Aa3 rating in recognition of the UK's economic resilience and strong institutional framework.

Following its rating action on the UK sovereign, Moody's revised the outlook on five UK banks to stable from negative and then followed this by the same action on five rated local authorities. However, within the same update the long-term ratings of those five local authorities were downgraded.

There remain competing tensions in the banking sector, on one side from higher interest rates boosting net income and profitability against another of a weakening economic outlook and likely recessions that increase the possibility of a deterioration in the quality of banks' assets.

However, the institutions on our adviser Arlingclose's counterparty list remain well-capitalised and their counterparty advice on both recommended institutions and maximum duration remain under constant review and will continue to reflect economic conditions and the credit outlook.