



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Cabinet

A Meeting of the **Cabinet** of North Ayrshire Council will be held in the **Council Chambers, Ground Floor, Cunninghame House, Irvine, KA12 8EE** on **Tuesday, 19 March 2024** at **14:30** 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 Declarations of Interest

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

2 Minutes

The accuracy of the minutes of meeting of the Cabinet held on 20 February 2024 will be confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973 (copy enclosed).

Reports by the Chief Executive

3 Strategic Risk Register 2024/25

Submit a report by the Head of Finance to seek approval of the Strategic Risk Register for 2024/25 (copy enclosed).

4 Revenue Budget 2023/24 : Financial Performance to 31 January 2024

Submit a report by the Head of Finance to advise of the financial performance for the Council at 31 January 2024 (copy enclosed).

5 Capital Programme and Treasury Management Performance to 31 January 2024

Submit a report by the Head of Finance to advise of progress in delivering the Capital Investment Programme 2023/24 and the associated Treasury Management performance to 31 January 2024 (copy enclosed).

Reports by the Executive Director (Place)

6 Irvine Locality Property Review

Submit a report by the Executive Director (Place) to provide details of the Irvine Locality Property Review and recommend next steps (copy enclosed).

7 Lease Extension - Parterre Hall, 19 High Street, Irvine

Submit a report by the Executive Director (Place) to seek approval to provide an extension to the lease of Parterre Hall, 19 High Street, Irvine to Irvine Judo Club (copy enclosed).

8 Auchengate

Submit a report by the Executive Director (Place) update on a motion passed at a meeting of North Ayrshire Council on 13 December 2023 in respect of Auchengate (copy enclosed).

9 Decriminalised Parking Enforcement

Submit a report by the Executive Director (Place) to update on the introduction of Decriminalised Parking Enforcement (DPE) on 28 March 2024 and the proposal for enforcement of the new parking prohibitions contained within the Transport (Scotland) Act 2019 commonly referred to as the Pavement Parking Ban (copy enclosed).

10 Roads, Structures and Street Lighting Maintenance Programme 2024/25

Submit a report by the Executive Director (Place) to seek approval of the proposed Roads, Structures and Street Lighting Maintenance Programme 2024/25 (copy enclosed).

Reports by the Executive Director (Communities and Education)

11 North Ayrshire Leisure Limited (NALL) Performance Impact Report Incorporating the 2024-25 Budget

Submit a report by the Executive Director (Communities and Education) to seek approval for the North Ayrshire Leisure Limited (NALL) Performance and Impact Report Incorporating the 2024-25 Budget (copy enclosed).

12 Food Provision in Schools

Submit a report by the Executive Director (Communities and Education) to propose an interim expansion of the current food provision in school settings based on the funding available in 2024/25 (copy enclosed).

13 Urgent Items

Any other items which the Chair considers to be urgent.

Exclusion of the Public - Para 9

Resolve in terms of Section 50(A)4 of the Local Government (Scotland) Act 1973, to exclude from the Meeting the press and the public for the following item of business on the grounds indicated in terms of Paragraph 9 of Part 1 of Schedule 7A of the Act.

Non Disclosure of Information

In terms of Standing Order 21 (Disclosure of Information), the information contained within the following report is confidential information within the meaning of Section 50A of the 1973 Act and shall not be disclosed to any person by any Member or Officer.

14 Lease Disposal - Mackerston Putting Green, Mackerston Place, Largs

Submit a report by the Executive Director (Place) to seek approval to enter into a lease for an area of ground at Mackerston Putting Green, Mackerston Place, Largs to Gordon Auld t/a AEAE Limited.

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.

Cabinet Sederunt

Marie Burns (Chair)
Shaun Macaulay (Vice-Chair)
Tony Gurney
Alan Hill
Margaret Johnson
Christina Larsen

Chair:

Apologies:

Attending:

IRVINE, 20 February 2024 - At a Meeting of the Cabinet of North Ayrshire Council at 2.30 p.m.

Present

Marie Burns, Tony Gurney, Alan Hill, Margaret Johnson, Christina Larsen and Shaun Macaulay; and for consideration of Education Authority Business Elizabeth Turbet, Andrew Bruce and Jacqui McKenzie.

In Attendance

C. Hatton, Chief Executive, C. Cameron, Director (Health and Social Care Partnership); M. Boyd, Head of Service (Finance) (Chief Executive's Service); A. Sutton, Executive Director, R. Leith, Head of Service (Communities), A. McClelland, Head of Service, and F. Hopkins, Senior Manager (Education) (Communities & Education); R. McCutcheon, Executive Director, D. Hammond, Head of Service (Sustainability, Transport and Corporate Property), N. McIlvanney, Interim Head of Service (Growth, Investment & Employability), L. Kirk, Interim Head of Service (Economic Development & Regeneration), E. McMullen, Senior Manager (Economic Policy), M. Paterson, Economic Policy Manager (Community Wealth Building), and C. Fitzsimmons, Senior Manager (Regeneration) (Place); A. Craig, Head of Service, M. Sugden, Communications Officer (Communications) and S. Wilson, Committee Services Officer (Democratic Services).

Also In Attendance

Cameron Inglis, Davina McTiernan and Chloé Robertson.

Apologies

Rev. Mark Goodman.

Chair

Marie Burns in the Chair.

1. Declarations of Interest

There were no declarations of interest by Members in terms of Standing Order 11 and Section 5 of the Code of Conduct for Councillors.

2. Minutes

The Minutes of the Meeting of the Cabinet held on 23 January 2024 were confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

3. Early Learning and Childcare – Redesign of Service

Submitted a report by the Executive Director (Communities and Education) seeking approval for the proposed refresh of North Ayrshire Council’s Early Learning and Childcare provision.

The Cabinet agreed to approve the proposed redesign of North Ayrshire’s Early Learning and Childcare provision as outlined in the report.

4. Review of Early Learning and Childcare (ELC) Hourly Rate for Funded Providers

Submitted a report by the Executive Director (Communities and Education) seeking approval to increase the sustainable rate of payment to funded providers of early learning and childcare (ELC) in North Ayrshire who are contracted by the Council to deliver funded ELC to eligible 2–5-year-olds.

The Cabinet agreed to (a) increase the current hourly rate paid by the Council to funded providers from 1st of April 2024; and (b) receive a further report in advance of the next annual review of the sustainable rate for funded providers.

5. Naming of the New Primary School at Montgomerie Park, Irvine

Submitted a report by the Executive Director (Communities and Education) to select a name for the new non-denominational primary school at Montgomerie Park, Irvine.

The Cabinet reflected on consultation responses, considered the proposed names and selected “Montgomerie Park Primary School” as the name for the school.

6. Proposals for Community Investment Fund (CIF) Expenditure

Submitted a report by the Executive Director (Communities and Education) on an application from the Irvine Locality Partnership on the allocation of Community Investment Fund (CIF) funding. The application from the Irvine Locality Partnership, in relation The Micah Project, was attached at Appendix 1 to the report.

Having reviewed the application in line with the CIF criteria, the Cabinet agreed to approve a £50,000 CIF award to the Irvine Locality Partnership.

With the consent of the Chair and on behalf of the Cabinet, Councillor Macaulay took the opportunity to pay tribute to Audrey Sutton, Executive Director (Communities and Education) for the work undertaken throughout her time with North Ayrshire Council, highlighting her bright personality and positive outlook, and wished her well in her upcoming retirement.

7. Scottish Maritime Museum Trust – Memorandum of Understanding

Submitted a report by the Executive Director (Place) seeking approval to sign a Memorandum of Understanding with the Scottish Maritime Museum Trust, to develop the Maritime Heritage Hub project at Irvine harbourside as part of the Ayrshire Growth Deal funded Great Harbour programme.

A Member asked a question and was provided with further information in relation to the overall implications if the museum was unable to raise the funds needed for the project to progress.

The Cabinet agreed to approve the signing of a Memorandum of Understanding between North Ayrshire Council and the Scottish Maritime Museum Trust to facilitate collaboration between parties to develop the Maritime Heritage Hub project as part of the Ayrshire Growth Deal funded Great Harbour programme.

8. International Marine Science & Environment (IMSE) Ayrshire Growth Deal Project - Collaboration Agreement

Submitted a report by the Executive Director (Place) outlining progress in developing a business case pathway for Ayrshire Growth Deal investment in IMSE with partners Field Studies Council and University of Stirling.

A Member asked a question and was provided with further information in relation to the risks associated with the project.

The Cabinet agreed to approve (i) the strategic direction for the IMSE project and (ii) the establishment of a Collaboration Agreement between the Council, Field Studies Council and University of Stirling to develop related project activity.

On behalf of the Cabinet, the Chair, took the opportunity to pay tribute to Neale McIlvanney, Interim Head of Service (Growth, Investment & Employability) who was attending his last meeting of the Cabinet prior to leaving North Ayrshire Council in the coming weeks. The Chair expressed her gratitude to Neale for the contributions he made to North Ayrshire Council, particularly with the Ayrshire Growth Deal, and wished him well in his new role and future career.

9. Transport Scotland - Public consultation for the Clyde and Hebrides Ferry Services (CHFS3) Contract

Submitted a report by the Executive Director (Place) seeking approval for the proposed North Ayrshire Council submission to Transport Scotland's public consultation for the Clyde and Hebrides Ferry Services (CHFS3) contract. The proposed response to the consultation was attached at Appendix 1 to the report.

The Cabinet agreed to approve the submission of the proposed response to the consultation attached at Appendix 1 to the report.

The following item was subject to the call-in procedure per the Council's Scheme of Administration. The call-in was subsequently withdrawn and the decision implemented.

10. Community Wealth Building Refresh Strategy

Submitted a report by the Executive Director (Place) providing an update on progress of the Council's Community Wealth Building Strategy 2020-2025 and seeking approval of the refreshed Community Wealth Building Strategy 2024-2027, which was attached at Appendix 1 to the report.

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

- how Community Wealth Building was delivered at a locality level; and
- the Scottish Government consultation on Building Community Wealth and the timeline for this new legislation being implemented.

The Cabinet agreed to (a) note the progress against actions of the Community Wealth Building Strategy 2020-2025; and (b) approve the refreshed Community Wealth Building Strategy 2024-2027 attached at Appendix 1 to the report.

11. Social Housing Net Zero Standard (SHNZS) Consultation

Submitted a report by the Executive Director (Place) providing details of the proposed new Social Housing Net Zero Standard (SHNZS) and seeking approval of the proposed response to the Scottish Government consultation, which was attached at Appendix 1 to the report.

A Member asked a question and was provided with further information in relation to the pathfinder project.

The Cabinet agreed to (a) note the potential implications arising from the introduction of the Social Housing Net Zero Standard; and (b) approve the proposed response attached at Appendix 1 to the report.

12. Scottish Government Consultation on the Proposed Heat in Buildings Bill

Submitted a report by the Executive Director (Place) providing Cabinet with details of the proposed Heat in Buildings Bill and seeking approval of the proposed response to the Scottish Government consultation attached at Appendix 1 to the report.

The Cabinet agreed to (a) note the potential implications arising from the proposed Heat in Buildings Bill; and (b) approve the proposed response attached at Appendix 1 to the report.

Councillor Burns, Chair, intimated that there had been a change to the Cabinet structure, confirming that Councillor Hill's portfolio included Communities, Housing and Protective Services.

13. Urgent Items

There were no urgent items.

The meeting ended at 3:35 p.m.

NORTH AYRSHIRE COUNCIL

19 March 2024

Cabinet

Title: Strategic Risk Register 2024/25

Purpose: To seek Cabinet approval of the Strategic Risk Register for 2024/25.

Recommendation: That Cabinet approves the Council's Strategic Risk Register for 2024/25.

1. Executive Summary

- 1.1 The Strategic Risk Register has been reviewed and updated for 2024/25.
- 1.2 It is recommended that three of the eight previous risks remain on the Strategic Risk Register at their existing risk scores and titles – Inequalities, Cyber Security and Climate Change.
- 1.3 The risk previously titled Financial Environment is recommended to change to Financial Sustainability to more closely reflect the fundamental funding issues the Council is facing in this year and future years budgets. The risk scoring remains the same.
- 1.4 The Financial Sustainability of the Health and Social Care Partnership risk and the Community Capacity Building & Empowerment risk have increased in risk scoring whereas the Transformation risk has reduced in scoring.
- 1.5 A new risk reflecting the impact of a deteriorating property asset portfolio with insufficient funding is proposed.
- 1.6 It is proposed by the Health and Social Care Partnership's Head of Finance and Transformation that the previously identified National Care Service Risk be removed from the Strategic Risk register.

2. Background

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

- 2.2 The aim of risk management is to reduce the likelihood and/or impact of risk by identifying and controlling risks to the Council. If risk is to be managed appropriately, and Services are aware of these risks, risk management can contribute positively towards the organisation's decision-making processes, making the Council more innovative and effective in its approach to service delivery.
- 2.3 The most significant risks are identified through the Council's Strategic Risk Register, recognising the challenges facing the Council and demonstrating the arrangements in place to manage these risks.
- 2.4 The Strategic Risk Register has been reviewed and updated for 2024/25 and is attached at Appendix 1 to this report. For each of the risks detailed within the register a number of components are identified:
- Risk proximity factors;
 - Risk score;
 - Potential effect on the Council's priorities;
 - Internal controls currently in place;
 - Assessment of controls; and
 - Additional actions identified.
- 2.5 To assist in the assessment of each risk, the Council's agreed risk matrix was used to ensure consistency. This is used to assess the likelihood of occurrence (on a scale from 1 to 5) and the significance of the impact of the risk should it occur (on a scale from 1 to 5). The risk score is the product of likelihood multiplied by impact. Only those risks rated as high or very high (10 or above) will feature on the SRR to ensure a focus on managing the most significant risks.
- 2.6 Four risks remain on the Strategic Risk Register at their existing risk scores – Financial Sustainability (previously Financial Environment), Inequalities, Cyber Security and Climate Change.
- 2.7 The Financial Sustainability of the Health and Social Care Partnership risk has increased in risk from score 12 to 16 due to increasing budget pressures.
- 2.8 Community Capacity Building and Empowerment risk has increased from score 12 to 16 due to increasing financial and resource demands.
- 2.9 Transformation risk has reduced from score 16 to 12 as a result of positive workstream developments and programme delivery against the requirements of The Council Plan.
- 2.10 An additional risk is proposed around the condition of property and the lack of sufficient funding for ongoing maintenance.
- 2.11 It is recommended, by the Health and Social Care Partnership Head of Finance and Transformation, that the previously identified risk regarding the implementation of the National Care Service is removed from the Strategic Risk Register as there have been a number of changes to the proposals. These are as follows:
- A tripartite agreement between national and local government and the NHS in Summer 2023 included agreement that statutory delivery functions would remain

with local authorities and health boards, along with assets, employment of staff and relevant funding.

- Scottish Ministers will exercise strategic framework accountability for NCS services which will include a role in setting policy, having oversight and providing direction; this will be done through the establishment of a National Care Service Board, but otherwise local integration authorities will remain in place but may be subject to some reform.
- Timescales have also slipped by 3 years, with the new arrangements not now expected to be in place until 2029.

2.12 Very High Risks

- **Financial Sustainability** – this risk reflects the ongoing financial challenge faced by the Council year on year (risk score 20).
- **Inequalities** – this highlights the socio-economic inequalities faced in North Ayrshire (risk score 20).
- **Property Asset Risk** – This reflects the impact of long-term restricted budgets on the Councils ability to maintain these to a good standard (risk score 20).

High Risks

- **Cyber Security** – this reflects the ongoing risk from external cyber-attack which is being faced by all organisations (risk score 16).
- **Transformation** – this reflects the wider risks associated with delivering the current Transformation Programme and developing a pipeline of future initiatives (risk score 12).
- **Climate Change** – this risk has been on the Strategic Risk Register following the declaration by the Council of a Climate Change Emergency during 2019 (risk score 16).
- **Financial Sustainability of the Health and Social Care Partnership** – this reflects the ongoing financial challenges faced by the Partnership and the risk these present to the Council (risk score 16).
- **Community Capacity Building and Empowerment** – this highlights the challenges associated with the community empowerment act (risk score 16).

2.13 Council services have identified high level strategic actions within their planning for 2024/25 to help the Council mitigate against its strategic risks. These actions are detailed in summary format in the Risk Management Action Plans following each Risk within Appendix 1. These actions will assist with performance monitoring and reporting on the strategic risks.

2.14 The Council's Internal Audit Plan 2024/25 is scheduled to be approved at the Audit and Scrutiny Committee on 21 March 2024 and is risk-based with clear links in place between the audit plan and key risks the Council faces.

Longer-term risks & Horizon Scanning

2.15 The Strategic Risk Register identifies the most significant risks which the Council faces at the present time.

2.16 The Corporate Risk Management Group identifies any new relevant risks through internal reviews and external horizon scanning utilising a number of sources.

3. Proposals

3.1 Cabinet is requested to approve the Strategic Risk Register 2024/25.

4. Implications/Socio-economic Duty

Financial

4.1 The Council continues to have a robust long- and medium-term financial planning framework. Key strands include development of key transformation themes and the establishment of an Investment Fund that will generate future savings alongside delivery of a number of key Council priorities.

Human Resources

4.2 None.

Legal

4.3 None.

Equality/Socio-economic

4.4 The risk to the Council is that North Ayrshire residents, and in particular certain groups, will experience increasing levels of poverty and its effects. Current control measures fall into two categories - measures to address the root causes of socio-economic inequalities - income through employment or benefits – and mitigation measures to minimise the impacts of poverty.

Climate Change and Carbon

4.5 The Council has declared a climate change emergency and has in place an Environmental Sustainability and Climate Change Strategy. Significant work to help mitigate the risk of flooding is included within the Capital Plan. The Council is undertaking an ambitious renewable energy programme.

Key Priorities

4.6 A successful risk management framework helps to underpin the delivery of the Council's strategic priorities in Our Council Plan 2023-2028.

Community Wealth Building

4.7 None.

5. Consultation

- 5.1 The Strategic Risk Register has been reviewed in consultation the Corporate Risk Management Group.

Mark Boyd
Head of Service (Finance)





For further information please contact **Alex Fitzharris, Team Manager (Risk and Insurance)**, on **01294-324515**.

Background Papers

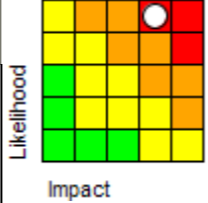
None.

Appendix 1 - Strategic Risk Report 2024/25

Risk Code	SRR2425_R01	Risk Title	Financial Sustainability	Latest Note Date	09-Feb-2024
Risk Owner	Mark Boyd				
Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures		Likelihood	Impact
<p>The risk is that the level of funding from Scottish Government to local government falls significantly below the level required to operate services effectively. This will require the Council to take increasingly difficult and challenging decisions. The 2024/25 local government settlement represents a reduction in core funding of £2.191m (0.64%). This is against a backdrop of significant cost increases, resulting in a Budget gap of £16.000m for 2024/25. The North Ayrshire position is further affected by a reducing overall population demographic and a growing elderly population. This will further impact the Council's share of funding across the short, medium and long term.</p> <p>Although there is a commitment through the Verity House agreement for Councils and Scottish Government to work together there continues to be challenges around the level of flexibility the Council has on key areas of Budget, most notable in areas like HSCP funding and funding for teachers and support staff, where conditions remain. The Scottish Government has passed legislation to give Councils powers to charge additional council tax for second homes. This is an area the Council will consider within the context of local circumstances and island communities.</p> <p>Scottish Government funding to support the Council's capital programme has also been reduced by almost 10% in the Budget settlement for 2024/25. Set against high inflationary driven construction costs there is a risk that the 10-year capital programme will be unaffordable. This could require projects to be reduced in scale or even ceased.</p>	<p>Funding not keeping pace with demand and inflationary cost pressures means that there will be a reduction in some service areas potentially resulting in higher risks for service users. The future delivery of balanced budgets will become increasingly challenging. The capital programme could also be significantly impacted leading to reduced levels of capital investment.</p>	<p>Robust monitoring of the Council's revenue and capital budgets is in place as well as regular reporting of financial performance of the IJB to Cabinet and Audit and Scrutiny.</p> <p>To assist financial planning The Medium and Long-Term Financial Outlook (LTFO) to 2033/34 was approved at Council on 13 December 2023 – this is the cornerstone of the Council's financial planning in the medium to long term.</p> <p>The annual budget process for the General Fund revenue and Capital Programmes and financial performance monitoring process will continue to provide the framework from which control measures will continue in addressing the financial position. Delivery of the Council's Change Programme is also vital in addressing the Budget challenges and this is being progressed by the Council's Transformation Board, which is chaired by the Chief Executive.</p> <p>Utilising the Council's available statutory powers is another important area in addressing the financial challenges.</p>		4	5
Status	Risk Score	Heat Map		Change in Score	Approach
Stable	20			No change	Treat

Strategic Risk Action Plan				Date Updated	09-Feb-2024
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG	
Regular financial monitoring of Revenue and Capital Budgets.	09 February 2024: Ongoing monitoring.	31-Mar-2025	Mark Boyd		
Maintain Financial Governance Arrangements for IJB.	09 February 2024: Under ongoing review.	31-Mar-2025	Mark Boyd		
Progress dialogue via COSLA with Scottish Government on a range of areas including fair funding, multi-year settlements, reduction in levels of ring-fenced resources, true costs of SG policy areas, financial flexibilities and a New Deal partnership with SG and local government.	09 February 2024: Ongoing discussions via COSLA around the Verity House Agreement and the need for maximum financial flexibility for Councils.	31-Mar-2025	Mark Boyd		
Develop the 2024/25 to 2026/27 revenue budget (medium-term financial strategy) and capital programme taking account of all pressures and savings via Directorates and Transformation programme.	09 February 2024: Options to address the £16m Budget gap for 2024/25 have been developed for elected member consideration at Council Meeting on 28 February 2024. Following this, require to develop a more detailed programme of options to address the structural funding challenges over the medium and long-term.	31-Mar-2025	Mark Boyd		

Risk Code	SRR2425_R02	Risk Title	Inequalities	Latest Note Date	25-Jan-2024
Risk Owner	Audrey Sutton/Caroline Cameron				
Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures		Likelihood	Impact
<p>North Ayrshire residents, and in particular certain excluded groups, will experience increasing levels of poverty and its effects, as a result both of the economic situation and Covid-19.</p> <p>Health inequality is closely linked to poverty, employment and people's earliest experiences as children, and will increase.</p> <p>The population of North Ayrshire is projected to fall over the next 10 years but there will also be a larger proportion of the population considered dependent (not economically active).</p>	<p>The impact on specific risk groups is greatest for our children, young people and families, unemployed people and those in in-work poverty and people exposed to the risks of drug and alcohol addiction.</p> <p>Demand for HSCP and Council Services will increase.</p> <p>As reductions in resources increase, early intervention and prevention activities are at risk, thus increasing the potential for an increase in costly crisis interventions.</p> <p>The local economy will be impacted by reduced spending power by economically inactive residents.</p>	<p>The HSCP re-affirmed its commitment to Tackling Inequalities by continuing to consider it a key priority with the Partnership's Strategic Plan.</p> <p>Through the HSCP strategic plan, the Partnership sets out actions to tackle inequality through its Partnership Pledge and across its strategic priorities. Tackling inequalities is addressed across HSCP service areas. An example of actions to help address local inequalities include:</p> <p>Establishing the Money Matters service in 9 GP practices and 7 local schools in the more deprived areas of North Ayrshire. This will improve accessibility of the service to those who would benefit most. Building on this approach through the launch of the Financial Inclusion Partnership bringing a range of key partners and stakeholders together to improve access and support for the most vulnerable NA residents.</p> <p>Increase the number of employability mentors in Justice Services, to support those with experience of the justice service into meaningful employment or training opportunities and to help divert away from criminal behaviours.</p> <p>Working closely with Housing colleagues to support transitions from care and ensuring care experienced young people can access a positive and stable housing destination.</p> <p>In our Drug and Alcohol Services, we are implementing actions to reduce the number of local drug and alcohol related harms and deaths. This includes implementing the national MAT (Medicated Assisted Treatment) standards and increasing the number of ABIs (Alcohol Brief Interventions) delivered across North Ayrshire.</p> <p>Through the Caring for Ayrshire programme, we have set out a phased approach to improve local primary care premises (GP Practices and Health Centres). This will improve overall professional capacity within GP practices for Multi-Disciplinary Teams, ensuring the right support is available for local people with health concerns.</p> <p>Investment in early intervention teams and approaches in Children's Services to support vulnerable families, including in Child Protection and Whole Family Support.</p> <p>The Council considers reducing inequalities to be at the heart of its work.</p> <p>The Communities and Education Directorate leads the Community Planning Partnership for the Council and the CPP has recently developed a new Local Outcomes Improvement Plan, the purpose of which is reducing inequalities. The themes are Wellbeing, Work and World, the latter addressing climate change and fuel poverty. Locality Planning priorities and Community Investment Fund funded initiatives are also focused on a range of inequalities, including poverty, age-related inequalities and digital inequalities. Recent CIF-funded projects have focused on employability, addictions and community food.</p> <p>The Directorate also leads the work of the Child Poverty and Cost of Living Board, chaired by the Council Leader. The five strategic themes of the Board to date have been:</p> <ul style="list-style-type: none"> • No Wrong Door – access to services • Employability • Food • Islands • Childcare 		5	4



		<p>Work to address child poverty and the Cost-of-Living crisis includes a range of employability initiatives to support parents and people with disabilities, each of whom are Scottish Government priority groups.</p> <p>Progress has been made with partners through a series of mini-enquiries, ensuring that lived experience influences developments and actions. This is supported by the data and Single Shared Assessment projects being developed by the Transformation team, to provide holistic support for residents who need it most.</p> <p>The Child Poverty Early Intervention Fund is being used to address gaps in current planning and provision. Recent funding decisions have been made, as a consequence of the mini-enquiries - to support employability and travel, childcare developments and support for care experienced young people and families.</p> <p>The Scottish Government has provided a second year of funding to address inequalities on the islands.⁸ This has been used to fund energy support, welfare advice and support, third sector interventions and school activities.</p> <p>The commitment to reducing inequalities is also reflected in the Communities and Education Directorate plans:</p> <ul style="list-style-type: none"> • The Educational Service Improvement Plan • Connected Communities strategic plans and • Facilities Management plans. <p>Examples of actions to reduce inequalities:</p> <ul style="list-style-type: none"> • Deployment of Scottish Attainment Challenge funding to reduce the poverty related attainment gap in schools • Use of the Pupil Equity Fund to ensure equity of pupil experience in schools, at the discretion of head teachers • Cost of the School Day actions to reduce, for example, the cost of school uniforms and clothing, food and outings • Support for care experienced young people, both in schools and through youth services • Additional national and local investment in Active Schools to focus on inequalities and equity • The Fairer Food Network, with 14 community larders which support the needs of individual communities • A network of warm spaces and events to mitigate energy use and social isolation • Work to support “New Scots,” in schools, with families and in community settings through language support and capacity building, including women’s groups • LGBT support groups for young people and those over 18 • Mentoring support for young people in secondary schools through a partnership with MCR Pathways <p>Participation strategies for children and young people and adults to ensure our strategies and investment are informed by as wide a range of views as possible.</p>		
Status	Risk Score	Heat Map	Change in Score	Approach
Stable	20		No Change	Treat

Strategic Risk Action Plan				Date Updated	25-Jan-2024
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG	
<p>Global and national conditions which affect the cost-of-living and poverty continue to undermine the effectiveness of local control measures. Substantial work continues to mitigate inequalities but child poverty data, for example, continues to show an increase. National data collection methodologies have changed which explains the change in part, but North Ayrshire continues to have c. 29% of children living in poverty.</p> <p>Although unemployment has reduced, it continues to be a driver of poverty, with in-work poverty a key factor.</p> <p>Access to benefits is a key driver of poverty and the range of strategies described above continues to ensure we are maximising access to entitlements. The Single Shared Assessment work will improve this.</p>	<p>25 January 2024:</p> <p>The wide range of strategies and initiatives described above, and further developed and implemented, will continue to make a significant contribution to a range of inequalities.</p> <p>Actions are being progressed and remain within the target dates for completion.</p>	31-Mar-2025	Audrey Sutton; Caroline Cameron	●	



Risk Code	SRR2425_R03	Risk Title	Financial Sustainability of the Health and Social Care Partnership	Latest Note Date	06-Feb-2024
Risk Owner	Caroline Cameron				
Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures		Likelihood	Impact
<p>Resources have not kept pace with the demand for and cost of social care services. The budget settlement for 2024-25 is extremely challenging with a gap of over £10m across the IJB. Financial modelling suggests significant ongoing challenges across the medium-term.</p> <p>There is no certainty around future funding against growing demand, increasing costs and demographic pressures, with one-year budget settlements remaining in place.</p> <p>The ongoing work to review the Integration Scheme and to develop new risk-sharing arrangements between the Council and Health Board in relation to the acute set aside and primary care prescribing present a financial risk to the Partnership.</p> <p>An overspend in the region of £3.7m is projected for 2023-24 which will reduce the reserves held by the Partnership to less than the recommended minimum level of 2%. Low-volume high-cost care packages and care placements and an increasing reliance on agency staff continue to present a particular financial challenge to the Partnership.</p>	<p>Funding levels could result in savings being made that are not in alignment with the strategic plan. This could impact on the future demand levels e.g. reduction in early intervention and prevention means that future demand is increased.</p> <p>An in-year overspend position impacts on financial reserves and ultimately poses a financial risk to the Council and NHS Board as funding bodies.</p> <p>Funding levels increase the requirement to transform services at scale and pace.</p>	<p>The IJB actively monitors the financial position with regular detailed reporting. Directors of Finance of the Council and Health Board have oversight and regular updates are provided to the Council's Cabinet.</p> <p>There is an integrated approach to managing the totality of NHS and Council resources delegated to the IJB. A three-year Medium-term Financial Outlook is updated on a rolling basis each year.</p> <p>Previous financial settlements have seen both partners meet the Scottish Government settlement conditions with any additional resources passed to the IJB.</p> <p>The IJB had uncommitted financial reserves of £5.821m at the beginning of April 2023, which remains towards the lower end of the good practice target of 2%-4%. In addition, £2m of additional reserves were set aside at the start of 23-24 to offset the likelihood of an overspend in-year, this reduces the impact on unearmarked reserves of the current projected overspend to £1.7m.</p> <p>The Partnership has developed a new 3-year Transformation Plan 2024-2027 which will be approved by the IJB in March 2024. There is £2.2m of earmarked reserves set aside to support service change and re-design.</p>		4	4
Status	Risk Score	Heat Map		Change in Score	Approach
Increasing risk	16			Increase from 12 to 16	Tolerate

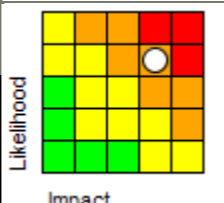
Strategic Risk Action Plan				Date Updated	Feb-2024
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG	
Budget Monitoring - Regular budget monitoring reports to IJB are effective.	<p>06 February 2024:</p> <p>Budgets are closely monitoring by the finance team in conjunction with budget holders to enable corrective action to be taken and regular in-year budget monitoring reports are presented to the IJB.</p>	31-Mar-2025	Caroline Cameron; Paul Doak	●	
Corrective Action – Transformation Board is effective	<p>06 February 2024:</p> <p>A three-year Transformation Plan covering the period 2024-2027 will be approved by the IJB in March 2024. This focusses on addressing the future financial challenge in a sustainable way, as well as reviewing service delivery models and implementing local and national priorities.</p>	31-Mar-2025	Caroline Cameron; Paul Doak	●	


Risk Code	SRR2425_R04	Risk Title	Cyber Security	Latest Note Date	17-Jan-2024
Risk Owner	Fiona Walker				
Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures	Likelihood	Impact	
<p>The potential compromise of business operations or a data breach orchestrated via either digital channels or the IT infrastructure. This can include targeting of the user base. Risk derives from both Council operations and those of its supply chain.</p> <p>The increasing importance of delivering services through digital channels and maximising efficiency through effective and secure use of technology. This includes a growing adoption of cloud-based computing resources which extend processing capabilities, and associated risks, beyond the Council's network.</p> <p>Hybrid remote and mobile working is now the normal working practice for over 3,000 staff. Such a distributed work force increases the complexity of protecting against cyber and data protection risks.</p>	<p>Failure by Services to adopt and comply with strategies, policies and procedures may result in a failure to adequately ensure the desired levels of cyber-security required to maintain and protect council systems and data.</p> <p>There may be a significant impact on the authority through the release of personal and/or sensitive information resulting in a loss of public confidence and significant financial loss incurred through fines and service disruption.</p> <p>A successful cyber-attack (malicious external or internal action) on the Council's IT environments could also result in significant service disruption, loss of income streams and possible data loss/exposure.</p> <p>Impacts of a cyber-attack could include economic (i.e. inability to collect online payments), societal disruption (i.e. loss of diaries and client appointments), and reputational damage (i.e. loss of public confidence in digital services).</p>	<p>It is recognised that it is not possible for any organisation to expect to be completely protected against continually evolving cyber threats. A threat actor with sufficient motivation, resource and capability will be able to compromise the most secure system.</p> <p>The Council takes a sociotechnical approach to reducing risk by continually developing protective measures through technical, organisational and people-focused controls.</p> <p>Technical controls are implemented in areas such as network defences, secure configuration of systems, user authentication, malware protection, and vulnerability management. These are based on best practice and independently tested on an annual basis to confirm their effectiveness in accordance with compliance schemes.</p> <p>The Council maintains a comprehensive set of policies, standards, guidelines, metrics and reporting mechanisms as part of its information security governance structure. A comprehensive training and awareness programme is delivered to nurture a cyber-aware workforce and culture.</p>	4	4	
Status	Risk Score	Heat Map		Change in Score	Approach
Stable	16			No change	Treat

Strategic Risk Action Plan				Date Updated	17-Jan-2024
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG	
Incident Detection and Response – Recent cyber-attacks on public sector organisations highlight the need for robust incident detection and response procedures and technologies. The current response procedures been shown to be effective based on incidents experienced so far, however detection capabilities will need to be reviewed and improved.	<p>17 January 2024:</p> <p>A joint procurement of a Managed Security Operation Centre (SOC) service with other local authorities is being taken forward by the Digital Office. This has however been delayed due to resource challenges and to date no procurement timescales have been set.</p> <p>Given the delays to the national SOC procurement project, the Council will consider other SOC alternatives and Manage Detect & Response (MDR) services.</p>	31-Mar-2025	Fiona Walker		
Training and Awareness	<p>17 January 2024:</p> <p>Cyber Security in person training has resumed with multiple sessions being organised to tackle the backlog incurred due to the pandemic.</p> <p>The Cyber Security Essentials E-Learning course is a mandatory training requirement for all staff with access to Council digital resources. Staff are also encouraged to complete this annually. In addition, the course has been converted into a briefing to provide as a toolbox talk to reach all of our workforce.</p> <p>Phishing simulations continued to be hosted to test the effectiveness of training and raise awareness.</p>	Ongoing	Fiona Walker		

Risk Code	SRR2425_R05	Risk Title	Transformation	Latest Note Date	09-Feb-2024
Risk Owner	Mark Boyd				
Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures		Likelihood	Impact
There is a risk that transformation and change activities, which are core to the future delivery models and long-term financial sustainability of both the Council and Health and Social Care Partnership, fail to deliver at the level of scale and pace required.	<p>Failure to deliver transformational change will impact on the Council's financial sustainability, effectiveness of service delivery and delivery of the outcomes set out in the Council Plan 2023-28 and the Local Outcome Improvement Plan (LOIP).</p> <p>Failure to deliver the HSCP Transformation programmes across the Partnership, involving North Ayrshire Council (NAC) and NHS Ayrshire & Arran (NHSAA) services may lead to the identified outcomes not being delivered; resulting in financial instability, reduced performance, deteriorating patient outcomes, and reputational damage within North Ayrshire Health and Social Care Partnership (NAHSCP).</p> <p>Failure to embed cultural transformation activities may lead to difficulties in building future workforce capacity and in ensuring we have an engaged, skilled and knowledgeable workforce to meet service demand.</p>	<p>The transformation programme aligns to the Council Plan and is monitored via the Transformation Board. The Board is chaired by the Chief Executive.</p> <p>Workstreams have been developed across Transport and Travel, Accessing our Council, Land and Property assets, Sustainability, Financial Inclusion as well as ongoing reviews across Waste Services, ELC, Learning Resources and Housing.</p> <p>HSCP have an established Transformation Board to closely monitor progress with plans, regular updates on programme to the IJB and regular meetings with the Chief Executive and S95 Officer to review progress and mitigation plans. Cultural transformation activities continue to evolve to support the Council's transformation and improve effectiveness and capability. This includes sharing learning and skills, engagement, design experiments and a whole systems approach to transformation and change.</p> <p>Our workforce planning approach utilises a variety of tools and techniques, such as career development, succession planning, vacancy management, redeployment and early release schemes to ensure our workforce requirements for the future, in terms of skills and capabilities, are planned. Each Head of Service has a workforce plan, and these are monitored six-monthly with continued HR support and guidance to ensure service review and redesign of the workforce is on track.</p>		3	4
Status	Risk Score	Heat Map		Change in Score	Approach
Stable	12			Reduce from 16 to 12	Treat

Strategic Risk Action Plan				Date Updated	25-Jan-2024
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG	
Existing project level governance and controls remain effective and are constantly reviewed.	<p>25 January 2024:</p> <p>Progress on Transformation projects continues to be governed and monitored via the Transformation Board which is chaired by the Chief Executive. Meetings held quarterly Workstreams have been fully developed and progress and all actions tracked. Financial efficiencies across commercial property, waste review, learning resource review, ELC review and the sustainability programme have been fed into the Council's Budget programme for 2024/25 to 2026/27.</p>	Quarterly	Mark Boyd / Chief Executive and Executive Directors		
Review current governance arrangements and project delivery in view of land and property workstream to seek optimal delivery aligned to the council's net zero ambitions.	<p>25 January 2024:</p> <p>Key progress made around Irvine Based locality property Review. Next stages to present Cabinet Paper in March 2024 to consider plans.</p>	March 2024	Mark Boyd / Chief Executive and Executive Directors		

Risk Code	SRR2425_R06	Risk Title	Climate Change		Latest Note Date	08-Feb-2024	
Risk Owner	Russell McCutcheon						
Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures			Likelihood	Impact	
<p>Climate change is expected to continue and worsen in the future if no action is taken, with increases to mean global temperatures, sea level rises and the increasing frequency and severity of weather events such as floods, heatwaves, droughts and storms.</p> <p>More frequent and intense heavy rainfall events increase the risk of soil erosion and flooding.</p> <p>Rises in mean sea level increases risks of coastal erosion, flooding, saltwater intrusion and soil salinisation (risk to agricultural land and freshwater habitats).</p> <p>Severe weather is already affecting public services across Scotland, with operational, reputational, financial and legal consequences.</p> <p>There is also an ongoing impact of severe winter weather including snowfall and freezing temperatures which impact service delivery and the integrity of our roads open space and buildings infrastructure. This shift in weather patterns caused by climate change is also affecting biodiversity across Scotland.</p>	<p>Increased frequency of severe weather conditions and flooding events may lead to more instances of damage to Council infrastructure and property, interruptions to service delivery and increased demands on services, often with little notice.</p> <p>Risk to life, transport disruption and pollution to the local environment, as well as impact adversely on the local economy if businesses are unable to operate.</p> <p>Council requirement to provide immediate response and manage the adverse effects of more frequent and severe weather emergency situations, including support to local communities and businesses.</p> <p>The Council is required to comply with the 'Public Bodies Climate Change Duties' under the Climate Change (Scotland) Act 2009. These duties require the Council to assess the risks, threats and opportunities associated with climate change and identify actions to increase resilience to climate change.</p>	<p>North Ayrshire Council declared a Climate Emergency in June 2019, committing to act on climate change and reduce carbon emissions. In January 2020 the Council approved the target to become net-zero carbon by 2030, for both Council estate emissions and area-wide emissions.</p> <p>Following implementation of the Council's third Environmental Sustainability and Climate Change Strategy (2021-23), Cabinet approved the new Sustainable North Ayrshire Strategy (2024-27) in December 2023. This strategy provides a road map to achieve the net zero carbon emissions by 2030 target.</p> <p>There are 5 workstreams within the Sustainable North Ayrshire strategy, namely Energy, Nature, Transport, Waste and Adaptation. We continue to utilise Adaptation Scotland's Capability Framework to ensure North Ayrshire takes a strong, proactive approach to adapting to climate change. Officers are participating in the Sustainable Scotland Network's 'Adaptation Scotland Benchmarking Group' to learn and share best practice with other local authorities.</p> <p>Adaptation actions are identified within the Ayrshire Flood Risk Management Plan (2021), the Ayrshire Local Flood Risk Management Plan (2022), the Ayrshire Shoreline Management Plan and in the Adaptation Capability Framework.</p> <p>Flood studies are undertaken to help the Council identify areas that are at risk of flooding and to appraise options to reduce flood risk to communities and infrastructure.</p> <p>In addition, actions to mitigate Climate Change risk are held within strategies such as the Core Paths Plan, Outdoor Access Strategy, Local Biodiversity Action Plan, and Weather and Winter Emergencies Plan. Asset management plans are in place which are regularly reviewed for our Roads, Fleet, Housing, Property and Open Spaces.</p> <p>Furthermore, through the Ayrshire Civil Contingencies Team there are emergency planning arrangements in place in the event of severe weather and flooding conditions causing major disruption and damage to the area or to individual communities within it.</p>			4	4	
Status	Risk Score	Heat Map	 <p>Likelihood</p> <p>Impact</p>			Change in Score	Approach
Stable	16					No change	Treat

Strategic Risk Action Plan			Date Updated	08-Feb-2024
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG
<p>Reducing Carbon Emissions:</p> <p>North Ayrshire Council declared a Climate Emergency in June 2019, committing to act on climate change and reduce carbon emissions. In January 2020 the Council approved the target to become net-zero carbon by 2030, for both Council estate emissions and area-wide emissions.</p> <p>The Council has taken action against climate change since our first Carbon Management Plan in 2006/07, by working to reduce emissions associated with Council services, and using the baseline year of 2005/06 from which to measure progress.</p> <p>Since the baseline year of 2005/06, Council estate emissions have reduced by 68.9%, from 67,719 tonnes of carbon dioxide equivalent (tCO₂e) to 20,940 tCO₂e (a reduction of 854 tCO₂e from the previous year). Area-wide emissions are published by BEIS. Current records show total emissions have reduced across North Ayrshire by 42.6%, from 1,437 kilo-tonnes of carbon dioxide (ktCO₂) in 2005 to 835 ktCO₂ in 2019.</p> <p>To ensure North Ayrshire Council can develop a leading, cross-sector and community led approach we established a Climate Change Steering Group (CCSG) in 2021. The CCSG is chaired by the Cabinet Member for Green Environment and Economy, and brings together young people, local businesses and community organisations from across North Ayrshire.</p> <p>Existing controls remain effective and are under review as our response to climate change develops and we progress towards achieving net zero by the 2030 target.</p>	<p>8th February 2024:</p> <p>Implementation of the Sustainable North Ayrshire strategy, which includes 9 strategic principles and 46 actions under the 5 workstreams of Energy, Nature, Transport, Waste and Adaptation. The 9 strategic principles which are being implemented are:</p> <ol style="list-style-type: none"> 1. We will take a whole system approach (including behaviour change) to tackling climate change as far as possible, including identification of optimal approaches to achieve social and economic benefits alongside environmental ones. 2. We will continue to clarify and report transparently on our emissions so that the North Ayrshire emissions baseline is clearly understood. 3. We will complete a Local Heat and Energy Efficiency Strategy to help understand where efforts to reducing emissions and reducing fuel poverty are best focused. 4. We will prioritise actions in relation to two of the biggest emissions sources where have the most influence, commonly referred to as 'heat and fleet', including through project pathfinder approaches for decarbonisation of domestic and non-domestic buildings and vehicles to bring scale and pace to emissions reduction. 5. We will work with stakeholders, including the Scottish Government, to articulate the potential costs and skills requirements to meet our net-zero aspirations. 6. We will expand on the need for adaptation measures, recognising mitigation alone will not combat the impacts of climate changes on communities. 7. We will identify opportunities for expansion of carbon sinks and other carbon capture technologies, which are expected to be an essential element of our net-zero strategy to mitigate residual emissions by 2030. 8. We will seek to expand the remit and membership of the CCSG to enable us to work more closely with communities, taking account of outcomes from recent projects such as Climate Action Towns and Carbon Neutral Islands. 9. We will explore the potential for carbon accounting, including carbon budgets for Council services, to support our journey to net-zero. <p>Updates on progress are provided through the Council's performance reporting system, Pentana, on a quarterly basis, and governed through the Sustainability Board. Actions are designed to be directly and indirectly responsible for carbon reduction and deliver other socio-economic benefits.</p>	31-Mar-2027	Russell McCutcheon	

Strategic Risk Action Plan				Date Updated	08-Feb-2024
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG	
<p>Flood Risk Management Plan:</p> <p>Cycle 2 of the Ayrshire Local Flood Risk Management Plan has been developed and was published on 31st December 2022.</p> <p>Studies and modelling will be undertaken to identify and prioritise vulnerable areas where financial damage and risk to life are most likely.</p> <p>There is an ongoing programme of monthly inspections of debris screens which have been installed to prevent vulnerable culverts from blocking and causing flooding. CCTV inspections of culverts are also undertaken to identify blockages and deterioration of assets that might cause flooding. This has been effective in reducing flooding, although there are capacity issues h that this process cannot address.</p> <p>The Upper Garnock Valley FPS has been completed and is currently providing flood protection.</p> <p>Ayrshire Shoreline Management Plan:</p> <p>The Ayrshire Shoreline Management Plan will be replaced with a Coastal Change Adaptation Plan. The adaptation plan will enable the Council and other stakeholders to effectively plan our future actions whilst allowing for flexibility in response to future changes. It will incorporate recent international and UK advances in adaptation and shoreline management planning to allow for local interpretation and involvement.</p>	<p>22 February 2024:</p> <ol style="list-style-type: none"> 1. We will undertake the actions outlined in cycle 2 of the Ayrshire Local Flood Risk Management Plan. 2. We will continue to look for opportunities to implement Natural Flood Management and we will develop a range of further flood protection measures, which can be put forward as schemes for inclusion in cycle 3 of the Ayrshire Flood Risk Management Plan and the Ayrshire Local Flood Risk Management Plan. 3. We will complete the Millport Coastal FPS and the Mill Burn FPS. 4. We will continue to Inspect culverts, screens and watercourses for clearance and repair work in accordance with the published schedule and prioritise maintenance works that would substantially reduce flood risk. Efforts will be made to continue to identify unknown culverts and add these assets to the ongoing inspection and maintenance process. 5. We will develop the Ayrshire Coastal Change Adaptation Plan in partnership with South Ayrshire Council and other stakeholders. 	30-06-2028	Thomas Reaney	●	

Risk Code	SRR2425_R07	Risk Title	Community Capacity Building and Empowerment	Latest Note Date	05 February 2024
Risk Owner	Rhonda Leith				
Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures		Likelihood	Impact
<p>Unrealistic timescales for implementation of aspects of legislation of the Community Empowerment Act (Scotland) 2015, such as Community Asset Transfer.</p> <p>Pressure to support community capacity building and the variation of needs within a reducing workforce.</p> <p>Duplication of effort across HSCP and Locality Partnerships to foster community participation and deliver engagement activities.</p> <p>Complying with the complex and resource intensive consultation legislation in service redesign.</p> <p>Rising energy and utility costs relating to property management.</p> <p>Budget savings and pressure on property maintenance budgets.</p>	<p>Where the risk is not managed effectively the potential benefits of community capacity building and empowerment may be lost.</p> <p>Widening inequality gap between those communities where levels of capacity and engagement with the empowerment agenda are high and those with less social capital where interest remains low, which constrains the ability to influence the planning and delivery service.</p> <p>Any disconnect between the Council's aspirations, community appetite for increasing ownership of assets and what communities themselves feel able and prepared to commit to can result in community assets reverting back to Council.</p> <p>Accelerating asset transfer risks losing services and facilities and risks the ability to plan, connect and deliver strategic services.</p> <p>Over-engagement carries disengagement and engagement fatigue.</p> <p>Increased property costs can be a deterrent for organisations engaging and completing the CAT process.</p> <p>Lack of budget to undertake proactive maintenance may result in NAC buildings falling into disrepair detracting organisations from progressing to lease and or ownership of NAC assets.</p>	<p>Ongoing commitment to community empowerment and locality partnerships from CPP.</p> <p>Six locality partnerships and alignment with HSCP locality arrangements.</p> <p>Leadership of the CPP Senior Officers' Group.</p> <p>Enabling approach with community partners and support with third sector interface to build capacity and identify opportunities for growth and sustainability.</p> <p>Reviewed guidance and processes relating to community empowerment functions.</p> <p>Participatory budgeting approach local grants, commitment to PB with partners and leading practice in mainstreaming participatory approaches</p> <p>External funding bid help for groups through regular meetings with third sector, funders and funding officers.</p> <p>Membership of The Consultation Institute.</p> <p>Investment from Community Asset Transfer Start Up Fund, prioritising additional staffing capacity to support CAT in Connected Communities and TACT.</p> <p>A collaboration and shared resource approach across Connected Communities Teams will be taken to ensure the Service deliver on this priority.</p>		4	4
Status	Risk Score	Heat Map		Change in Score	Approach
Stable	16			Increase from 12 to 16	Tolerate

Strategic Risk Action Plan				Date Updated	05 Feb 2024
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG	
Implementation of Community Empowerment Act: Existing controls remain effective and are kept under review.	05 February 2024: Strategic CLD Plan 2021-2024 identifies priorities for capacity building and the programme of community support is addressing needs. No further update at this time.	31-Mar-2025	Rhonda Leith	●	
	05 February 2024: Post implementation the plan will be monitored and reported as per statutory timescales.	31-Jul-2024	Rhonda Leith	●	
Staff capacity: Existing controls remain effective however forthcoming VER structure changes will result in a reduction of CLD professional staff and risks further pressures on staff to deliver effectively to key outcomes.	05 February 2024: CLD service redesign will be implemented from 1 st of April with a 6-month review date. The redesign in light of VER impacts has resulted in the loss of the Capacity and Empowerment Team, all key priorities of the team will be embedded in the newly formed localities Contact agreement established with key 3 rd Sector organisations This will mitigate the impact on developments of the key outcomes as detailed in the CLD plan. The CLD plan review will commence in April, following guidance due to be issued by the Scottish Government which will be informed by the National Review Of CLD.	31-Jul-2024	Rhonda Leith	●	
Duplication of effort: Clearly defined roles and lean processes are reviewed and maintained to avoid duplication of effort and minimise time and resource wastage. The team foster open communication channels with both staff and key stakeholders.	05 February 2024: Existing controls are effective but remain under proactive review.	31-Jul-2024	Rhonda Leith	●	
Consultation: Existing controls remain effective. Existing controls remain effective and hybrid engagement models have been implemented post covid to encourage and provide greater access to participation.	05 February 2024: Proactive review 6 months post VER restructure to assess the effectiveness of CLD support for community engagement and consultation. No further update at this time.	31-Jul-2024	Rhonda Leith	●	
Increased property costs and lack of investment in community assets.	05 February 2024 A collaborative approach involving PMI and CC is being used to survey and evaluate community buildings that require investment. CAT funds have been identified for corrective actions, which will involve incorporating green investments to support future CAT and Service development initiatives.	31-Jul-2024	Rhonda Leith	●	

Risk Code	SRR2425_R08	Risk Title	Property Asset Risk	Latest Note Date	08-Feb-2024
Risk Owner	Russell McCutcheon				
Risk Proximity Factors	Consequences / Impact	Existing Risk Control Measures		Likelihood	Impact
<p>The long-term impact of restricted budget availability for investment in the Council's property assets means these assets means they are in declining condition and have greater long term investment needs.</p> <p>Systemic building safety issues have been evidenced by issues such as national high profile safety issues, and the presence of RAAC through the public sector property portfolio. These have highlighted the substantial increasing burden of property asset management.</p> <p>There have been a number of near misses or critical failures of aging heating plant and equipment which the council cannot afford to replace on a programmed basis.</p> <p>Inflationary pressures, and on-going volatility in the construction & related activities sphere, place further difficulties in the ability of restricted budgets to address all priorities.</p>	<p>Maintenance issues and failure of building components are increasingly likely to result in disruption to service delivery. There is also an increasing risk of health and safety and statutory compliance obligations not being achieved.</p> <p>Property events requiring significant interventions leading to service disruption, closure of facilities, decant etc. are in increasing in frequency and often over-lapping (often coinciding with weather events).</p>	<p>Property condition information is gathered and recorded within the Council's electronic asset management system, providing a baseline to measure building element lifecycle replacement requirements across the corporate estate.</p> <p>Limited investment is therefore targeted on priorities.</p> <p>Reactive maintenance, and statutory compliance are also undertaken corporately by PMI by appropriately trained / experienced staff.</p> <p>There is an on-going Transformation programme workstream focusing on property rationalisation as a means of reducing the financial burden of the estate through reducing overall area occupied (aligned to carbon reductions).</p> <p>Post Incident reviews and lessons learned exercises with actions undertaken where feasible to do so.</p> <p>Risk based property reviews are underway to examine, on a property by property basis, where property risks have the potential to impact service delivery. The information gathered influences both investment plans and business continuity plans. This work is on-going in respect of the school estate and is being rolled-out to other services' assets.</p>		4	5
Status	Risk Score	Heat Map		Change in Score	Approach
Increasing	20			New Risk	Tolerate

Strategic Risk Action Plan				Date Updated	08-Feb-2024
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG	
CC&M team within PMI managing reactive maintenance and statutory compliance.	Team resources stretched; however, restricted budgets are principal risk.	Ongoing	Russell McCutcheon	●	
Asset management team within PMI collecting asset condition information and leading prioritisation of lifecycle investment.	Improved asset management system is being investigated; however, restricted budgets are principal risk.	Ongoing	Russell McCutcheon	●	
Property rationalisation programme	Locality based property review work currently underway to increase scale and pace of implementation.	Ongoing	Russell McCutcheon	●	
Risk based property review process	Requires up to date property information, including client information and cross service buy-in to be effective.	Ongoing	Russell McCutcheon	●	

NORTH AYRSHIRE COUNCIL

19 March 2024

Cabinet

Title: **Revenue Budget 2023/24 : Financial Performance to 31 January 2024**

Purpose: To advise Cabinet of the financial performance for the Council at 31 January 2024.

Recommendation: That Cabinet agrees to:

- (a) note the information and financial projections outlined in the report;
- (b) note the latest financial projection for the Health and Social Care Partnership highlighted at 2.6; and
- (c) approve the virements detailed in Appendix 7.

1. Executive Summary

- 1.1 The General Services Revenue Estimates for 2023/24 were approved by Council on 1 March 2023. The Housing Revenue Account (HRA) Revenue Budget for 2023/24 was approved by Council on 15 February 2023.
- 1.2 As part of the monitoring procedures to keep the Cabinet informed of the financial performance of the Council, financial performance reports are presented on a regular basis. This is the fourth report for 2023/24 and covers the period to the end of January 2024 (Period 10). Projections have been made to the year-end.
- 1.3 At Period 10 the General Fund is forecasting a net in-year overspend of £0.146m, (0.0%), after transferring resources to/from earmarked reserves.
- 1.4 The Housing Revenue Account is forecasting a net in-year underspend of (£6.170m), (10.6%).
- 1.5 At the end of January 2024, the Health and Social Care Partnership is projecting a year-end overspend of £4.171m, (1.3%), for 2023/24. This is an increase of £0.313m from the previously reported position. The Council services element is reporting a projected overspend of £3.353m, an increase of £0.853m, and the Health services element reported a projected overspend of £0.818m, a reduction of £0.540m from the previously reported position.

1.6 Ongoing risks to the reported position have been identified arising from inflationary pressures across services, linked to the higher than anticipated Consumer Price Index with particular issues identified in relation to external residential childcare placements and teacher absence cover costs.

2. Background

General Fund

2.1 The Council set a breakeven budget for 2023/24. In addition to the budget approved on 1 March 2023, earmarked funds of £26.697m were carried forward from 2022/23 for service expenditure in 2023/24 and are reflected in the figures within the 2023/24 financial performance reports as they are drawn down.

2.2 Current financial projections indicate that a net in-year overspend of £0.146m, (0.0%), net of transfers to/from reserves, is anticipated for the year to 31 March 2024.

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

	Appendix No	Annual Budget £000's	Projection to 31 March 2024 £000's	Projected Variance for year (Fav)/Adv £000's	Projected Variance @ Period 8 (Fav)/Adv £000's	Movement £000's	Note
Service Expenditure							
Chief Executives	1	21,776	20,912	(864)	(684)	(180)	(i)
Communities	2	189,773	190,460	687	820	(133)	(ii)
Place	3	58,886	60,390	1,504	1,150	354	(iii)
Other Corporate Services	4	15,613	14,385	(1,228)	(1,053)	(175)	(iv)
Sub Total		286,048	286,147	99	233	(134)	
Health and Social Care Partnership	8	123,862	123,862	-	-	-	2.6
Balance for Services		409,910	410,009	99	233	(134)	
Financing Charges	5	12,947	12,947	-	-	-	
Contribution to Loans Fund Reserve	5	5,699	5,699	-	-	-	
Total Planned Expenditure		428,556	428,655	99	233	(134)	
Planned Income							
Aggregate External Finance	5	(353,004)	(353,004)	-	-	-	
Council Tax	5	(65,382)	(65,335)	47	31	16	
Use of Earmarked Funds	5	(10,170)	(10,170)	-	-	-	
Total Planned Income		(428,556)	(428,509)	47	31	16	
Net Expenditure/ (Income)		-	146	146	264	(118)	

2.4 The reported Planned Income includes a number of adjustments to Scottish Government funding from that included in the approved budget, as detailed in the following table:

	General Revenue Grant £000's	Non Domestic Rates £000's	Specific Grants £000's	TOTAL AEF £000's
Planned Income				
Revised Budget 30 November 2023	(287,858)	(40,982)	(19,940)	(348,780)
Movements:				
SJC Pay Settlement 23-24	(4,136)			(4,136)
Teacher Induction Scheme	(80)			(80)
Self Directed Support	(5)			(5)
Climate Intelligence Adjustment	10			10
Education Psychologist	(15)			(15)
Rounding Adjustment	2			2
Revised Planned Income	(292,082)	(40,982)	(19,940)	(353,004)

2.5 Commentary on Significant Movements from the Approved Budget

The Council's overall financial forecast against the revised budget is a net overspend position. This includes a number of movements at a service level. Detailed explanations of the significant variances in service expenditure compared to the approved budgets are provided in appendices 1 to 5 to this report.

A brief explanation of the significant movements for each service since Period 8 is outlined as follows:

(i) **Chief Executive's – underspend of (£0.864m), an increase of (£0.180m) from the previously reported underspend**

The movement since Period 8 is primarily related to:

- Vacancy management across services, (£0.101m); and
- Lower than forecast contract renewal costs within ICT, (£0.073m).

(ii) **Communities – overspend of £0.687m, a reduction of (£0.133m) from the previously reported overspend**

The movement since Period 8 reflects updated cost pressures across services, including:

- Vacancy management across services, including increased teacher turnover, (£0.846m); and
- Additional income in relation to children from other local authorities accessing placements, (£0.083m).

These have been partly offset by:

- Additional teacher cost overspend within Primary Schools, £0.685m; and
- Increased PPP utility expenditure, £0.116m.

(iii) Place – overspend of £1.504m, an increase of £0.354m from the previously reported overspend

The movement since Period 8 reflects updated income and cost forecasts across services, including:

- Additional property costs associated with essential statutory compliance works and contract inflation, £0.394m; and
- Lower than anticipated income from property rents and advertising, £0.112m.

These have been partly offset by a rebate on Community Hub recharges, (£0.087m).

Virements in relation to the recognition of additional income within Roads and Employability have been included within Appendix 7.

(iv) Other Corporate Items – underspend of (£1.228m), an increase of (£0.175m) from the previously reported underspend

The movement since Period 8 is primarily related to lower than anticipated drawdowns from centrally held inflationary cost provisions to support pressures within services, (£0.191m).

Health and Social Care Partnership

2.6 A copy of the HSCP financial performance report as at the end of January 2024 is attached at Appendix 8. The HSCP report highlights the key challenges and variances for the Partnership.

The key points for Cabinet to note are summarised as:

- The projected outturn is a year-end overspend of £4.171m for 2023/24.
- The projected overspend on the Council Services element is £3.353m, with a projected overspend on the Health Services element of £0.818m;
- The projected overspend for 2023/24 will be funded by IJB reserve balances - £2m has been earmarked to support the 23/24 financial position and any overspend above this level will be met from the unearmarked balance. This will contain the financial risk within the IJB but is likely to reduce the unearmarked balance below the recommended level of 2%;
- The most significant areas of overspend include residential placements for children, supplementary staff in wards and unplanned activities within the lead partnership for mental health. A substantial programme of work is being progressed by the HSCP in partnership with colleagues in Education and Housing, to develop a plan to reduce the number of Children's Residential Placements. Further detail is included in the report at Appendix 8.

The main areas of risk identified in the report included:

- Current high levels of inflation which impact on costs incurred directly by the Partnership and on our partner providers;
- High risk areas of low volume / high-cost services areas e.g. Children's residential placements, Learning Disability care packages and complex care packages;
- Progress with the work to develop set aside arrangements and the risk sharing arrangements agreed as part of this;
- Ongoing implementation costs of the Scottish Government policy directives;
- Lead / hosted service arrangements, including managing pressures and reporting this across the 3 IJBs;
- The impact on Lead Partnership and acute services from decisions taken by other Ayrshire areas;
- The use of supplementary staffing for enhanced observations across a number of service areas;
- The use of high-cost agency staff to support frontline service delivery in areas where there are recruitment challenges;
- Continuing risks associated with provider sustainability; and
- The NHS Ayrshire and Arran Health Board financial deficit and the risks around further escalation in the national framework for financial escalation. North Ayrshire IJB have already discussed our position in relation to the request for payment for delayed discharges.

These risks will continue to be monitored during the remainder of the financial year.

Risks

- 2.7 Ongoing risks to the reported position have been identified arising from inflationary pressures in relation to essential commodities, including food and utilities. In June 2023, Cabinet agreed to earmark £0.870m from the 2022/23 underspend to address unbudgeted inflationary pressures arising from the ongoing cost of living crisis. Any further increases beyond current budget provision may impact on future service provision.

Housing Revenue Account

- 2.8 The Housing Revenue Account budgeted for a breakeven position in 2023/24 and an in-year underspend of (£6.170m), (10.6%), is currently anticipated for the year to 31 March 2024. The projected position is summarised in the following table with further details provided in Appendix 6.

	Annual Budget	Projection to 31 March 2024	Projected Variance for year (Fav)/Adv	Previous Variance @ Period 8 (Fav)/Adv	Movement	Note
	£000's	£000's	£000's	£000's	£000's	
Employee Costs	5,504	5,041	(463)	(295)	(168)	(i)
Property Costs	22,718	24,156	1,438	1,592	(154)	(ii)
Supplies and Services	671	691	20	14	6	
Transport and Plant Costs	28	28	-	-	-	
Administration Costs	1,892	1,918	26	7	19	
Third Party Payments	3,519	3,343	(176)	(180)	4	
Transfer Payments	172	172	-	-	-	
Other Expenditure	380	380	-	-	-	
Capital Financing	23,309	16,250	(7,059)	(7,127)	68	(iii)
Gross Expenditure	58,193	51,979	(6,214)	(5,989)	(225)	
Income	(58,193)	(58,149)	44	547	(503)	(iv)
Net Expenditure	-	(6,170)	(6,170)	(5,442)	(728)	

2.9 Commentary on Significant Movements from the Approved Budget

A brief explanation of the significant movements from the previous forecasts is outlined as follows:

- (i) **Employee Costs – underspend of (£0.463m), an increase from the previously reported underspend of (£0.168m)**
The movement is primarily related to vacancy management across the service.
- (ii) **Property Costs – overspend of £1.438m, a reduction from the previously reported overspend of (£0.154m)**
The movement is primarily related to reduced expenditure on Planned & Cyclical Maintenance, (£0.173m), and Responsive Repairs, (£0.113m), partly offset by increased expenditure on Void Repairs, £0.061m, and Other Property Costs, £0.117m.
- (iii) **Capital Financing Costs – underspend of (£7.059m), a reduction from the previously reported underspend of £0.068m**
The movement is related to revised capital charges reflecting movements in the HRA Capital Programme.
- (iv) **Income – underrecovery of £0.044m, a reduction from the previously reported underrecovery of (£0.503m)**
The movement is primarily related to updated income from temporary accommodation rents and service charges, (£0.538m).

3. Proposals

3.1 It is proposed that Cabinet agrees to:

- (a) note the information and financial projections outlined in the report;
- (b) note the latest financial projection for the Health and Social Care Partnership highlighted at 2.6; and
- (c) approve the virements detailed in Appendix 7.

4. Implications/Socio-economic Duty

Financial

4.1 General Services

The net projection for the year as at 31 January 2024 is a net overspend of £0.146m.

Housing Revenue Account

The net projection for the year as at 31 January 2024 is a net underspend of (£6.170m).

Human Resources

4.2 None.

Legal

4.3 None.

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 maximising financial flexibility to support the delivery of our priorities.

Community Wealth Building

4.7 None.

5. Consultation

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

Mark Boyd
Head of Service (Finance)

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

Background Papers

Revenue Budget 2023/24 : Financial Performance to 30 November 2023 – Cabinet 24
January 2024

CHIEF EXECUTIVES
BUDGETARY CONTROL 2023/24

REPORT FOR THE 10 MONTHS TO 31 January 2024

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Chief Executive					
Chief Executive	159	163	4	3%	
Total for Chief Executive	159	163	4	3%	
Financial Services					
Change Programme	294	294	-	0%	
Audit, Fraud, Safety & Insurance	1,062	1,073	11	1%	
Corporate Procurement	1,040	987	(53)	(5%)	1
Financial Services	1,541	1,511	(30)	(2%)	2
Revenues	(462)	(609)	(147)	32%	3
Transformation	786	761	(25)	(3%)	4
Total for Financial Services	4,261	4,017	(244)	(6%)	
People & ICT					
Employee Services	980	980	-	0%	
HR & Organisational Development	1,115	1,113	(2)	(0%)	
ICT	5,550	5,177	(373)	(7%)	5
Business Support	1,373	1,373	-	0%	
Customer Services	4,195	4,189	(6)	(0%)	
Total for People & ICT	13,213	12,832	(381)	(3%)	
Democratic Services					
Legal & Licensing	604	510	(94)	(16%)	6
Policy, Performance & Elections	530	411	(119)	(22%)	7
Communications	498	502	4	1%	
Civil Contingencies	60	60	-	0%	
Committee Services	569	564	(5)	(1%)	
Member Services	1,340	1,339	(1)	(0%)	
Ayrshire Support Service	484	464	(20)	(4%)	8
Information Governance	58	50	(8)	(14%)	
Total for Democratic Services	4,143	3,900	(243)	(6%)	
Totals	21,776	20,912	(864)	(4%)	

Subjective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance
	£000	£000	£000	
Employee Costs	18,502	18,185	(317)	(2%)
Property Costs	68	85	17	25%
Supplies and Services	3,419	3,099	(320)	(9%)
Transport and Plant Costs	23	19	(4)	(17%)
Administration Costs	1,356	1,330	(26)	(2%)
Other Agencies & Bodies	2,342	2,340	(2)	(0%)
Transfer Payments	852	853	1	0%
Other Expenditure	-	-	-	-
Capital Financing	-	-	-	-
Gross Expenditure	26,562	25,911	(651)	(2%)
Income	(4,786)	(4,999)	(213)	4%
Net Expenditure	21,776	20,912	(864)	(4%)

CHIEF EXECUTIVES
BUDGETARY CONTROL 2023/24

REPORT FOR THE 10 MONTHS TO 31 January 2024

Budget £000	Projected Variance £000	Variance as % of budget	Section
	Note 1		Finance - Corporate Procurement
			Movement - There has been a favourable movement of £0.019m since P8 due to vacancy management.
1,070	(60)	-6%	Employee costs - There is a projected underspend of £0.061m due to vacancy management.
	7		Other minor movements
	(53)		
	Note 2		Finance - Financial Services
			Movement - There has been a favourable movement of £0.030m since P8 due to vacancy management.
1,518	(30)	-2%	Employee costs - There is a projected underspend of £0.030m due to vacancy management.
	(30)		
	Note 3		Finance - Revenues
			Movement - There has been no movement from P8.
(1,289)	(147)	11%	Income - There is a projected over recovery in Council Tax Statutory Additions of £0.077m and agreed revised Scottish Water income resulting in a £0.070m over recovery.
	(147)		
	Note 4		Finance - Transformation
			Movement - There has been a favourable movement of £0.025m from P8 due to external funding.
691	(25)	-4%	Employee Costs - There is a projected underspend of £0.025m due to salaries being paid by external funding in the year.
	(25)		
	Note 5		People & ICT - ICT
			Movement - There has been a favourable movement of £0.125m from P8 due to lower than forecasted contract renewal costs and various management vacancies.
3,513	(52)	-1%	Employee Costs - Projected underspend of £0.052m due to various management vacancies.
2,248	(321)	-14%	Supplies & Services - There is a £0.239m underspend in software licenses and support due to contracts ending and renewing at a lower cost. There is also a £0.045m underspend in WAN due to the upgrade project and £0.036m underspend in LAN due to lower costs than anticipated.
	(373)		
	Note 6		Democratic Services - Legal & Licensing
			Movement - There is an adverse movement of £0.032m from P8, this is primarily due to a decrease in projected Licence income.
1,185	(34)	-3%	Employee Costs - There is a projected underspend of £0.034m due to vacancy management.
(735)	(73)	10%	Income - There is a projected over-recovery of £0.089m in Licensing income mainly due to new licence income for Short Term Lets, which is partially offset with an under recovery of £0.017m in Recovery of Legal Costs.
	13		Other minor movements
	(94)		
	Note 7		Democratic Services - Policy, Performance & Elections
			Movement - There is an adverse movement of £0.031m from P8 due to revised payroll projections.
512	(123)	-24%	Employee Costs - There is a projected underspend of £0.123m due to vacancy management.
	4		Other minor movements
	(119)		
	Note 8		Democratic Services - Information Governance
			Movement - There is a favourable movement of £0.031m since P8 due to revised payroll projections.
499	(23)	-5%	Employee Costs - There is a projected underspend of £0.023m due to vacancy management.
	3		Other minor movements
	(20)		

COMMUNITIES**BUDGETARY CONTROL 2023/24****REPORT FOR THE 10 MONTHS TO 31 January 2024**

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Early Years Education	21,837	21,178	(659)	(3%)	1
Primary Education	50,042	50,333	291	1%	2
Secondary Education	63,152	63,124	(28)	(0%)	3
Additional Support Needs	14,137	14,833	696	5%	4
Education - Other	2,105	3,339	1,234	59%	5
Pupil Equity Fund	4,614	4,614	-	0%	
Facilities Management	19,181	18,334	(847)	(4%)	6
Connected Communities	14,705	14,705	-	0%	7
Net Total	189,773	190,460	687	0%	

Subjective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs - Teachers	96,479	98,702	2,223	2%
Employee Costs - Non Teachers	61,711	59,676	(2,035)	(3%)
Property Costs	1,802	1,938	136	8%
Supplies and Services	24,929	24,577	(352)	(1%)
Transport and Plant Costs	152	166	14	9%
Administration Costs	597	561	(36)	(6%)
Other Agencies & Bodies	15,004	15,909	905	6%
Transfer Payments	580	580	-	0%
Other Expenditure	-	-	-	
Capital Financing	71	71	-	0%
Gross Expenditure	201,325	202,180	855	0%
Income	(11,552)	(11,720)	(168)	1%
Net Expenditure	189,773	190,460	687	0%

COMMUNITIES
BUDGETARY CONTROL 2023/24

REPORT FOR THE 10 MONTHS TO 31 January 2024

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Early Years Education
			Movement : There has been a favourable movement of £0.132m compared to P8. This is primarily due to turnover and vacancy management.
16,917	(449)	-3%	Employee Costs: Projected underspend of £0.449m in establishments due to vacancy management.
4,672	(168)	-4%	Third Party Payments: There are forecasted underspends of £0.304m in payments to funded providers and £0.028m in payments to other bodies for current registered children. Payments to other Local Authorities is projected to be an overspend of £0.154m as more children are expected to take up Early Years places outwith North Ayrshire than children coming into NAC Early Years establishments.
248	(42)	-17%	Other minor movements
			A reduction to the budget of £1.198m in 23/24 has necessitated a drawdown from Education earmarked funds pending permanent savings to be implemented for 24/25. Service redesign proposals are being developed.
	(659)		
Note 2			Primary Education
			Movement : There has been a unfavourable movement of £0.685m compared to P8 primarily due to increased employee costs
47,666	261	1%	Employee Costs : projected overspend in teacher costs of £0.705m offset against underspend in non teaching costs across all Primary Schools of £0.444m
2,183	41	2%	Supplies & Services: projected overspend in the PPP unitary charge mainly due to NDR and utility increases
	(11)		Other minor movements
	291		
Note 3			Secondary Education
			Movement : There has been a unfavourable movement of £0.116m compared to P8 mainly due to an increase in the reported PPP costs
48,396	(229)	0%	Employee Costs : projected underspend in non teaching costs across all Secondary Schools
14,590	193	1%	Supplies & Services: projected overspend in the PPP unitary charge mainly due to NDR and utility increases. All PPP costs and income will be monitored over the coming months and the final outturn will be dependent on potential further penalty deductions to offset the overspend.
	8		Other minor movements
	(28)		
Note 4			ASN
			Movement: There has been a favourable movement of £0.125m compared to P8. This is mainly due to a £0.037m increase in employee costs underspends and a projected increase of £0.083m in Other Local Authority section 23 income due to increased rates being applied for the 2023/24 session and an additional out of authority child accessing a place in NAC.
12,442	(334)	-3%	Employee costs: Projected underspend of £0.273m in non teaching staff costs across all ASN school and bases provision and £0.061m forecasted underspend in teaching costs. The increased cost pressure for Classroom Assistants of £0.874m is managed this year by drawing down a temporary amount from earmarked funds. This position will be addressed as part of the ongoing discussion with the Scottish Government and as part of the 24/25 budget process.
355	(65)	-18%	There is a forecasted underspend of £0.065m on payments to Other Local Authorities due to a reduction in the number of NAC children accessing placements in their establishments.
1,003	135	13%	There is a projected overspend of £0.135m on external day placements as a result of additional children requiring this level of support and an increase in rates from these establishments.
499	1,048	210%	There is a projected overspend of £1.048m on external specialist residential placements. Currently there are 15 children in, or expected in, accommodation. Increased pressures on internal care settings as well as changing needs of children and young people have resulted in an increase in the need for external residential settings. Joint working is ongoing with HSCP to ensure that all options are fully explored to ensure that all options are considered to retain young people within their local community where possible. Where this is not possible, a forum has been set up to further discuss those young people who will require care and education provision to support them appropriately. Any future additional children who enter Residential Accommodation will increase the future projected overspend.
(264)	(100)		There is a projected over recovery of £0.100m in Other Local Authorities income due to the number of other authority children accessing a place in NAC establishments and increased rates being applied for the 2023/24 session.
-	12		Other minor movements.
	684		

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 5			Education Other
			Movement :There has been a favourable movement of £0.596m compared to P8. This is mainly due to a projected increase in teacher turnover.
977	1,497	153%	Employee costs: mainly as a result of significant increase in costs associated with mandatory cover for teacher absence. Absence levels are subject to regular review across the service and appropriate actions are taken to maximise attendance
(1,184)	(271)	23%	Income: PPP insurance rebate £0.098m, PPP deductions of £0.148m in excess of budget, £0.024m salaries received from capital
	8		Other minor movements.
	1,234		
Note 6			Facilities Management
			Movement: There has been a favourable movement of £0.081m compared with P8 mainly due to vacancy management.
15,750	(372)	-2%	Employee Costs: There is an underspend of £0.372m primarily due to recruitment challenges and a targeted reduction of overtime and casual costs.
5,116	(701)	-14%	Supplies and services: There is a saving of £0.257m due to lower school meal uptake. In addition, there is an underspend within Early Years of £0.463m which has arisen due to lower attendance rate than anticipated.
(2,798)	177	-6%	Income: There is an under-recovery in commercial catering income of £0.258m due to a reduction in commercial events and cost/income challenges within commercial venues. This is partially offset by an over-recovery of cleaning and janitorial income of £0.100m.
	48		Other minor movements
	(847)		
Note 7			Connected Communities
			Movement: There has been no change since period 8.
8,649	(185)	-2%	Employee Costs: Underspends in Community Facilities, Libraries, Country Parks, Community Development and Arran Outdoor due to vacancy management.
500	87	17%	Property Costs: £0.033m overspend in Libraries, £0.030m overspend in Country Parks on various property works and removal of trees affected by ash dieback, £0.019m overspend in Community Facilities, which is partly on cleaning materials, and £5k overspend in Arts.
1,154	109	9%	Supplies and Services: Overspend in Arts events costs, which is offset by an over-recovery of income, and small overspends in a number of budget lines across the service.
(2,204)	(17)	1%	Income: £0.018m under recovery in Community Facilities as income has not returned to pre-covid levels and projected over-recovery of £0.007m in Arran Outdoor Education Centre, £0.004m in Country Parks and £0.021m in Arts.
	6		Other minor movements.
	-		
			General
			Due to the industrial action taken by various staff there is a underspend of approximately £200k across all sectors. This underspend is included in all non teaching employee budget lines across the entire Communities budget monitoring report. A further £20k of underspend was made against grant funded services SEF and PEF.

PLACE
BUDGETARY CONTROL 2023/24

REPORT FOR THE 10 MONTHS TO 31 January 2024

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Directorate and Support	206	206	-	0%	
Housing and Public Protection					
Building Services	(2,542)	(2,542)	-	0%	1
Property Governance	(7)	(7)	-	0%	
Planning Services	371	217	(154)	(42%)	2
Protective Services	1,912	1,800	(112)	(6%)	3
Other Housing	3,236	3,196	(40)	(1%)	4
Total for Housing and Public Protection	2,970	2,664	(306)	(10%)	
Neighbourhood Services					
Roads	6,968	6,968	-	0%	
Streetscene	5,834	5,866	32	1%	5
Waste Resources	10,125	10,720	595	6%	6
Municipalisation Advertising	(123)	(21)	102	(83%)	7
Total for Neighbourhood Services	22,804	23,533	729	3%	
Economic Development, Growth and Investment					
Economic Policy	213	149	(64)	(30%)	8
Employability & Skills	2,484	2,512	28	1%	
Regeneration	1,271	1,271	-	0%	
Business	1,064	1,064	-	0%	
Growth & Investment	258	258	-	0%	
Total for Economic Development, Growth and Investment	5,290	5,254	(36)	(1%)	
Sustainability, Transport and Corporate Property					
Property Management & Investment	1,737	1,758	21	1%	
Housing Assets & Investment	(1)	(1)	-	0%	
Property Maintenance	3,602	4,292	690	19%	9
Property Running Costs	4,675	4,761	86	2%	10
Energy and Sustainability	7,537	7,537	-	0%	11
Internal Transport	10,066	10,386	320	3%	12
Total for Sustainability, Transport and Corporate Property	27,616	28,733	1,117	4%	
Net Total	58,886	60,390	1,504	3%	

Subjective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	50,717	50,804	87	0%
Property Costs	23,859	24,632	773	3%
Supplies and Services	9,717	9,937	220	2%
Transport and Plant Costs	9,635	10,423	788	8%
Administration Costs	818	822	4	0%
Other Agencies & Bodies	21,163	21,115	(48)	(0%)
Transfer Payments	-	-	-	0%
Other Expenditure	182	263	81	45%
Capital Financing	-	-	-	
Gross Expenditure	116,091	117,996	1,905	2%
Income	(57,205)	(57,606)	(401)	1%
Net Expenditure	58,886	60,390	1,504	3%

PLACE
BUDGETARY CONTROL 2023/24

REPORT FOR THE 10 MONTHS TO 31 January 2024

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 1			Building Services
			Movement: There has been no movement since P8 however the service are currently managing significant financial challenges to achieve a break-even position.
5,345	216	4%	Supplies & Services: An overspend of £0.216m in supplies and services. This is due to an overspend of £0.061m in relation to the purchase of PDA's to monitor hand vibrations, £0.019m in employee clothing, £0.038m in tools and implements and £0.097m in materials which relates to the increase in volume and scope of void and damp works.
579	181	31%	Transport costs: An overspend of £0.181m in transport costs. This is due to an overspend of £0.055m in scaffolding which relates to factoring works, £0.064m in skip hire costs and £0.062m in other transport costs.
2,833	316	11%	Third Party Payments: An overspend of £0.316m in third party payments is largely in relation to an increase in the volume of void and damp work.
(21,515)	(759)	4%	Income: There is a projected over recovery in income of £0.759m largely in relation to the volume and scope of void and damp works and other increased costs.
	46		Other minor movements
	-		
Note 2			Planning Services
			Movement: There has been a favourable movement of £0.041m since P8 mainly due to a projected increase in planning fee income.
775	(28)	(4%)	Employee Costs: Projected underspend of £0.028m due to vacancy management.
(609)	(121)	20%	Income: Forecasted over recovery of £0.072m due to additional planning fee application income.
	(5)		Other minor movements
	(154)		
Note 3			Protective Services
			Movement: There has been a favourable movement of £0.017m since P8 which is primarily due to £0.040m of further employee costs underspends due to vacancy management within the Out of Hours team, partially offset by projected dangerous buildings costs of £0.017m.
2,494	(97)	(4%)	Employee Costs: projected underspend of £0.097m due to vacancy management.
	(15)		Other minor movements
	(112)		
Note 4			Other Housing
			Movement: There has been no overall significant movement from P8.
3,839	(249)	(6%)	Employee Costs: projected underspend of £0.249m due to vacancy management. This underspend includes vacant posts being held due to the Housing Service review, new employees taking up posts at the bottom of the pay scale and a number of staff not part of the Local Government Pension Scheme. £0.046m of the underspend relates to the Rapid Rehousing Transition Plan (RRTP).
2,395	67	3%	Property Costs: projected overspend due to £0.065m in furnished tenancy grant costs, a review of the charging structure is to be undertaken; and £0.015m additional costs in property rents. This is partially offset by a £0.010m expected underspend in window cleaning costs.
104	97	93%	Other Expenditure: there is a projected overspend of £0.061m in arrears write offs and a forecasted additional bad debt provision of £0.025m.
(5,862)	29	(0%)	Income: projected under recovery of £0.015m due to backdated rent adjustment in Temporary Furnished Accommodation, along with a forecasted reduction in HRA contribution of £0.011m.
	16		Other minor movements
	(40)		

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 5			Streetscene
			Movement: There has been an adverse movement of £0.032m since period 8, which is mainly in employee costs.
7,157	(18)	(0%)	Employee Costs: £0.018m underspend due to vacancy management.
	50		Other minor movements.
	32		
Note 6			Waste Services
			Movement: There has been a favourable movement of £0.026m since P8.
5,132	730	14%	Employee Costs: The overspend includes temporary additional resources required to deal with new builds and to cover a significant, and challenging, sickness absence rate. The statutory nature of the service requires additional resources to cover unforeseen absences. A robust absence monitoring process is in place and an overall review of the Waste service in light of legislative changes and current service demands is ongoing. This will also take account of waste compositional analysis.
572	126	22%	Supplies & Services: Forecast overspend on Compactors £0.047m, Tools and Implements £0.042m and Trade effluent £0.034m.
160	213	133%	Transport Costs: Additional vehicles were temporarily in place earlier in the year to deal with pressures from new builds and seasonal demands in Garden Waste, however a reduction of 3 vehicles has been implemented since 1st October 2023. One additional vehicle is still required and 2024/25 budget provision is being reviewed for this vehicle.
6,418	(69)	(1%)	Third Party Payments: An underspend of £0.048m is largely in relation to the Clyde Valley contract.
(3,110)	(370)	12%	Income: Additional income from the renewal of kerbside recycle contracts of £0.325m and £0.029m from sale of scrap.
	(35)		Other minor movements
	595		
Note 7			Municipalisation Advertising
			Movement: There has been an unfavourable movement of £0.062m from P8 due to a further projected under recovery of advertising income.
(123)	102	(83%)	Income: A projected under recovery of £0.102m primarily due to lead in time delays in vehicle advertising and unfavourable market conditions. This was a high end/stretched target and the market rates when tendered were not as favourable as forecast. However, the team continue to robustly progress this initiative with 7 companies now signed up and we are currently in negotiations with a further 10 companies.
	102		
Note 8			Economic Policy
			Movement: There has been a favourable movement of £0.027m from P8 due to an increase in employee costs underspends.
221	(65)	(29%)	Employee Costs: A projected underspend of £0.065m due to vacancy management and funding received for work completed in house.
	1		Other minor movements.
	(64)		
Note 9			Property Maintenance Costs
			Movement: There has been adverse movement of £0.394m since P8 largely due to essential re-profiling of backlog statutory compliance works, and increased contract costs.
6,855	680	10%	Property costs: There is a projected £0.278m overspend related to unforeseen RAAC mitigation works (£0.178m) and other essential reactive maintenance works. In addition, there is a projected overspend of £0.459m in Statutory Compliance due to essential re-profiling of backlog electrical compliance work. This has been offset by a £0.077m underspend in PMB projects due to reprioritisation to mitigate the above overspend position.
	10		Other minor movements
	690		
Note 10			Property Running Costs
			Movement: There has been favourable movement of £0.029m since P8 due to a rebate of £0.087m in relation to Community hub charges. This has been partially offset by a £0.050m under recovery in property rental income.
6,349	32	1%	Property Costs: There is a projected £0.032m overspend due to associated costs for community hubs within SHUs. Discussions are ongoing between HSCP, Housing and Communities to resolve the matter.
1,784	50	3%	Income: There is a projected under recovery in property rental income.
	4		Other minor movements
	86		

Budget £000	Projected Variance £000	Variance as % of budget	Section
Note 11			Energy and Sustainability
			Movement: There has been a favourable movement of £0.025m since P8 due to decreased projected utility costs.
7,968	-	-	Property Costs: Due to the current energy crisis and after drawing down £2.754m from contingencies and earmarked funds there is no projected overspend in property costs. A number of workstreams are ongoing to reduce the above tariff related increases and as part of our overall sustainability strategy.
	-		
Note 12			Internal Transport
			Movement: There has been a small favourable net movement of £0.002m since P8.
1,796	(115)	(6%)	Employee Costs: Projected underspend of £0.115m due to vacancy management.
4,441	323	7%	Transport Provision Costs: Projected overspend of £0.323m due to an increase in the number of pupils requiring transport for 2023/24, along with increases in contract costs due to inflation.
1,769	(49)	(3%)	Fuel: Projected underspend in Fuel of £0.049m due to lower than projected usage
476	128	27%	External Hires: Projected overspend of £0.128m for the additional hire of vehicles. This is a due to a combination of increased rental costs from suppliers, the prolonged lead delivery times for replacement vehicles and the increase in downtime of fleet vehicles due to age and the availability of parts.
1,117	160	14%	Repairs & Maintenance: Projected overspend of £0.160m in repairs and maintenance as a result of price increases and maximising the life of assets due to replacement vehicle lead times.
(3,081)	(93)	3%	Income: Projected over recovery of £0.093m, mainly due to over recovery of £0.140m in bus transport income and hire of pool vehicles, which is partially offset by a projected under recovery of £0.050m in the pool car scheme.
	(34)		Other minor movements
	320		

OTHER CORPORATE ITEMS
BUDGETARY CONTROL 2023/24

REPORT FOR THE 10 MONTHS TO 31 January 2024

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Strathclyde Passenger Transport	2,257	2,234	(23)	(1%)	
SPT Concessionary Fares	286	291	5	2%	
Ayrshire Joint Valuation Board	965	932	(33)	(3%)	
	3,508	3,457	(51)	(1%)	1
Other Corporate Costs					
Pension Costs	1,895	1,895	-	0%	
Central Telephones	350	350	-	0%	
Other Corporate Items (incl Transformation Costs, Bad Debt Provision, External Audit fees and other centrally held funding.)	7,273	6,196	(1,077)	(15%)	2
Housing Benefits	2,587	2,487	(100)	-4%	3
	15,613	14,385	(1,228)	(8%)	

OTHER CORPORATE ITEMS
BUDGETARY CONTROL 2023/24

REPORT FOR THE 10 MONTHS TO 31 January 2024

Budget £000	Projected Variance £000	Variance as % of budget	Section
	Note 1		Joint Boards
			There has been no significant movement since Period 8
3,508	(51)	-1%	Projected underspend of £0.051m due confirmation of annual requisitions and applicable refunds.
	(51)		
	Note 2		Other Corporate Items
			There has been a favourable movement of £0.165m since Period 8 primarily due to a revised drawdown of centrally held inflation provision to support pressures within services.
7,273	(1,077)	-15%	The projected underspend is primarily related to centrally held inflationary cost provisions, which are being applied to offset pressures reported across other services, and additional income from employee benefit schemes. The impact of inflation will continue to be monitored throughout the year.
	(1,077)		
	Note 3		Housing Benefit
			There has been a £0.010 favourable movement since Period 8
2,587	(100)	-4%	Projected underspend of £0.100m due to the provision of Housing Benefits and overpayment recovery.
	(100)		

MISCELLANEOUS ITEMS
BUDGETARY CONTROL 2023/24

REPORT FOR THE 10 MONTHS TO 31 January 2024

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Financing Charges	12,947	12,947	-	-	
Contribution to Loans Fund Reserve	5,699	5,699	-	-	
Scottish Government Funding	(353,004)	(353,004)	-	-	
Council Tax	(65,382)	(65,335)	47	(0%)	1
Use of Earmarked Funds	(10,170)	(10,170)	-	-	
Net Total	(409,910)	(409,863)	47	(0%)	

Note 1 Council Tax

There has been a significant increase in the value of CTR claims received to date, £0.496m. This has been offset by reduced bad debt provision and the utilisation of centrally held cost of living provisions.

HOUSING REVENUE ACCOUNT
BUDGETARY CONTROL 2023/24

REPORT FOR THE 10 MONTHS TO 31 January 2024

	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£	£	£		
Employee Costs	5,504	5,041	(463)	(8%)	1
Property Costs					
Responsive Repairs	7,189	6,998	(191)	(3%)	
Void Repairs	3,577	4,320	743	21%	
Planned and Cyclical Maintenance	4,834	5,230	396	8%	
Aids and Adaptions	1,667	1,667	-	0%	
Other property costs	5,451	5,941	490	9%	
Total for Property Costs	22,718	24,156	1,438	6%	2
Supplies & Services	671	691	20	3%	
Transport Costs	28	28	-	0%	
Administration Costs	1,892	1,918	26	1%	
Third Party Payments	3,519	3,343	(176)	(5%)	3
Transfer Payments	172	172	-	0%	
Other Expenditure	380	380	-	0%	
Capital Financing Costs	23,309	16,250	(7,059)	(30%)	4
Gross Expenditure	58,193	51,979	(6,214)	(11%)	
Income					
Council House Rents	(56,803)	(56,383)	420	(1%)	
Other Rents	(332)	(399)	(67)	20%	
Recharges	(828)	(1,032)	(204)	25%	
Other Income	(230)	(335)	(105)	46%	
Total Income	(58,193)	(58,149)	44	(0%)	5
Net Expenditure	-	(6,170)	(6,170)		

HRA**BUDGETARY CONTROL 2023/24****REPORT FOR THE 10 MONTHS TO 31 January 2024**

Budget £000	Variance £000	Variance as % of budget	Section
			Note 1
			Employee costs
			Movement - there has been a favourable movement of £0.168m since Period 8 due to vacancy management.
5,504	(463)	-8%	An underspend in employee costs of £0.463m. This is due to vacancy management.
	(463)		
			Note 2
			Property Costs
			Movement - there has been a favourable movement of £0.154m since Period 8. This is due to a favourable movement of £0.113m in Responsive Repairs, £0.173m in Planned and Cyclical Maintenance and £0.046m in Aids & Adaptations. This has been partially offset by an adverse movement of £0.061m in Void Repairs and £0.117m in other property costs.
22,718	1,438	6%	A projected overspend of £1.438m in Property Costs. This is due to a projected overspend of £0.743m in Void Repairs, £0.395m in Planned and Cyclical, including increased costs in relation to timber and damp works. Maintenance and £0.490m in other property costs. This is partially offset by a projected underspend of £0.190m in Responsive Repairs.
	1,438		
			Note 3
			Third Party Payments
			Movement - there has been an adverse movement of £0.004m since Period 8.
3,519	(176)	-5%	A projected underspend of £0.176m in third party payments primarily due to an anticipated reduction in the ASB contribution.
	(176)		
			Note 3
			Capital Financing Costs
			Movement: There has been an adverse movement of £0.068m since P8.
23,309	(7,059)	-30%	There is a projected underspend in capital financing costs of £7.059m due to lower than anticipated loan charges. This is due to the profiling within the HRA Capital budget and the continued under borrowed position as the council utilises internal funds in line with the Treasury Management and Investment Strategy. The underspend will be reflected in the Business Plan which is currently being reviewed.
	(7,059)		
			Note 4
			Income
			Movement - There has been a favourable movement of £0.503m since Period 8. This is due to an increase in Council House Rents of £0.538m and other rents of £0.002m, partially offset by adverse movements of £0.033m in recharges and £0.004m in other income.
(58,193)	44	0%	There is a projected under recovery of income of £0.044m. Rental Income is projected to be under recovered by £0.420m as a result of protracted and Long term voids. This is partially offset by an over recovery of £0.067m other rents, £0.204m in recharges and £0.105m in other income.
	44		

HRA reserves and balances	B/fwd from 2021/22	Transfer to / from Reserves	Use of Earmarked sums	Earmarking of in year surplus	Funding of Capital Projects	Projected Balance at 31/03/23
	£m	£m	£m	£m	£m	£m
Council House Building Fund	4.709	-	-	6.170	(2.648)	8.231
Welfare Reform	1.500	-	-	-	-	1.500
Sustainability Fund	5.000	-	-	-	(1.417)	3.583
Voids - non programmed works	0.198	-	-	-	-	0.198
Software Licences	0.123	-	-	-	-	0.123
Contingency Balance	0.781	-	-	-	-	0.781
Infrastructure Improvements	0.416	-	-	-	-	0.416
Major Refurbishment Works	0.052	-	-	-	-	0.052
Tenant led balance	0.636	-	-	-	-	0.636
Electrical Testing	0.270	-	-	-	-	0.270
	13.685	-	-	6.170	(4.065)	15.790

Budget Management - 31 January 2024
Virement/Budget Adjustment Requests

	Perm (P) / Temp(T)	2023/24	
		Virement £m	Directorate Total £m
1) Budget Virements			
Place			
Roads - Third Party Payments	T	0.060	
Roads - Supplies and Services	T	0.066	
Roads - Employee Costs	T	-0.038	
Roads - Income	T	-0.088	
Employability - Third Party Payments	T	0.650	
Employability - Employee Costs	T	-0.425	
Employability - Supplies and Services	T	-0.004	
Employability - Income	T	-0.221	
			0.000
			0.000



Integration Joint Board 14th March 2024

Subject :	2023-24 – Month 10 Financial Performance
Purpose :	To provide an overview of the IJB's financial performance as at month 10 (January).
Recommendation :	<p>It is recommended that the IJB:</p> <p>(a) notes the overall integrated financial performance report for the financial year 2023-24 and the current overall projected year-end overspend of £4.171m;</p> <p>(b) notes the progress with delivery of agreed savings;</p> <p>(c) notes the actions which are being taken to progress financial recovery;</p> <p>(d) notes the remaining financial risks for 2023-24; and</p> <p>(e) approves the budget reductions which are detailed at paragraph 2.10.</p>

Direction Required to Council, Health Board or Both	Direction to :-	
	1. No Direction Required	X
	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	

Glossary of Terms	
NHS AA	NHS Ayrshire and Arran
HSCP	Health and Social Care Partnership
MH	Mental Health
CAMHS	Child & Adolescent Mental Health Services
BRAG	Blue, Red, Amber, Green
UNPACS	UNPACS, (UNPlanned Activities) – Extra Contractual Referrals
NRAC	NHS Resource Allocation Committee
GAE	Grant Aided Expenditure
PAC	Performance and Audit Committee
MARAC	Multi Agency Risk Assessment Conference

1.	EXECUTIVE SUMMARY
1.1	The report provides an overview of the financial position for the Partnership and outlines the projected year-end outturn position informed by the projected expenditure and income commitments; these have been prepared in conjunction with relevant budget holders and services. It should be noted that, although this report

	refers to the position at the end of January, further work is undertaken following the month end to finalise projections, therefore the projected outturn position is as current and up to date as can practicably be reported.
1.2	The projected outturn is a year-end overspend of £4.171m (1.3%) for 2023-24 which is an adverse movement of £0.313m from month 7.
1.3	From the core projections, overall, the main areas of pressure are residential placements for children, supplementary staff in wards and Unplanned Activities (UnPACs) within the lead partnership for mental health.
2.	CURRENT POSITION
2.1	The report includes an overview of the financial position including commitments against the available resource, explanations for the main budget variances and an update on progress in terms of savings delivery.
2.2	FINANCIAL PERFORMANCE – AT MONTH 10
	<p>At month 10 against the full-year budget of £312.972m there is a projected year-end overspend of £4.171m (1.3%). The Integration Scheme outlines that there is an expectation that the IJB takes account of the totality of resources available to balance the budget in year. Following this approach, an integrated view of the financial position should be taken, however it is useful to note that this overall position consists of a projected overspend of £3.353m (£0.853m adverse) in social care services and a projected overspend of £0.818m (£0.540m favourable) in health services.</p> <p>Appendix A provides the financial overview of the Partnership position. The sections that follow outline the significant variances in service expenditure compared to the approved budgets.</p> <p>The projections for some areas will be subject to fluctuations as they depend on recruitment plans for new funding and also the capacity of providers to take on work.</p>
2.3	Health and Community Care Services
	<p>Against the full-year budget of £92.978m there is a projected overspend of £0.690m (0.7%) and the main variances are:</p> <p>a) Care home placements including respite placements (net position after service user contributions and charging order income) are projected to underspend by £0.547m (£0.049m favourable movement).</p> <p>The budgeted number of permanent placements is 780 and at month 10 there are 784 placements. The projection assumes that the current number of placements will continue to the end of the year. Within the projection there is an assumption</p>

that recent placements which do not have a completed financial assessment (often due to the pressure to discharge from hospital) are costed with 25% of the cases at the current average cost of a placement and 75% at the gross or interim funded rate. It is likely that there will still be some cases being gross or interim funded at the year end. Their actual cost will not be known until the financial assessment is completed and this can impact on the final position.

The level of income recovered from charging orders is included in the projection above and is assumed to be £0.599m over recovered (£0.395m favourable) based on the income received to date. This income is not easy to project as it depends on the length of the legal process and time taken to sell the property that the charging order is registered to.

- b) Interim care beds are projected to underspend by £0.400m (£0.150m favourable) based on the usage to date and projected usage until the year end.
- c) Care at home (in house and purchased) is projected to be £0.156m overspent (£0.574m adverse). The position includes an underspend in in-house services of £0.362m (£0.557m adverse) as there are vacant posts, but some of the current capacity is being met by existing staff working additional hours and casual staff. Bank staff are being offered contracts and additional staff are being recruited which will replace the need for existing staff to work additional hours. The adverse movement is due to covering high levels of absence during December and January. This is partly offset by an overspend in purchased services of £0.518m (£0.018m adverse) as the budget was reduced to reflect the additional costs of bringing some services in-house after the provider withdrew from the contract. There is also a projected underspend of £0.093m (£0.093m favourable) in supplies.
- d) Reablement services are projected to be £0.185m (£0.060m favourable) underspent due to vacancies.
- e) Care at Home Charging Income is projected to under recover by £0.050m (£0.010m favourable) due to an ongoing shift towards personal care which is non chargeable.
- f) Physical Disability Services - projected underspend of £0.269m (£0.019m favourable) in community care packages, £0.442m underspend (£0.007m adverse) in direct payments and £0.532m overspend (£0.074m adverse) for residential placements. There is also an under-recovery of income of £0.126m (£0.007 favourable).
- g) Anam Cara is projected to overspend by £0.073m (no movement) due to covering vacancies and sickness absence (£0.017m) and under-recovered income (£0.056m).

	<p>h) Integrated Island Services is projected to be £0.308m overspent (£0.041m adverse movement). There is an overspend at Montrose House of £0.264m (adverse movement of £0.022m) which relates to employee costs (the net cost of agency staff versus vacancies). There is also an overspend of £0.050m due to Band 6 nurses receiving back-dated recruitment and retention premium this financial year. Arran medical services are projecting to overspend by £0.032m and the remaining projected overspend is due to supplies costs increasing. The overspends are partially offset by a projected underspend in care at home costs of £0.018m (£0.068m adverse movement). There are staffing vacancies which are included within the payroll turnover savings figures below which offset the use of agency and bank staff.</p> <p>i) District Nursing is projected to overspend by £0.201m (£0.006m adverse movement) due to an overspend on bank nursing costs and supplies.</p>
	<p>j) Rehab wards are projected to overspend by £0.140m which is an £0.062m favourable movement (Redburn ward £0.202m overspent and Douglas Grant £0.062m underspent). The overspend is due to cover costs for vacancies as well as supplementary staffing for patients who require one to one support.</p> <p>k) Wards 1 and 2 are projected to overspend by £1.004m (£0.079m adverse movement) due to increased use of supplementary staffing.</p> <p>l) Cumbrae Lodge Continuing Care beds are projected to underspend by £0.260m (£0.110m favourable) due to a reduced charge to reflect the reduction in beds used.</p>
2.4	Mental Health Services
	<p>Against the full-year budget of £102.727m there is a projected overspend of £0.882m (0.9%) prior to the reallocation of the Lead Partnership overspend to East and South HSCP. This also excludes any potential variance on the Mental Health Recovery and Renewal Funding where any underspend will be earmarked at the year-end for use in 2024-25. The main variances are:</p> <p>a) Learning Disabilities are projected to overspend by £0.859m (£0.189m adverse) and the main variances are:</p> <ul style="list-style-type: none"> • Care Packages (including residential and direct payments) - projected underspend of £0.183m in community care packages (£0.026m favourable), projected overspend of £0.310m in direct payments (£0.074m favourable) and £0.451m for residential placements (£0.005m adverse). The LD community packages are being reviewed based on the quarter 3 actual costs to date. This could lead to a variation between the current projection and the actual outturn

- Void costs for Supported Accommodation are projected to overspend by £0.124m. This will reduce into 2024-25 as the developments are now operational.
 - Trindlemoss non-employee costs are projected to overspend by £0.088m. This is due to increased energy charges.
- b) Community Mental Health services are projected to underspend by £0.437m (£0.192m favourable movement) which is mainly due to an underspend of £0.443m in community packages (including direct payments) and an overspend in residential placements of £0.275m. The MH community packages are being reviewed based on the quarter 3 actual costs to date. This could lead to a variation between the current projection and the actual outturn.
- c) The Lead Partnership for Mental Health is projecting to be £0.456m overspent (£0.732m favourable movement) and the main variances are as follows:
- A projected overspend in Adult Inpatients of £0.530m (£0.010m adverse movement) due to overspends in supplementary staff for enhanced observations, staff cover due to sickness (inc. covid outbreak) and reduced bed sale income.
 - The UNPACS (Unplanned Activities) budget is projected to overspend by £1.168m (£0.242m favourable movement) based on current number of placements and enhanced costs remaining until the year end. The favourable movement is due to one placement moving from an external provider to on-house care at Woodland View. These placements are for individuals with very specific needs that require a higher level of security and/or care from a staff group with a particular skill set/competence. There are no local NHS secure facilities for women, people with a learning disability or people with neurodevelopmental disorder. This can necessitate an UNPACs placement with a specialist provider which can be out-of-area. The nature of mental health UNPACs spend is that it is almost exclusively on medium or long term complex secure residential placements which are very expensive so a small increase in placements can have a high budgetary impact. Due to the complexity and risk involved, transitions between units or levels of security can take many months. Applications to approve a placement are made to the Associate Medical Director for Mental Health who needs to be satisfied that the placement is appropriate and unavoidable prior to this being agreed.
 - A projected overspend in MH Pharmacy of £0.086m (£0.002m adverse) due to an increase in substitute prescribing costs.
 - Learning Disability Services are projected to underspend by £0.311m (£0.633m favourable movement). There is a high usage of supplementary staffing due to backfill for sickness, increased and sustained enhanced observations and vacancies. The enhanced observations are reviewed on a daily basis. The favourable movement is due to additional recharge income for two out of authority placements.

- Elderly Inpatients are projected to overspend by £0.169m (£0.004m favourable) due to the use of supplementary staffing.
- The Innovation Fund is projected to underspend by £0.234m (£0.002m adverse) due to slippage within some of the projects and not all of the funding was allocated.
- Addictions in patients are projected to overspend by £0.003m (no movement) due to the use of supplementary staffing.
- The Directorate cost centre is projected to overspend by £0.095m (no movement) mainly due and overspend of £0.049m on supplies and £0.012m of legal fees.
- Action 15 – is reported as on-line as any underspend will be carried forward and earmarked for use in 2024-25. The current projected underspend is £0.278m but this is not included in the overall projected outturn.
- The turnover target for vacancy savings for the Lead Partnership is held within the Lead Partnership as this is a Pan-Ayrshire target. There is a projected over-recovery of the vacancy savings target of £1.115m (£0.139m adverse) in 2023-24, further information is included in the table below:

Vacancy Savings Target	(£0.873m)
Projected to March 2024	£1.988m
Over/(Under) Achievement	£1.115m

The current projection to the year-end is informed by the recruitment plans and the confidence in recruitment success and realistic timescales for filling individual vacancies.

The areas contributing to this vacancy savings position are noted below:

- Adult Community MH £0.029m
- CAMHS £0.592m
- Mental Health Admin £0.354m
- Psychiatry £0.267m
- Psychology £0.683m
- Associate Nurse Director £0.063m

2.5 **Children and Justice Services**

Children's Services

Against the full-year budget of £40.313m there is a projected overspend of £5.325m (13.2%) (£0.056m adverse) and the main variances are:

- a) Care Experienced Children and Young People is projected to overspend by £4.863m (£0.065m favourable). The main areas within this are noted below:

	<ul style="list-style-type: none"> • Children’s residential placements are projected to overspend by £5.445m (£0.040m favourable). We started 2023/24 with 32 external placements and there are currently 37 placements (month 7 was 35 placements) which are assumed to continue until the end of the year. Within the £5.445m there is £0.232m relating to enhanced costs for four placements. One placement has also moved from being 100% funded with HSCP to 50/50 (from Jan 24). There are a number of factors leading to this challenging position: <ul style="list-style-type: none"> • We have 32 places available in our internal children’s houses, due to demand these have been operating at 100%+ occupancy for some time, leading to increased use of external placements where residential care is required. • The requirement to support Unaccompanied Asylum-Seeking Children (UASC) under the National Transfer Scheme and to support trafficked young people who have been identified in North Ayrshire. • A number of young people in residential care have requested Continuing Care, whereby a young person can remain in their placement until age 21. • Where appropriate young people are placed to meet their educational needs, the cost of Residential School Placements in the most cases is shared 50/50 with Education services. <p>Children’s Services are continuing to work with other services including Education and Housing to address the challenges. A change programme is being developed to respond to the pressures of residential care, this forms part of the Transformation Plan which seeks IJB approval elsewhere on the agenda for this meeting.</p> • Looked After and Accommodated Children (fostering, adoption, kinship etc) is projected to be £0.623m underspent (£0.094m favourable); this is based on the current number of placements and reflects additional monies received to support the uplift in rates for fostering and kinship placements (16+year olds) and the costs associated with this. • Children with disabilities – residential placements are projected to overspend by £0.272m (£0.033m favourable). This is based on 10 current placements. Direct payments are projected to underspend by £0.219m (£0.021m adverse). Community packages are projected to underspend by £0.124m (£0.005m favourable) based on 62 current number of packages and one further package until the year end.
	<ul style="list-style-type: none"> • Residential respite – placements are projected to overspend by £0.054m (£0.005m adverse movement). These short-term placements are used to prevent an admission to full residential care. There is one short term placement, but this could vary throughout the year and have an impact on the projection.

	<p>b) Head of Service – is projected to overspend by £0.336m (£0.030m adverse). The overspend is mainly due to the planned saving of £0.233m in relation to the staff reconfiguration in the children’s houses which will not be achieved in 23-24. There are also projected costs of £0.092m for the JII (Joint Investigative Interview) project which is not funded.</p> <p>c) Justice Services – is projected as being spent in full. There was no additional grant funding to mitigate the impact of the 23/24 pay award but this is being funded non-recurringly in 23-24 by savings from vacant posts.</p>
2.6	ALLIED HEALTH PROFESSIONALS (AHP)
	The non-employee costs element of the AHP services are projected to be on-line. All underspends in employee costs have been taken as payroll turnover.
2.7	CHIEF SOCIAL WORK OFFICER
	There is a projected underspend of £0.514m (£0.049m favourable) mainly due to a projected underspend in the Carers Strategy funding.
2.8	MANAGEMENT AND SUPPORT
	<p>Management and Support Services are projected to underspend by £1.745m (£0.042m favourable) and the main areas of underspend are:</p> <ul style="list-style-type: none"> • There is projected slippage on the LD and MH transition funding of £0.954m (£0.260m favourable) due to delays in children transitioning into adult services. • The agreed local government pay award was not fully funded. The total cost of the pay award was £4.826m against the budgeted increase of £1.982m. The additional cost of £2.844m will be partially met by additional recurring Scottish Government funding of £2.577m and the gap of £0.267m is an in-year overspend. Additional funding is expected to be included in the 24/25 budget which will cover the remaining gap. • An over-recovery of payroll turnover of £0.655m (£0.068m adverse) for social care services and an over-recovery of payroll turnover of £0.546m (£0.240m favourable) for health services as outlined in the table below. <p>The turnover targets and projected achievement for the financial year for Health and Social Care services outwith the Lead Partnership is noted below:</p>

	Social Care	Health Services
Vacancy Savings Target	(3.014m)	(1.433m)
Projected to March 2024	3.669m	1.979m
Over/(Under) Achievement	0.655m	0.546m

The position in the table above reflects the assumption in the current financial projections. For social care, a total of £3.069m (102% of annual target) has been achieved to date.

The health vacancy projection to the year-end is based on the month 9 position and is informed by the recruitment plans and confidence in recruitment to posts for the remainder of the year.

The areas contributing to the health and social care vacancy savings are spread across a wide range of services with vacancy savings being achieved in most areas.

The main service areas are:

- Children and Families £0.838m
- Learning Disability £0.096m
- Management and Support £0.399m
- Community Care Service Delivery £0.260m
- Rehab and Reablement £0.234m
- Locality Services £0.288m
- Integrated Island Services £0.312m
- Community Mental Health £0.049m

There have been no intentional plans to pause or delay recruitment and services have actively continued to recruit; in some service areas it has proven difficult to fill posts.

The turnover target for the North Lead Partnership for Mental Health services is detailed within the Lead Partnership information at section 2.4.

2.9 Savings Progress

a) The approved 2023-24 budget included £4.963m of savings.

BRAG Status	Position at Budget Approval £m	Position at Month 10 £m
Red	-	0.273
Amber	2.245	0.322
Green	2.718	0.560
Blue	-	3.808
TOTAL	4.963	4.963

	<p>b) The main area to note is that previous amber savings of £0.273m, relating to the reconfiguration of staffing within Children and Families, have been escalated to red. Progress to date suggests that the timescale for this saving will not be met and the full £0.273m will not be achieved in 2023-24 but this is accounted for in the projected outturn.</p> <p>Appendix B provides an overview of those service changes which do have financial savings attached to them and the current BRAG status around the deliverability of each saving.</p>						
2.10	<p>Budget Changes</p>						
	<p>The Integration Scheme states that <i>“either party may increase it’s in year payment to the Integration Joint Board. Neither party may reduce the payment in-year to the Integration Joint Board nor Services managed on a Lead Partnership basis.... without the express consent of the Integration Joint Board.”</i></p> <p>Appendix C highlights the movement in the budget position following the initial approved budget.</p> <p>Reductions Requiring Approval:</p> <table border="1" data-bbox="231 1153 1343 1234"> <thead> <tr> <th>Ref</th> <th>Description</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Training Grade Adjustment – November</td> <td>(21,000)</td> </tr> </tbody> </table>	Ref	Description	Amount	1	Training Grade Adjustment – November	(21,000)
Ref	Description	Amount					
1	Training Grade Adjustment – November	(21,000)					
2.11	<p>Pan Ayrshire Lead Partnership services and Large Hospital Set Aside</p>						
	<p>Lead Partnerships: - The IJB outturn position is adjusted to reflect the impact of Lead Partnership services. The outturn for all Lead Partnership services is shared across the 3 Partnerships on an NRAC basis; this position is currently the default pending further work to develop a framework to report the financial position and risk sharing across the 3 Partnerships in relation to hosted or lead service arrangements, which has been delayed by the requirement to focus efforts on the Covid response.</p> <p>The final outturn in relation to North Lead Partnership services would not be fully attributed to the North IJB as a share would be allocated to East and South Partnerships; similarly, the impact of the outturn on East and South led services will require to be shared with North. At Month 10 the MH lead partnership is projected to overspend by £0.456m (£0.149m NRAC share for East and £0.130m for South).</p> <p><u>South HSCP (month 9 information)</u> – projected overspend of £0.564m (£0.204m adverse) of which £0.209m will be allocated to North. The overspend is mainly due to an overspend of £0.432m in the community store to replace obsolete equipment, which will reduce maintenance costs in the medium term and mattress replacement,</p>						

£0.171m in the continence service and an underspend £0.039m in the Family Nurse Partnership.

East HSCP (month 9 information) – projected underspend of £0.143m (£0.006m favourable) of which £0.053m will be allocated to North. The underspend is mainly due to:

Primary Care and Out of Hours Services (Lead Partnership)

There is a projected overspend of £0.118m on the Primary Care Lead Partnership budget and includes a projected underspend in Dental services totalling £0.309m, where staffing numbers are running at less than establishment. Recruitment over the remainder of the financial year has the potential to impact further on the projected outturn position at month 9. In addition, there are projected reduced costs within Primary Care contracting and support £0.127m, largely due to staff turnover. These reduced costs are partially offset by additional Primary Medical Services costs £0.425m, as well as additional costs in Out of Hours services £0.129m, with work ongoing to mitigate increased costs as far as possible over the course of the 2023/24 financial year and going forward into 2024/25. The projected outturn position assumes funding will be allocated to fully offset Urgent Care Pathway projected costs £1.170m, as well as Covid-19 Therapeutics projected costs £0.226m

Prison and Police Healthcare (Lead Partnership)

The £0.118m projected overspend at month 9 is largely due to increased costs associated with the new national medical contract.

Allied Health Professions (Lead Partnership)

Work has been undertaken to analyse Allied Health Professions services which are hosted by East Ayrshire IJB on a Lead Partnership basis. There is a projected underspend of £0.369m for the current year which mainly relates to staffing savings in Physiotherapy / MSK and Podiatry services and is partially offset by increased Orthotics costs.

Set Aside: - Work has been undertaken with partnerships to progress and develop set aside arrangements to fully implement the legislative requirement. This includes arrangements in relation to the use of Directions, Joint Commissioning Plans and overall progression towards fair share allocations of resources.

The assumed North budget for set aside resources for 2023-24 was £35.547m. This was based on the 2022-23 figure of £34.850m inflated by the 2023-24 uplift of 2%. Ayrshire Finance Leads have now agreed a baseline methodology for set aside budgets which involves using the four full years prior to the pandemic, 2016/17 – 2019/20 inclusive. This was included in a Q3 update for Ayrshire Finance Leads on 23/01/24. This changes the set aside budget to £35.453m, being the baseline activity at 2023/24 prices.

The annual budget for Acute Services is £424.8m. The directorate is overspent by £25.5m after 10 months and are forecast to be £30.5m over by year end. This is caused by increasing overspends on agency medical and nursing staff, together with drug expenditure. These have been required due to the level of operational pressure being experienced, in common with many other areas in Scotland. Around 180 additional beds were open across both main hospital sites during January.

There is a material underlying deficit caused by:

- Unachieved efficiency savings
- Length of Stay (LoS) in NHS Ayrshire and Arran acute hospitals is above the Scottish average
- High expenditure on medical and nursing agency staff, high rates of absence and vacancies causing service pressure.
- Delayed transfers of care and high acuity of patients.

The IJBs and the Health Board work closely in partnership to maintain service and improve performance.

2.12 **FINANCIAL RECOVERY PLAN**

The Integration Scheme requires the preparation of a recovery plan if an overspend position is being projected to plan to bring overall service delivery back into line with the available resource.

Heads of Service have closely reviewed expenditure and have implemented actions which have reduced some areas of overspend as outlined in the table below. The projected year-end position has improved by a net £0.405m since Month 3.

	Favourable Movement since Month 3
Payroll Turnover – Health (non-Lead)	285,000
Anam Cara staffing	104,000
Care Experienced Young People	324,000
Looked After Children	262,000
Transitions funding	574,000
Care Homes	216,000
Physical Disabilities (Community Packages, Direct Payments and Residential)	346,000
Interim Care Beds	400,000
Mental Health Care Packages	82,000
Mental Health Lead Partnership – North element	368,000
Children with a disability	177,000
Carers Funding	135,000
District Nursing	24,000
Rehab Wards	124,000

	<p>These areas of improvement have been partially offset by adverse movements in Care at Home, Integrated Island Services, Wards 1 and 2 at Woodland View, UNPACS and intervention services.</p> <p>Work is ongoing to further improve the projected position and minimise the overspends continuing into 2024-25. This work is built on the following general principles:</p> <ul style="list-style-type: none"> • No adverse impact on delayed discharges or patient flow during Winter • Exercising professional judgement around the use of waiting lists where this may have an impact elsewhere in the system • Reviewing the need for more active management of non-frontline vacant posts • The non-recurring use of reserves • Working with East and South on lead partnership projections <p>As a contingency there is provision of £2m non-recurring funding set aside in the reserves (appendix D) to contribute towards the 2023-24 position. This would reduce the current projected overspend to £2.171m.</p> <p>The IJB also holds a General Fund reserve balance of £5.821m of unallocated funds, this would underwrite the risk of the remainder of the projected overspend. This is not a sustainable position as this funding is non-recurring and it does not resolve the areas underlying the projected overspend.</p>
2.13	FINANCIAL RISKS
	<p>There are a number of ongoing financial risk areas that may impact on the 2023-24 budget during the year, these include:</p> <ul style="list-style-type: none"> • Current high levels of inflation which impact on costs incurred directly by the Partnership and on our partner providers • High risk areas of low volume / high-cost services areas e.g. Children's residential placements, Learning Disability care packages and complex care packages; • Progress with the work to develop set aside arrangements and the risk sharing arrangements agreed as part of this. • Ongoing implementation costs of the Scottish Government policy directives • Lead / hosted service arrangements, including managing pressures and reporting this across the 3 IJBs. • The impact on Lead Partnership and acute services from decisions taken by other Ayrshire areas. • The use of supplementary staffing for enhanced observations across a number of service areas. • The use of high-cost agency staff to support frontline service delivery in areas where there are recruitment challenges. • Continuing risks associated with provider sustainability.

- The NHS Ayrshire and Arran Health Board financial deficit and the risks around further escalation in the national framework for financial escalation. North Ayrshire IJB have already discussed our position in relation to the request for payment for delayed discharges.

These risks will continue to be monitored during the remainder of 2023-24.

2.14 RESERVES

The IJB reserves position is summarised in the table below.

The opening 'free' general fund balance of £5.821m is held as a contingency balance; this equates to around 2.1% of the initial approved IJB budget for 2023-24 which is within, but towards the lower end, of the target range of 2%-4%. The table has been updated to reflect the estimated draws during 2023-24.

	General Fund Reserve	Earmarked Reserves		Total
	Unearmarked	External Funding	HSCP	
	£m	£m	£m	
Opening Balance - 1 April 2023	6.448	6.997	4.219	17.664
Audit Adjustment	(0.627)	(0.309)	-	(0.936)
Corrected Opening Balance	5.821	6.688	4.219	16.728
2023-24 Draw Per the Budget Paper	-	(1.252)	-	(1.252)
Current Reserve balances	5.821	5.436	4.219	15.476
Estimated 2023-24 Draws	(2.171)	(3.159)	(2.365)	(7.695)
Projected Balance – 31 March 2024	3.650	2.277	1.854	7.781

The 2023-24 budget approved the use of £1.252m of previously earmarked reserves to support a balanced budget position for 2023-24. The HSCP earmarked reserves also includes a further amount of £2.000m which was agreed to support the financial position during 2023-24.

The reserves above now reflect the adjustment of £0.936m which was identified in the external audit of the 2022/23 accounts and reported to the November IJB. This related to a difference between the total IJB reserves and the balances due to the IJB from partners' audited accounts and has now been reconciled.

3. PROPOSALS

3.1 Anticipated Outcomes

Continuing to closely monitor the financial position will allow the IJB to take corrective action where required to ensure the Partnership can deliver services in 2023-24 from within the available resource, thereby limiting the financial risk to the funding partners.

3.3	<u>Measuring Impact</u> The final outturn for 2023-24 will be reported to the IJB in June 2024.
4.	IMPLICATIONS
4.1	<u>Financial</u> The financial implications are as outlined in the report. Against the full-year budget of £312.972m there is a projected overspend of £4.171m. The report outlines the main variances for individual services.
4.2	<u>Human Resources</u> The report highlights vacancy or turnover savings achieved to date. Services will review any staffing establishment plans and recruitment in line with normal practice when implementing service change and reviews as per agreement with the IJB, there is no intention to sustain the staffing capacity reduction on a recurring or planned basis.
4.3	<u>Legal</u> None.
4.4	<u>Equality/Socio-Economic</u> None.
4.5	<u>Risk</u> Para 2.13 highlights the financial risks. The report falls in line with the agreed risk appetite statement which is a low -risk appetite in respect to adherence to standing financial instructions, financial controls and financial statutory duties and a high -risk appetite in relation to finance and value for money.
4.6	<u>Community Wealth Building</u> None.
4.7	<u>Key Priorities</u> None.
5.	CONSULTATION
5.1	This report has been produced in consultation with relevant budget holders and the Partnership Senior Management Team.
5.2	The IJB financial monitoring report is shared with the NHS Ayrshire and Arran Director of Finance and North Ayrshire Council's Head of Finance after the report has been finalised for the IJB.



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2023-24 Budget Monitoring Report–Objective Summary as at 31st January 2024

Appendix A

Partnership Budget - Objective Summary	2023/24 Budget									(Under) Spend Variance at Period 7	Movement in projected variance from Period 7
	Council			Health			TOTAL				
	Budget	Outturn	Over/ (Under) Spend Variance	Budget	Outturn	Over/ (Under) Spend Variance	Budget	Outturn	Over/ (Under) Spend Variance		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
COMMUNITY CARE AND HEALTH	73,444	72,846	(598)	19,534	20,822	1,288	92,978	93,668	690	132	558
: Locality Services	28,920	27,990	(930)	5,356	5,636	280	34,276	33,626	(650)	(652)	2
: Community Care Service Delivery	38,711	38,690	(21)	0	0	0	38,711	38,690	(21)	(612)	591
: Rehabilitation and Reablement	2,162	2,167	5	0	0	0	2,162	2,167	5	5	0
: Long Term Conditions	1,000	1,062	62	10,463	11,352	889	11,463	12,414	951	1,090	(139)
: Community Link Workers	191	187	(4)	0	0	0	191	187	(4)	(7)	3
: Integrated Island Services	2,460	2,750	290	3,715	3,834	119	6,175	6,584	409	308	101
MENTAL HEALTH SERVICES	30,170	30,596	426	72,557	73,013	456	102,727	103,609	882	1,618	(736)
: Learning Disabilities	23,125	23,984	859	471	471	0	23,596	24,455	859	670	189
: Community Mental Health	6,055	5,618	(437)	1,743	1,743	0	7,798	7,361	(437)	(245)	(192)
: Addictions	990	994	4	1,868	1,868	0	2,858	2,862	4	5	(1)
: Lead Partnership Mental Health NHS Area Wide	0	0	0	68,475	68,931	456	68,475	68,931	456	1,188	(732)
CHILDREN & JUSTICE SERVICES	35,431	40,653	5,222	4,882	4,985	103	40,313	45,638	5,325	5,269	56
: Irvine, Kilwinning and Three Towns	3,339	3,352	13	0	0	0	3,339	3,352	13	(31)	44
: Garnock Valley, North Coast and Arran	3,126	3,137	11	0	0	0	3,126	3,137	11	(65)	76
: Intervention Services	1,908	1,908	0	8	8	0	1,916	1,916	0	(21)	21
: Care Experienced Children & Young people	23,326	28,189	4,863	0	0	0	23,326	28,189	4,863	4,928	(65)
: Head of Service - Children & Families	1,098	1,434	336	0	0	0	1,098	1,434	336	306	30
: Justice Services	2,413	2,413	0	0	0	0	2,413	2,413	0	(1)	1
: Universal Early Years	221	220	(1)	4,211	4,314	103	4,432	4,534	102	153	(51)
: Lead Partnership NHS Children's Services	0	0	0	663	663	0	663	663	0	0	0
CHIEF SOCIAL WORK OFFICER	1,858	1,349	(509)	0	0	0	1,858	1,349	(509)	(465)	(44)
PRIMARY CARE	0	0	0	52,998	52,932	(66)	52,998	52,932	(66)	(66)	0
ALLIED HEALTH PROFESSIONALS	0	0	0	10,014	10,014	0	10,014	10,014	0	0	0
COVID NHS	0	0	0	0	(275)	(275)	0	(275)	(275)	(274)	(1)
MANAGEMENT AND SUPPORT COSTS	6,898	5,718	(1,180)	3,716	3,151	(565)	10,614	8,869	(1,745)	(1,703)	(42)
NATIONAL COMMISSIONED SERVICE	0	0	0	3	3	0	3	3	0	0	0
FINANCIAL INCLUSION	1,467	1,459	(8)	0	0	0	1,467	1,459	(8)	(2)	(6)
OUTTURN ON A MANAGED BASIS	149,268	152,621	3,353	163,704	164,645	941	312,972	317,266	4,294	4,509	(215)
Return Hosted Over/Underspends East	0	0	0	0	0	(149)	0	0	(149)	(389)	240
Return Hosted Over/Underspends South	0	0	0	0	0	(130)	0	0	(130)	(340)	210
Receive Hosted Over/Underspends South	0	0	0	0	0	209	0	0	209	133	76
Receive Hosted Over/Underspends East	0	0	0	0	0	(53)	0	0	(53)	(55)	2
OUTTURN ON AN IJB BASIS	149,268	152,621	3,353	163,704	164,645	818	312,972	317,266	4,171	3,858	313

2023-24 Savings Tracker

North Ayrshire Health and Social Care Partnership 2023/24 Savings

Appendix B

Savings ref number	Description	Deliverability Status at budget setting	Deliverability Status at month 10	2023/24 Saving	Description of the Saving
Children, Families & Criminal Justice					
1	Staffing reconfiguration - children & families	Amber	Red	273,000	Review staffing provision within children's houses with the saving phased over 2023/24 and 2024/25 – 50/50
Community Care & Health					
2	Deliver the Strategic Plan objectives for Older People's Residential Services - Reduction in Care Home Places	Amber	Blue	1,000,000	The budget for 23/24 would fund an average 780 places at the current split of nursing/residential (60/40). This reflects reduced demand and investment in CAH to support more people at home.
3	Care Home Respite	Amber	Green	560,000	All respite care to be provided in-house at Anam Cara and Montrose House and any use of other respite provision funded via Carers budget.
4	Montrose House Capacity	Green	Amber	210,000	Registration amended from 30 beds to 20 beds across 2 staffed wings. This is supported by introduction of intermediate care beds at Arran War Memorial Hospital.
5	Reconfigure respite provision at Anam Cara	Amber	Amber	112,000	The service is currently relocated to Taigh Mor (8 beds) on a temporary basis and this proposal would reduce capacity from 14 beds to 9 beds in one wing when it reverts to Anam Cara.
Mental Health					
6	Trindlemoss pool running costs	Green	Blue	85,000	Trindlemoss Pool has never opened due to ongoing maintenance issues. The historic budgeted running costs are £0.085m but it is expected actual costs would be much higher. The pool will not open and alternative therapies will be provided e.g. bounce
7	Trindlemoss Day Care	Green	Blue	168,932	Trindlemoss day opportunities staffing was restructured during 2021/22 and 2022/23. This saving has already been achieved and will remove the additional staffing budget.
8	Intermediate Placement Scheme - cessation of service	Green	Blue	30,000	The contract has ceased and will not be renewed.
Other Areas					
9	Carers Act Funding - Substitution of Spend	Green	Blue	500,000	There is a plan in place to invest across carer service contract, preparation of carer plans, short breaks and other support to carers. This proposal will invest £0.500m in contributions to Red Rose House, Roslin House, Anam Cara, waiving of charges and day services.

Savings ref number	Description	Deliverability Status at budget setting	Deliverability Status at month 10	2023/24 Saving	Description of the Saving
Other Areas					
10	Payroll Turnover - increase to target (social care)	Green	Blue	1,000,000	The saving is based on less than 50% of the 2022/23 overachievement
11	Income Generation - 5% Increase to fees and charges	Green	Blue	46,600	Implement a 5% increase to fees and charges and a 5% increase to the maximum charge. The impact will be limited where service users are already paying the maximum charge.
12	Staffing Reconfiguration - Finance and Transformation	Green	Blue	35,091	Saving released through management and admin structure change

TOTAL SOCIAL CARE SAVINGS

4,020,623

Health:

Savings ref number	Description	Deliverability Status at budget setting	Deliverability Status at month 10	Approved Saving 2023/24 £m	Description of the Saving
13	Payroll Turnover - Health Lead Partnership	Green	Blue	392,245	The saving is based on less than 25% of the 2022/23 overachievement
14	Payroll Turnover - Health Non Lead Partnership	Green	Blue	250,000	The saving is based on less than 50% of the 2022/23 overachievement
15	Reprovisioning of Continuing Care beds	Amber	Blue	300,000	Currently provided through Cumberae Lodge Care Home in Irvine but the provider does not want to continue to provide the service. Plans are being developed to relocate the service to Taigh Mor in Beith with an anticipated saving of £0.3m.

TOTAL HEALTH SAVINGS

942,245

TOTAL NORTH HSCP SAVINGS

4,962,868

2023-24 Budget Reconciliation

Appendix C

COUNCIL	Period	Permanent or Temporary	£'m
Initial Approved Budget			121.408
Less Living Wage Fund not yet allocated			(2.826)
Revised Budget			118.582
Resource Transfer	1-6	P	24.640
HSCP Fin Circ 3	1-3	P	0.013
Living Wage - final allocation	1-3	P	2.808
ICT Licences Various	1-3	P	(0.012)
Island Funds	1-3	T	0.015
Facilities Management Costs - Montrose House	1-3	P	0.387
West Road - Capital funded from Revenue	1-3	T	(0.300)
Care at Home – Draw from reserves	4	T	0.173
Transport (taxi) budget transferred to HSCP	6	P	0.247
Curator fees budget transferred from Legal Services	6	P	0.004
Fostering and Kinship – additional SG funding re increased rates.	6	P	0.486
Commercial Waste	7	P	0.005
Pay Award Funding	8	P	1.603
Interim Care	8	T	0.610
ICT Licences	8	P	0.002
Roundings	9		0.005
Social Care Budget Reported at Month 10			149.268
HEALTH	Period	Permanent or Temporary	£'m
Initial Baseline Budget			164.500
Month 10-12 Adjustments			2.473
MDT funding			0.828
Adjust for full year impact of part year amounts			0.052
Revised Baseline		P	167.853
Baseline Funding Increase		P	2.164
Adjust for recurring funding		P	7.629
Adjust for non-recurring		T	2.434
Resource Transfer		P	(24.640)

2023/24 Opening Position			155.440
Net impact of Pan Ayrshire Pressures	1	P	0.028
Top Slicing Posts 2022-23	2	P	(0.054)
MDT Funds to Arran Medical Group	3	T	(0.033)
Training Grade Adjustments	3	P	(0.035)
Ward 3 Band 2 Domestic	3	P	(0.004)
V2 B6 to AHM233	3	P	(0.061)
Virement 12 Band 2 Domestic	4	P	(0.010)
Virement 18 Band 3 budget transfer - J Baird	4	P	0.019
Lymphoedema Top Slice RX	4	P	(0.029)
HD Ref 51 Band 2-4	4	P	0.054
District Nursing Anticipated	5	P	0.032
HD REF 110 Multi-Disciplinary Teams	5	P	0.120
Post (EB) transferred to Medical Records	5	T	(0.037)
Integrated Infant Feeding (South)	5	P	0.057
Integrated Infant Feeding (SG)	5	T	0.050
2023-24 RX Budget	6	P	(0.908)
Training Grade ADJ - August	6	P	0.270
PFG LOCAL IMPROVEMENT	6	P	0.457
ADP National Mission	6	T	0.207
ADP Residential Rehab	6	T	0.094
ADP AFC Pay Uplift	6	T	0.091
ADP Lived & Living Experience	6	T	0.009
ADP Drug Prevalence	6	T	0.059
ADP Whole Family Approach	6	T	0.066
ADP MAT 70%	6	T	0.175
HD126: MENTAL HEALTH AFTER COVID HOSPITALISATION SERVICE 23-24	6	T	0.039
REMOVE Anticipate MACH (Mental Health After Covid)	6	T	(0.102)
HD185: MENTAL HEALTH OUTCOMES FRAMEWORK	6	P	2.178
HD227: DELIVERY OF VETERAN SPECIFIC MENTAL HEALTH SUPPORT	6	T	0.105
HD229: DIGITAL THERAPY POSTS	6	P	0.059
COMMUNITY PHLEBOTOMY - NORTH SHARE	6	P	(0.039)
SOUTH ADP WARD 5 W/VIEW PAY UPLIFT	6	T	0.003
SOUTH ADP ORT PAY UPLIFT	6	T	0.005
SOUTH ADP PREV&SERVICES SUPPORT PAY UPLIFT	6	T	0.004
Apprenticeship Levy	6	P	0.225
Training Grade ADJ - September	6	P	(0.007)
ADP PSST Support - South	6	T	0.008
South Naloxone kits	6	T	0.002

South MAT Funding - Psychiatry	6	T	0.029
ADP Pay Uplift	6	T	0.003
Drug Tarif Anticipate 2023-24	6	P	0.525
North HSCP Medical Pay Award 23/24	6	P	0.532
LDS Shortfall - Alloway Place	7	P	(0.008)
TEC (North) to CSS	7	P	(0.075)
Budget adj for Buvidal use NADARS	7	T	(0.002)
MH Strategy Action 15 Workforce 23-24	7	P	0.879
CAMHS IMP - IPCU	7	P	0.243
CAMHS IMP - INT HOME TREATMENT TEAMS	7	P	0.221
CAMHS IMP - OOH UNSCHEDULED CARE	7	P	0.148
CAMHS IMP - LD FORENSIC AND SECURE	7	P	0.089
HD305: SPECIALIST COM PERINATAL MH, INFANT MH & NEONATAL PSYCHOLOGY INTERVENTION	7	T	0.373
ANTICIPATE TRANCHE 2: SPECIALIST COM PERINATAL MH, INFANT MH & NEONATAL PSYCHOLOGY INTERVENTION	7	T	0.215
DE-ESCALATION ROOMS TO RESOURCE	7	T	(0.025)
Hd254 Pharmacy tariff reduction to reflect historic NRAC share.	7	P	(0.015)
Hd256 Increase to the pharmacy tariff to match the actuals on the national allocation letter.	7	P	0.018
Blood Borne Virus Outcomes Framework	8	T	0.277
Injection Equipment Provision (IEP)	8	T	0.014
Funding for an Assistant Nursing Practitioner from the Maternal & Infant Nutrition bundle	8	T	0.020
Training Grade Adj - November	8	P	(0.021)
HD383: Post Diagnostic Support - Dementia 23/24	9	T	0.094
Roundings	9	T	0.004
Anticipated budgets included in the report but not in the ledger	10	T and P	1.629
Health Budget Reported at Month 10			163.704
TOTAL COMBINED BUDGET			312.972

NORTH AYRSHIRE COUNCIL

19 March 2024

Cabinet

Title: **Capital Programme and Treasury Management Performance to 31 January 2024**

Purpose: To advise Cabinet of progress in delivering the Capital Investment Programme 2023/24 and the associated Treasury Management performance to 31 January 2024.

Recommendation: That Cabinet agrees to:

- (a) note the revisions to budgets outlined in the report; and
- (b) note (i) the General Services and HRA revised budgets at 31 January 2024; and (ii) the forecast expenditure to 31 March 2024.

1. Executive Summary

- 1.1 The General Services Capital Investment Programme 2023/24 to 2030/31 was approved by Council on 1 March 2023. The Housing Revenue Account (HRA) Capital Investment Programme 2023/24 sits within the updated HRA Business Plan and was approved by Council on 15 February 2023.
- 1.2 This report identifies the current programme for 2023/24, taking account of adjustments made to the initial budgets. The report presents the revised budgets at 31 January 2024 (Period 10) and forecast expenditure to 31 March 2024.
- 1.3 At Period 10 the General Fund is forecasting a net breakeven position against a revised budget of £86.766m. The HRA is forecasting a projected underspend of (£1.899m) against a revised budget of £37.371m.
- 1.4 Within the General Fund, adjustments to funding have resulted in a net reduction to the overall capital programme of (£0.104m). These are primarily related to additional Scottish Government funding of £3.791m to support the Ayrshire 5GIR project, offset by the transfer of (£4.000m) of previously notified funding to Revenue to support the 2023/24 SJC pay settlement.
- 1.5 Reviews of individual project plans have identified a number of adjustments to the current profiles. As a result, (£10.753m) has been reprofiled for delivery in 2024/25 and beyond. This has been partly offset by the acceleration of £0.544m to 2023/24 from future years.

- 1.6 Within the HRA, a further review of delivery timescales has identified a requirement to re-profile £4.853m of works for delivery in 2024/25 and beyond. This has been partly offset by the acceleration £1.560m to 2023/24 from future years.
- 1.7 Major risks to the forecast position continue to arise from ongoing cost volatility and the uncertainty around potential future changes to local authority capital accounting arrangements. In terms of cost volatility, individual project costs will continue to be monitored closely with cost increases met initially from the additional flexibility built into the programme. Any costs in excess of the current level of flexibility provision will require to be funded from within existing resources. In addition, COSLA and the Directors of Finance Group continue to engage with the Scottish Government to ensure that the potential impact of any proposed regulatory changes on local government capital investment programmes are given due consideration.

2. Background

General Fund

- 2.1 The following table outlines the movements in the 2023/24 General Services budget:

	2023/24 £m
Budget as at 30 November 2023	97.079
a) Changes to Funding	3.361
b) Other Revisions to the Programme	(3.465)
Revised Budget	96.975
b) Alterations to phasing of projects:-	
2023/24 to 2024/25	(10.753)
2024/25 to 2023/24	0.544
Budget as at 31 January 2024	86.766

- 2.2 (a) Changes to Funding

The capital programme has been updated to reflect the following changes to funding:

Funding Body	Amount	Project
Scottish Government	£3.791m	Ayrshire 5GIR
SPT Grant Downturn	(£0.140m)	B714 Active Travel Links
SPT Grant Downturn	(£0.087m)	Bus Corridor Improvements
SPT Grant Downturn	(£0.020m)	Cumbræ Ferry & Bus Stop
SUSTRANS downturn	(£0.100m)	Saltcoats Old Cal Railway Ph1 & 2
SUSTRANS downturn	(£0.083m)	Links to Eglinton Park
Total	£3.361m	

2.3 (b) Other Revisions to the Programme

The programme has also been updated to reflect the undernoted adjustments:

Funding Source	Amount	Project
CFCR	£0.410m	Coastal Play Parks
CFCR	£0.065m	Park Improvements
CFCR	£0.058m	Street Furniture
Capital Receipts	£0.002m	Sale of Vehicles
Prudential Borrowing	(£4.000m)	Transfer to Revenue for 23/24 Pay Settlement
Total	(£3.465m)	

2.4 (c) Alterations to the Phasing of Projects

A further review of individual project plans, taking cognisance of the current levels of volatility within the construction sector, has identified a requirement to re-profile (£10.753m) of works for delivery in 2024/25 and beyond:

Service	Amount	Project
Chief Executives	(£0.190m)	ICT Investment Fund
	(£0.016m)	Telephony
	(£0.206m)	
Communities	(£0.240m)	Kilwinning Learning Environment
	(£0.223m)	Marress House
	(£0.137m)	CO2 Monitors
	(£0.100m)	Lockhart Campus
	(£0.027m)	Universal Free School Meals
	(£0.727m)	
HSCP	(£0.355m)	Residential & Respite Unit
	(£0.254m)	47 West Road
	(£0.017m)	Trindlemoss
	(£0.626m)	
Place	(£6.042m)	Solar PV Nethermains
	(£3.791m)	Ayrshire 5GIR
	(£1.356m)	Solar PV Shewalton
	(£0.530m)	Fleet Decarbonisation
	(£0.511m)	Nature Restoration Fund
	(£0.395m)	Lochshore Hub Play Area
	(£0.380m)	Lighting
	(£0.350m)	CCTV Review
	(£0.235m)	PBIP Kilwinning Abbey
	(£0.180m)	Access Path Network Prog

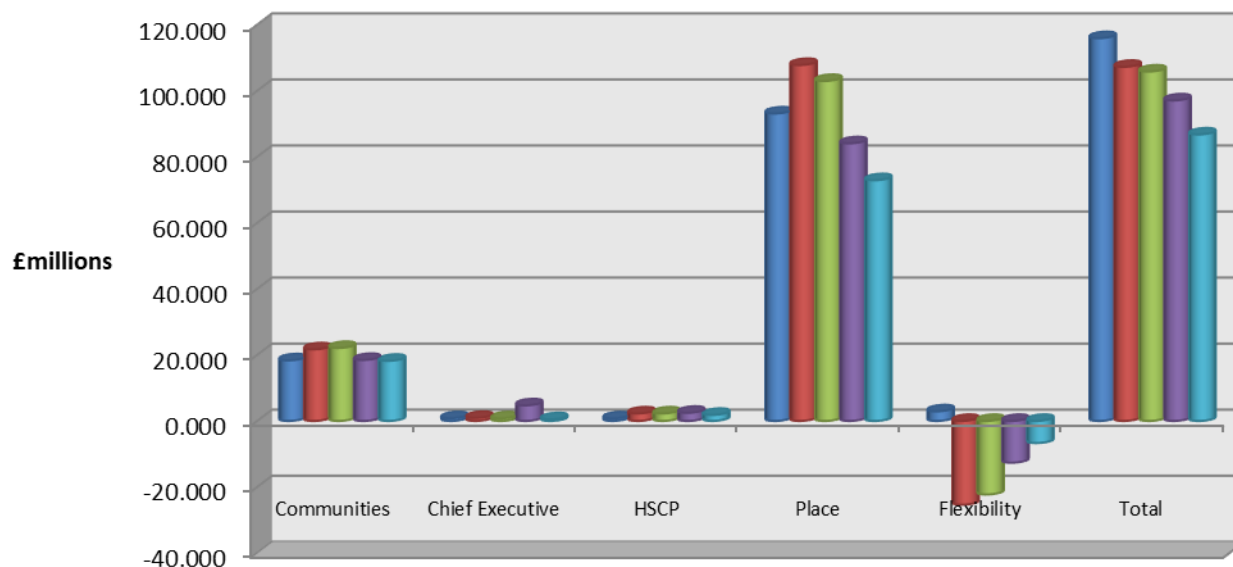
Service	Amount	Project
Place (continued)	(£0.140m)	Montgomerie Park Neighbourhood Centre
	(£0.132m)	VDLF - Harbour Master Office
	(£0.130m)	VDLF Kyle Road Phase 2
	(£0.115m)	Digital SIPP Great Harbour
	(£0.100m)	Dockhead St Saltcoats
	(£0.090m)	Lochshore Kilbrinie
	(£0.080m)	Island Infrastructure Fund
	(£0.077m)	Irvine High Street
	(£0.071m)	AGD - Great Harbour
	(£0.065m)	VDLF Development Work
	(£0.060m)	Lochshore Garnock Hub
	(£0.059m)	Montgomerie Park Masterplan
	(£0.258m)	Other Minor Adjustments
	(£15.147m)	
Corporate	£5.953m	Sensitivity Adjustment
	£5.953m	
Total	(£10.753m)	

These adjustments have been partly offset by the acceleration of £0.544m of expenditure to 2023/24 from future years.

Service	Amount	Project
Communities	£0.426m	Ardrossan New Build
	£0.040m	Other Minor Adjustments
	£0.466m	
Place	£0.059m	Property Lifecycle Investment
	£0.019m	Other Minor Adjustments
	£0.078m	
Total	£0.544m	

2.5 These adjustments have resulted in a revised 2023/24 budget at 31 January 2024 of £86.766m.

2.6 The following graph illustrates the movement in each programme on a service basis compared to the revised programme:



Approved Programme	18.349	0.799	0.757	93.126	2.900	115.931
Programme @ P3	21.681	0.892	2.265	107.802	(25.388)	107.252
Programme @ P5	22.099	0.771	2.265	102.971	(22.274)	105.832
Programme @ P8	18.466	4.711	2.460	84.085	(12.643)	97.079
Programme @ P10	18.205	0.505	1.834	72.912	(6.690)	86.766
Movement	(0.144)	(0.294)	1.077	(20.214)	(9.590)	(29.165)

2.7 The impact on budgeted funding, elements of which are related to the profile of expenditure reported above, is a reduction of (£10.313m) from the revised budget, including:

Category	Amount	Comments
Borrowing	£9.385m	Reduced and rephased aligned to projected expenditure
CFCR	(£1.025m)	Additional CFCR Contribution
Capital Grants	£1.389m	Rephased and additional government grants
Other Grants	£0.574m	Rephased and revised contributions
Capital Receipts	(£0.010m)	Realigned capital receipts
Total	£10.313m	

2.8 Projected Capital Expenditure to 31 March 2024

The projections are summarised by service in the following table:

	Revised Budget 2023/24	Budget Revisions	Carry Forwards and Adjustments	Revised Budget 2023/24	Projected Expenditure / Income to 31 March 2024	Projected Variance Over / (Under)
	£m	£m	£m	£m	£m	£m
Expenditure						
Communities	18.466	-	(0.261)	18.205	18.205	-
Chief Executive	0.711	-	(0.206)	0.505	0.505	-
Health and Social Care Partnership	2.460	-	(0.626)	1.834	1.834	-
Place	88.085	(0.104)	(15.069)	72.912	72.912	-
Other including Flexibility	(12.643)	-	5.953	(6.690)	(6.690)	-
Total Expenditure	97.079	(0.104)	(10.209)	86.766	86.766	-
Income						
General Capital Grant	(38.482)	-	-	(38.482)	(38.482)	-
Specific Capital Grant	(12.918)	(3.791)	5.180	(11.529)	(11.529)	-
Capital Funded from Current Revenue	(0.380)	(1.025)	-	(1.405)	(1.405)	-
Capital Receipts	(0.527)	(0.010)	-	(0.537)	(0.537)	-
Other Grants & Contributions	(3.890)	0.430	0.144	(3.316)	(3.316)	-
Prudential Borrowing	(40.882)	4.500	4.885	(31.497)	(31.497)	-
Total Income	(97.079)	0.104	10.209	(86.766)	(86.766)	-

2.9 A net breakeven position is projected. Information on the progress of all projects can be found in Appendix 1.

2.10 Although not formally reflected in the financial performance reports at this time due to ongoing uncertainty, areas of cost risk have been identified across a number of projects. These risks are linked to a number of factors, including cost volatility linked to inflationary pressures; limited availability of contractors, supply chain issues and material shortages which are impacting on tender returns and the cost of materials; delays resulting from interaction with external agencies and regulators; and other contract management issues across a number of projects. Specific projects where cost risks have been identified, or are anticipated, include Moorpark Primary, Montgomerie Park Primary, Ardrossan Campus, Upper Garnock Flood Prevention Scheme, Millport Coastal Flood Prevention Scheme, Largs Sea Wall, Ardrossan North Shore and Ardrossan Harbour Interchange. While some mitigation has been built into the Capital Programme in the form of flexibility budgets, totalling £10m over the next few years, cost pressures may exceed this provision. These risks will be quantified as individual projects are completed and tendering exercises are finalised, with the impact on the costs of the programme being monitored and reported to Cabinet as appropriate. It is recognised, however, that any costs in excess of the current level of flexibility provision will require to be funded from within existing resources.

- 2.11 In addition to the risks identified in relation to individual projects, significant financing risks continue to be identified in relation to the overall affordability of the capital investment programme due to the increased cost of borrowing and proposed changes to capital and loans fund accounting regulations currently being considered by the Scottish Government. Proposals currently under consideration include limitations to the methodology used to calculate the annual Loans Fund repayments for the financing of capital investments. If the current annuity method is withdrawn and replaced with straight line charges over the life of the advance this could have a significant impact on the affordability of the current capital investment programme.
- 2.12 The Scottish Government have also indicated a desire to undertake a wider review of local authority capital accounting arrangements which could have unforeseen implications for local authority investment programmes. COSLA and the Directors of Finance group continue to engage with the Scottish Government, challenging the proposed changes to the regulations and the need for a wider review of capital accounting arrangements.

Housing Revenue Account

- 2.13 The following table outlines the movements in the 2023/24 HRA Capital budget:

	2023/24 £m
Budget as at 30 November 2023	40.664
a) Alterations to phasing of projects:-	
2023/24 to 2024/25	(4.853)
2024/25 to 2023/24	1.560
Budget as at 31 January 2024	37.371

- 2.14 (a) Alterations to the Phasing of Projects

A review of the timescale for delivery of capital projects has identified a requirement to re-profile (£4.853m) of works for delivery in 2024/25 and beyond, including:

Category	Amount	Project
New Builds	(£1.200m)	James Reid Site
	(£0.972m)	Garnock Academy Site
	(£0.479m)	Unallocated Regeneration Block
	(£0.428m)	Montgomerie Park
	(£0.350m)	Corsehillhead
	(£0.300m)	Kings Arms - High Street
	(£0.015m)	Acquisitions - Open Market
	(£3.744m)	

Category	Amount	Project
Improvements	(£0.447m)	Solar Panels
	(£0.240m)	Pathfinder Project
	(£0.203m)	Heating
	(£0.083m)	Roofing
	(£0.973m)	
Other Capital Works	(£0.086m)	Estates Based Regeneration
	(£0.050m)	Lift Replacement
	(£0.136m)	
Total	(£4.853m)	

This has been partly offset by the acceleration of £1.560m of project expenditure for delivery during 2023/24, including:

Category	Amount	Project
New Builds	£0.676m	St Marys Primary Largs
	£0.200m	Laburnum Av/Newhouse Dr
	£0.035m	Bourtrees Hill Village
	£0.911m	
Improvements	£0.046m	Electrical Wiring
	£0.041m	Wallfloor Rendering
	£0.028m	Window Replacement
	£0.115m	
Other Capital Works	£0.534m	Sheltered Housing Units
	£0.534m	
Total	£1.560m	

2.15 These adjustments have resulted in a revised 2023/24 budget at 31 January 2024 of £37.371m.

2.16 The impact on budgeted funding is reduced Prudential Borrowing aligned to the revised programme:

Category	Amount	Comments
Borrowing	£3.293m	Reduction aligned to projected expenditure
Total	£3.293m	

2.17 Projected Capital Expenditure to 31 March 2024

The projections are summarised in the following table:

	Approved Budget 2023/24	Carry Forwards and Adjustments	Revised Budget 2023/24	Projected Expenditure / Income to 31 March 2024	Projected Variance Over / (Under)
	£m	£m	£m	£m	£m
Service Expenditure					
Housing Revenue Account	40.664	(3.293)	37.371	35.472	(1.899)
Total Expenditure	40.664	(3.293)	37.371	35.472	(1.899)
Income					
CFCR	(5.151)	-	(5.151)	(5.151)	-
Capital Grants	(6.785)	-	(6.785)	(6.785)	-
Use of Reserves	(4.065)	-	(4.065)	(4.065)	-
Affordable Housing Contribution	(2.445)	-	(2.445)	(2.445)	-
Prudential Borrowing	(22.218)	3.293	(18.925)	(17.026)	1.899
Total Income	(40.664)	3.293	(37.371)	(35.472)	1.899

2.18 A variance of (£1.899m) is projected within the HRA capital programme for 2023/24 arising from revisions to a number of projects, including:

Project	Variance	Comments
High Flats Demolition	(£0.643m)	Project Complete
Heating	(£0.552m)	Scope of works reduced
Wet Rooms & Bathrooms	(£0.386m)	Scope of works reduced
Health and Safety Works	(£0.207m)	Budget no longer required
Kitchen Voids	(£0.166m)	Scope of works reduced
Friars Lawn	(£0.114m)	Project Complete
St Michael's Wynd	(£0.101m)	Project Complete
Parkhall & Kirkhall Asbestos	(£0.017m)	Budget no longer required
Major Improvements	(£0.006m)	Budget no longer required
Newhouse Drive (Regen 1b)	(£0.005m)	Budget no longer required
EWI	£0.012m	Increased Unit Costs
Marress House Refurb	£0.012m	Project Complete
Dalrymple Place	£0.017m	Project Complete
St Colms Largs	£0.021m	Project Complete
Springvale	£0.107m	Project Complete
Brathwic Terrace	£0.129m	Project Complete
Total	(£1.899m)	

The most significant movements since the previous reporting period are in relation to:

- a (£0.334m) reduction in the projected overspend on EWI, reflecting a reduction in the number of units now projected for completion this year; and
- a (£0.539m) increase in the reported underspend on the demolition of the High Flats following the completion of the project.

2.19 Further cost pressures resulting from inflationary and supply chain issues continue to be monitored and a review of the potential impact on the Business Plan and Capital Programme will be undertaken to address any identified issues. Further information on the progress of all projects can be found in Appendix 2.

3. Proposals

3.1 That Cabinet agrees to:

- (a) note the revisions to budgets outlined in the report; and
- (b) note (i) the General Services and HRA revised budgets at 30 November 2023; and (ii) the forecast expenditure to 31 March 2024.

4. Implications/Socio-economic Duty

Financial

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

Human Resources

4.2 None.

Legal

4.3 None.

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 focusing our investment on priorities, managing risk and supporting delivery of key priorities.

Community Wealth Building

4.7 None.

5. Consultation

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

Mark Boyd
Head of Service (Finance)

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

Background Papers

Capital Programme Performance to 31 August 2023 – Cabinet 7 November 2023

Treasury Management and Investment Mid-Year report 2023/24 – Cabinet 7 November 2023

Period 10

Project Description	TOTAL PROJECT				CURRENT YEAR 2023/24									
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2023/24	Brought / Carry Forward to 2024/25	Total Revised Budget 2023/24	Year to Date Budget 2023/24	Actual Expenditure to 31 January 2024	Year to date Variance 2023/24	Projected Expenditure to 31st March 2024	Actual Over/ (Under) Spend for 2023/24	True Over/ (Under) Spend	
	£	£	£	£	£	£	£	£	£	£	£	£	£	
EXPENDITURE														
Communities														
Nursery Education	16,349,969	16,142,929	16,349,969	0	550,594	(223,090)	327,504	0	343,554	343,554	327,504	0	0	
Primary Schools	45,955,442	23,365,634	45,955,442	0	15,377,417	(18,200)	15,359,217	0	15,197,981	15,197,981	15,359,217	0	0	
Secondary Schools	82,214,567	4,569,039	82,214,567	0	1,594,172	185,742	1,779,914	0	652,364	652,364	1,779,914	0	0	
Special Education	25,343,637	25,243,710	25,343,637	0	138,595	(99,927)	38,668	0	38,668	38,668	38,668	0	0	
Schools Other	880,194	772,697	880,194	0	728,737	(105,285)	623,452	0	621,240	621,240	623,452	0	0	
Information & Culture	113,479	6,563	113,479	0	106,916	0	106,916	0	0	0	106,916	0	0	
Completed Projects	43,419,379	43,394,998	43,419,379	0	3,679	0	3,679	0	(20,702)	(20,702)	3,679	0	0	
SUB TOTAL	214,276,667	113,495,569	214,276,667	0	18,500,110	(260,760)	18,239,350	0	16,833,105	16,833,105	18,239,350	0	0	
Chief Executive														
Council IT Strategy	8,797,380	2,786,384	8,797,380	0	711,645	(205,550)	506,095	0	302,649	302,649	506,095	0	0	
SUB TOTAL	8,797,380	2,786,384	8,797,380	0	711,645	(205,550)	506,095	0	302,649	302,649	506,095	0	0	
Health & Social Care														
Management & Support	1,832,058	1,124,677	1,832,058	0	1,421,922	(254,187)	1,167,735	0	852,494	852,494	1,167,735	0	0	
Housing Non HRA	656,571	542,561	656,571	0	656,571	0	656,571	0	542,561	542,561	656,571	0	0	
Adults	4,608,078	4,590,773	4,608,078	0	18,047	(16,755)	1,292	0	742	742	1,292	0	0	
Young People	5,579,718	5,224,534	5,579,718	0	363,177	(355,184)	7,993	0	7,993	7,993	7,993	0	0	
SUB TOTAL	12,676,425	11,482,544	12,676,425	0	2,459,717	(626,126)	1,833,591	0	1,403,789	1,403,789	1,833,591	0	0	
Place														
Roads	113,754,874	47,382,784	113,754,874	0	40,177,663	(527,467)	39,650,196	0	25,704,290	25,704,290	39,650,196	0	0	
Streetscene	8,424,557	4,809,566	8,424,557	0	1,400,510	102	1,400,612	0	1,129,426	1,129,426	1,400,612	0	0	
Transport	4,760,064	2,998,118	4,760,064	0	3,997,076	(530,165)	3,466,911	0	2,735,130	2,735,130	3,466,911	0	0	
Waste Services	13,321,491	13,272,542	13,321,491	0	48,949	(48,949)	0	0	0	0	0	0	0	
Renewable Energy	14,660,789	2,153,075	14,660,789	0	9,266,377	(7,909,499)	1,356,878	0	930,858	930,858	1,356,878	0	0	
Office Accommodation	2,398,377	1,276,971	2,398,377	0	1,571,557	58,596	1,630,153	0	1,276,971	1,276,971	1,630,153	0	0	
Other Property	1,672,164	812,657	1,672,164	0	434,275	(13,926)	420,349	0	315,768	315,768	420,349	0	0	
Other Housing	470,000	0	470,000	0	381,025	(350,000)	31,025	0	(88,975)	(88,975)	31,025	0	0	
Economic Development & Regeneration	172,073,059	33,931,791	172,073,059	0	31,056,486	(5,708,623)	25,347,863	0	8,191,855	8,191,855	25,347,863	0	0	
Completed Projects	6,355,261	6,276,590	6,355,261	0	40,595	(39,628)	967	0	(35,991)	(35,991)	967	0	0	
SUB TOTAL	337,890,637	112,914,093	337,890,637	0	88,374,513	(15,069,559)	73,304,954	0	40,159,331	40,159,331	73,304,954	0	0	
Other														
Other	8,633,036	0	8,633,036	0	1,884,036	0	1,884,036	0	0	0	1,884,036	0	0	
SUB TOTAL	8,633,036	0	8,633,036	0	1,884,036	0	1,884,036	0	0	0	1,884,036	0	0	
Uncertainty / Sensitivity Adjustment*														
						(9,001,848)	(9,001,848)				(9,001,848)			
Total Project Expenditure	582,274,144	240,678,590	582,274,144	0	111,930,021	(25,163,843)	86,766,178	0	58,698,874	58,698,874	86,766,178	0	0	
Total Project Income					(111,930,021)	25,163,843	(86,766,178)	(48,789,701)	(48,789,701)	0	(86,766,178)	0	0	
Total Net Expenditure					0	0	0	(48,789,701)	9,909,173	58,698,874	0	0	0	

* Sensitivity adjustment of 10% or 25% based on source and reliability of expenditure projections

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

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

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

- On Target (up to 5% delay of original timescales)
- Slightly off target (+ 5% to 10% of original timescales)
- Significantly off target (+10% or more of original timescales)

Capital Programme Funding 2023/24

Funding Description	23/24 Budget at Capital Refresh Mar 2023	Carry Forward from 2022/23	Changes after Capital Refresh Mar 2023	Approved budget at Period 1 used as revised starting point 2023/24	Total Changes in Year	Changes at Capital Refresh Mar 2024	Revised Budget 23/24	Actual Income to 31 January 2024	Projected Income to 31st March 2024	Variance
	£	£	£	£	£		£	£	£	£
CAPITAL BORROWING										
Prudential Borrowing	68,291,931	5,814,577	2,683,086	76,789,594	(25,452,169)		51,337,425		40,499,362	(10,838,063)
SUB TOTAL	68,291,931	5,814,577	2,683,086	76,789,594	(25,452,169)	0	51,337,425	0	40,499,362	(10,838,063)
SCOTTISH GOVERNMENT FUNDING										
Specific Capital Grants										
Early Learning & Childcare	0	26,594	59,206	85,800	1		85,801	85,801	85,801	0
Cycling / Walking /Safer Streets	1,159,954	(117,150)	271,000	1,313,804	30,000		1,343,804	301,464	1,343,804	0
Vacant & Derelict Land Funding	3,857,216	403,874	198,048	4,459,138	(1,413,630)		3,045,508	4,459,137	2,533,187	(512,321)
UK Government Grant - AGD	3,653,000	(98,741)		3,554,259	(2,125,602)		1,428,657	74,116	1,435,431	6,774
Town Centre Regeneration	0	65,691	140,000	205,691	(1)		205,690	205,690	205,690	0
Annickbank - Vacant & Derelict Land Investment Programme		400,000		400,000	0		400,000	400,000	400,000	0
Millport Town Hall Regeneration	0	(31,995)	252,529	220,534	0		220,534	220,534	220,534	0
Millport Town Hall Phase 2		94,022	339,498	433,520	0		433,520	433,520	433,520	0
Garrison House Project					730,998		730,998	0	730,998	0
Ardrossan Promenade			788,000	788,000	0		788,000	763,000	788,000	0
Islands Pit Stops		20,000	520,000	540,000	(500,000)		40,000	540,000	40,000	0
Islands Cost Crisis Emergency Fund		17,000		17,000	0		17,000	17,000	17,000	0
Place Based Investment Programme	0	622,801	948,836	1,571,637	256,000		1,827,637	2,332,637	1,207,171	(620,466)
UK Shared Prosperity Fund			98,414	98,414	202,330		300,744	300,744	300,744	0
Island Infrastructure Fund	0	140,373		140,373	1		140,374	140,374	60,000	(80,374)
Dyemill Bike Park Project					220,625		220,625	0	220,625	0
B714 Improvements	500,000	322,741		822,741	428,054		1,250,795	1,250,795	1,250,795	0
Road Safety Improvement Fund					215,647		215,647	0	215,647	0
Digital-SIPP Great Harbour					114,883		114,883	114,883	0	(114,883)
Ayrshire 5GIR					3,791,000		3,791,000	1,356,835	0	(3,791,000)
2-4 Boyle Street Hostel		31,025		31,025	0		31,025	31,025	31,025	0
CO2 Monitors in Schools	0			0	76,651		76,651	76,651	9,358	(67,293)
Capital Grants										
Flooding	20,525,000			20,525,000	0		20,525,000	0	20,525,000	0
General Capital Grant	15,179,000			15,179,000	2,778,000		17,957,000	32,894,500	17,957,000	0
SUB TOTAL	45,105,170	1,896,235	3,615,531	50,616,936	4,573,957	0	55,190,893	45,998,706	50,011,330	(5,179,563)
OTHER INCOME TO PROGRAMME										
Use of Funds :-										
Capital Fund	0	0	0	0	0	0	0	300,000	0	0
CFCR	0	0	0	0	1,404,729	0	1,404,729	1,404,729	1,404,729	0
Grants & Contributions	2,068,411	632,323	301,603	3,002,337	457,699	0	3,460,036	1,002,464	3,315,667	(144,369)
Capital Receipts	465,555	0	0	465,555	71,383	0	536,938	83,802	536,938	0
SUB TOTAL	2,533,966	632,323	301,603	3,467,892	1,933,811	0	5,401,703	2,790,994	5,257,334	(144,369)
TOTAL CAPITAL PROGRAMME FUNDING	115,931,067	8,343,135	6,600,220	130,874,422	(18,944,401)	0	111,930,021	48,789,701	95,768,026	(16,161,995)

COMMUNITIES

Project Description	TOTAL PROJECT				2023/24 BUDGETS								COMPLETION DATES		MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2023/24	Year to Date Budget 2023/24	Actual Expenditure to 31 January 2024	Year to date Variance 2023/24	Projected Expenditure to 31 March 2024	Actual Over/ (Under) Spend for 2023/24	True Over/(Under) Spend	Brought / Carry Forward to 2024/25	Original Target	Revised Forecast	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£	£						
Nursery Education																		
Early Years Programme																		
KILMORY EARLY YEARS	57,108	65,190	57,108	0	28,921	0	37,003	37,003	28,921	0	0	0	Complete	Complete	Complete	Complete	Complete	
ST PETERS EARLY YEARS	1,261,310	1,273,594	1,261,310	0	17,583	0	29,867	29,867	17,583	0	0	0	Complete	Complete	Complete	Complete	Complete	
BEITH PS EARLY YEARS	341,180	341,180	341,180	0	1,417	0	1,417	1,417	1,417	0	0	0	Complete	Complete	Complete	Complete	Complete	
WEST KILBRIDE EARLY EARLY YEARS	226,562	226,562	226,562	0	1,507	0	1,507	1,507	1,507	0	0	0	Complete	Complete	Complete	Complete	Complete	
FAIRLIE EARLY YEARS	208,220	208,220	208,220	0	3,100	0	3,100	3,100	3,100	0	0	0	Complete	Complete	Complete	Complete	Complete	
CUMBRAE EARLY YEARS	41,339	41,339	41,339	0	1,155	0	1,155	1,155	1,155	0	0	0	Complete	Complete	Complete	Complete	Complete	
PIRNMILL EARLY YEARS	78,680	78,680	78,680	0	6,834	0	6,834	6,834	6,834	0	0	0	Complete	Complete	Complete	Complete	Complete	
SHISKINE EARLY YEARS	127,013	142,324	127,013	0	0	0	15,311	15,311	0	0	0	0	Complete	Complete	Complete	Complete	Complete	
CORRIE EARLY YEARS	29,405	29,337	29,405	0	963	0	895	895	963	0	0	0	Complete	Complete	Complete	Complete	Complete	
LAMLASH EARLY YEARS	15,000	4,001	15,000	0	14,123	0	3,124	3,124	14,123	0	0	0	Complete	Complete	Complete	Complete	Complete	
BRODICK EARLY YEARS	364,857	364,358	364,857	0	10,198	0	9,698	9,698	10,198	0	0	0	Complete	Complete	Complete	Complete	Complete	
MARRESS HOUSE	4,010,310	3,781,160	4,010,310	0	450,000	0	220,850	220,850	226,910	(223,090)	(223,090)	(223,090)	22-Jul-22	30-May-24	Construction	On Target	Significantly off target	Contractor Delays
Other Nursery Education																		
ANNICK PRIMARY EXT - EARLY YRS PROVISION	3,085,147	3,083,147	3,085,147	0	14,793	0	12,793	12,793	14,793	0	0	0	Complete	Complete	Complete	Complete	Complete	
Total Nursery Education	16,349,969	16,142,929	16,349,969	0	550,594	0	343,554	343,554	327,504	(223,090)	0	(223,090)						
Primary Schools																		
MOORPARK PRIMARY	12,149,441	10,592,368	12,149,441	0	5,612,892	0	4,055,819	4,055,819	5,612,892	0	0	0	31-Jan-24	31-Jan-24	Construction	On Target	Slightly off target	Further information on the delivery status is awaited from the contractor
MONTGOMERIE PARK SCHOOL	23,448,999	12,158,004	23,448,999	0	9,303,600	0	11,062,005	11,062,005	9,312,399	8,799	8,799	8,799	01-Aug-24	01-Aug-24	Construction	On Target	On Target	
UNIVERSAL FREE SCHOOL MEALS EXPANSION	3,214,757	0	3,214,757	0	255,385	0	0	0	255,385	0	0	0	31-Mar-24	31-Mar-24	Tender	On Target	On Target	
UFSM ARDEER PRIMARY SCHOOL	22,500	1,155	22,500	0	22,500	0	1,155	1,155	21,817	(683)	(683)	(683)	31-Dec-24	31-Dec-24	Tender	On Target	On Target	
UFSM BEITH PRIMARY SCHOOL	22,500	0	22,500	0	22,500	0	0	0	0	(22,500)	(22,500)	(22,500)	31-Dec-24	31-Dec-24	Tender	On Target	On Target	
UFSM BRODICK PRIMARY SCHOOL	144,178	124,065	144,178	0	22,844	0	2,732	2,732	2,732	(20,112)	(20,112)	(20,112)	Complete	Complete	Complete	Complete	Complete	
UFSM CORRIE PRIMARY SCHOOL	53,977	53,977	53,977	0	1,182	0	1,182	1,182	1,182	0	0	0	Complete	Complete	Complete	Complete	Complete	
UFSM CORSEHILL PRIMARY SCHOOL	60,000	219	60,000	0	0	0	219	219	9,375	9,375	9,375	9,375	31-Aug-25	31-Aug-25	Tender	On Target	On Target	
UFSM GARNOCK COMMUNITY CAMPUS	90,000	0	90,000	0	0	0	0	0	5,000	5,000	5,000	5,000	31-Aug-25	31-Aug-25	Tender	On Target	On Target	
UFSM GLEBE PRIMARY SCHOOL	2,046,397	2,528	2,046,397	0	2,528	0	2,528	2,528	2,528	0	0	0	31-Jul-28	31-Jul-28	Tender	On Target	On Target	
UFSM GLENCAIRN PRIMARY SCHOOL	22,500	1,091	22,500	0	22,500	0	1,091	1,091	22,500	0	0	0	31-Dec-24	31-Dec-24	Tender	On Target	On Target	
UFSM HAYOCKS PRIMARY SCHOOL	82,500	234	82,500	0	0	0	234	234	10,091	10,091	10,091	10,091	31-Aug-25	31-Aug-25	Development	On Target	On Target	
UFSM KILMORY PRIMARY SCHOOL	60,000	47,487	60,000	0	60,000	0	47,487	47,487	54,987	(5,013)	(5,013)	(5,013)	31-Aug-24	31-Aug-24	Tender	On Target	On Target	
UFSM LOUDOUN-MONTGOMERY PRIMARY SCHOOL	2,082,540	1,463	2,082,540	0	1,463	0	1,463	1,463	1,463	0	0	0	31-Aug-28	31-Aug-28	Tender	On Target	On Target	
UFSM PENNYBURN PRIMARY SCHOOL	22,500	998	22,500	0	22,500	0	998	998	17,660	(4,840)	(4,840)	(4,840)	31-Dec-24	31-Dec-24	Tender	On Target	On Target	
UFSM SHISKINE PRIMARY SCHOOL	6,616	10,135	6,616	0	544	0	4,063	4,063	544	0	0	0	Complete	Complete	Complete	Complete	Complete	
UFSM WEST KILBRIDE PRIMARY SCHOOL	2,252,504	204,013	2,252,504	0	1,979	0	(2,359)	(2,359)	3,662	1,683	1,683	1,683	31-Jul-27	31-Jul-27	On Site	On Target	On Target	
UFSM WHITING BAY PRIMARY SCHOOL	25,000	19,363	25,000	0	25,000	0	19,363	19,363	25,000	0	0	0	30-Sep-23	30-Sep-23	Construction	On Target	On Target	
Total Primary Education	45,955,442	23,365,634	45,955,442	0	15,377,417	0	15,197,981	15,197,981	15,359,217	(18,200)	0	(18,200)						
Secondary Schools																		
KILWINNING LEARNING ENVIRONMENT	2,805,435	2,491,322	2,805,435	0	378,401	0	64,288	64,288	138,338	(240,063)	(240,063)	(240,063)	31-Mar-24	30-May-24	Construction	On Target	On Target	
ARDROSSAN NEW BUILD	79,409,132	2,077,718	79,409,132	0	1,215,771	0	588,076	588,076	1,641,576	425,805	425,805	425,805	31-Aug-26	31-Aug-26	In Development	On Target	On Target	
Total Secondary Education	82,214,567	4,569,039	82,214,567	0	1,594,172	0	652,364	652,364	1,779,914	185,742	0	185,742						
Special Education																		
LOCKHART CAMPUS	25,343,637	25,243,710	25,343,637	0	138,595	0	38,668	38,668	38,668	(99,927)	(99,927)	(99,927)	Complete	Complete	Snagging	Complete	Complete	
Total Special Education	25,343,637	25,243,710	25,343,637	0	138,595	0	38,668	38,668	38,668	(99,927)	0	(99,927)						
Schools Other																		
CO2 MONITORS IN SCHOOLS	298,000	159,315	298,000	0	146,543	0	7,858	7,858	9,358	(137,185)	(137,185)	(137,185)	31-Mar-25	31-Mar-25	Planning	On Target	On Target	
SCHOOLS ICT INVESTMENT *	582,194	613,382	582,194	0	582,194	0	613,382	613,382	614,094	31,900	31,900	31,900	31-Mar-24	31-Mar-24	On-going	On Target	On Target	
Total Schools Other	880,194	772,697	880,194	0	728,737	0	621,240	621,240	623,452	(105,285)	0	(105,285)						
Information & Culture																		
CASTLES & HISTORIC MONUMENTS	38,303	0	38,303	0	38,303	0	0	0	38,303	0	0	0	Holding Code	Holding Code	Holding Code	Holding Code	Holding Code	
ABBAY TOWER	75,176	6,563	75,176	0	68,613	0	0	0	68,613	0	0	0	31-Mar-25	31-Mar-25	Planning	On Hold	On Hold	
Total Information & Cultural	113,479	6,563	113,479	0	106,916	0	0	0	106,916	0	0	0						
Completed Projects																		
GARNOCK CAMPUS	40,307,259	40,283,664	40,307,259	0	2,893	0	(20,702)	(20,702)	2,893	0	0	0	Complete	Complete	Complete	Complete	Complete	
AUCHENHARVIE SECONDARY ESTATE LEARNING ENVIRONMENT	3,112,120	3,111,334	3,112,120	0	786	0	0	0	786	0	0	0	Complete	Complete	Complete	Complete	Complete	
Total Completed Projects	43,419,379	43,394,998	43,419,379	0	3,679	0	(20,702)	(20,702)	3,679	0	0	0						
Total Communities	214,276,667	113,495,569	214,276,667	0	18,500,110	0	16,833,105	16,833,105	18,239,350	(260,760)	0	(260,760)						

CHIEF EXECUTIVE

Project Description	TOTAL PROJECT				2023/24 BUDGETS								COMPLETION DATES		MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2023/24	Year to Date Budget 2023/24	Actual Expenditure to 31 January 2024	Year to date Variance 2023/24	Projected Expenditure to 31 March 2024	Actual Over/ (Under) Spend for 2023/24	True Over/(Under) Spend	Brought / Carry Forward to 2024/25	Original Target	Revised Forecast	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£	£						
Council IT Strategy																		
ICT INVESTMENT FUND	4,055,131	965,196	4,055,131	0	423,398	0	55,463	55,463	233,398	(190,000)		(190,000)	31-Mar-26	31-Mar-26	On-going	On Target	On Target	
WAN	922,556	402,197	922,556	0	20,359	0	0	0	20,359	0		0	31-Mar-28	31-Mar-28	Implementation	On Target	On Target	
LAN/WIFI	2,673,000	1,167,848	2,673,000	0	228,838	0	223,686	223,686	228,838	0		0	31-Mar-28	31-Mar-28	Implementation	On Target	On Target	
TELEPHONY	1,146,693	251,143	1,146,693	0	39,050	0	23,500	23,500	23,500	(15,550)		(15,550)	31-Mar-28	31-Mar-28	Implementation	On Target	On Target	
Total IT Strategy	8,797,380	2,786,384	8,797,380	0	711,645	0	302,649	302,649	506,095	(205,550)	0	(205,550)						
Total Chief Executive	8,797,380	2,786,384	8,797,380	0	711,645	0	302,649	302,649	506,095	(205,550)	0	(205,550)						

HEALTH & SOCIAL CARE

Project Description	TOTAL PROJECT				2023/24 BUDGETS									COMPLETION DATES		MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/(Under) Spend	Total Revised Budget 2023/24	Year to Date Budget 2023/24	Actual Expenditure to 31 January 2024	Year to date Variance 2023/24	Projected Expenditure to 31 March 2024	Actual Over/(Under) Spend for 2023/24	True Over/(Under) Spend	Brought / Carry Forward to 2024/25	Original Target	Revised Forecast	Current Project Stage	Delivery Status Financial	Delivery Status Physical		
	£	£	£	£	£	£	£	£	£	£	£	£							
Management & Support																			
COMMUNITY ALARMS - ANALOGUE TO DIGITAL	996,000	844,521	996,000	0	853,857	0	840,331	840,331	853,857	0	0	0	31-Dec-24	31-Dec-24	In progress	On Target	On Target		
CAREFIRST REPLACEMENT	536,058	267,993	536,058	0	268,065	0	0	0	268,065	0	0	0	31-Aug-24	31-Aug-24	In development	On Target	On Target		
47 WEST ROAD	300,000	12,163	300,000	0	300,000	0	12,163	12,163	45,813	(254,187)	(254,187)	0	21-Jun-24	21-Jun-24	Refurbishment	On Target	On Target		
Total Management & Support	1,832,058	1,124,677	1,832,058	0	1,421,922	0	852,494	852,494	1,167,735	(254,187)	0	(254,187)							
Housing Non HRA																			
IMPROVEMENT GRANTS *	656,571	542,561	656,571	0	656,571	0	542,561	542,561	656,571	0	0	0	31-Mar-24	31-Mar-24	Ongoing	On Target	On Target		
Total Housing Non HRA	656,571	542,561	656,571	0	656,571	0	542,561	542,561	656,571	0	0	0							
Adults																			
TRINDLEMOSS	4,608,078	4,590,773	4,608,078	0	18,047	0	742	742	1,292	(16,755)	(16,755)	0	Complete	Complete	Complete	Complete	Complete		
Total Older People	4,608,078	4,590,773	4,608,078	0	18,047	0	742	742	1,292	(16,755)	0	(16,755)							
Young People																			
RESIDENTIAL & RESPITE UNIT	5,579,718	5,224,534	5,579,718	0	363,177	0	7,993	7,993	7,993	(355,184)	(355,184)	0	Complete	Complete	Snagging	Complete	Complete		
Total Young People	5,579,718	5,224,534	5,579,718	0	363,177	0	7,993	7,993	7,993	(355,184)	0	(355,184)							
Total Health & Social Care	12,676,425	11,482,544	12,676,425	0	2,459,717	0	1,403,789	1,403,789	1,833,591	(626,126)	0	(626,126)							

PLACE

Project Description	TOTAL PROJECT				2023/24 BUDGETS								COMPLETION DATES		MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2023/24	Year to Date Budget 2023/24	Actual Expenditure to 31 January 2024	Year to Date Variance 2023/24	Projected Expenditure to 31 March 2024	Actual Over/ (Under) Spend for 2023/24	True Over/ (Under) Spend	Brought / Carry Forward to 2024/25	Original Target	Revised Forecast	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
Office Accommodation																		
PROPERTY LIFECYCLE INVESTMENT *	(106,596)	0	(106,596)	0	(106,596)	0	0	0	0	106,596	0	106,596	31-Mar-24	31-Mar-24	Multiple projects	On Target	On Target	
PLI CASTLEVIEW DAY SERVICES	140,000	5,604	140,000	0	140,000	0	5,604	5,604	140,000	0	0	0	31-May-24	31-May-24	Planning	On Target	On Target	
PLI CENTRAL AVE STREETSCENE DEPOT*	6,654	6,325	6,654	0	6,654	0	6,325	6,325	6,654	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI WEST KILBRIDE CEMETERY	30,000	26,399	30,000	0	30,000	0	26,399	26,399	30,000	0	0	0	31-Mar-24	31-Mar-24	Planning	On Target	On Target	
PLI BEITH CEMETERY	69	69	69	0	69	0	69	69	69	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI TOWNEND CC	7,949	7,949	7,949	0	7,949	0	7,949	7,949	7,949	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI WEST KILBRIDE COMMUNITY CENTRE	650	650	650	0	650	0	650	650	650	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI PORTLAND PLACE	17,267	17,267	17,267	0	17,267	0	17,267	17,267	17,267	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI WEST BYREHILL DEPOT	107,524	107,524	107,524	0	107,524	0	107,524	107,524	107,524	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI GOLDCRAIGS DEPOT	114,767	4,878	114,767	0	4,878	0	4,878	4,878	4,878	0	0	0	31-Mar-25	31-Mar-25	Planning	On Target	On Target	
PLI ANNICK PRIMARY SCHOOL	186	186	186	0	186	0	186	186	186	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI BEITH PRIMARY SCHOOL	1,957	1,957	1,957	0	1,957	0	1,957	1,957	1,957	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI BLACKLANDS PRIMARY SCHOOL	809	809	809	0	809	0	809	809	809	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI CASTLEPARK PRIMARY SCHOOL	84,253	84,253	84,253	0	84,253	0	84,253	84,253	84,253	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI CUMBRAE PRIMARY	3,867	3,867	3,867	0	3,867	0	3,867	3,867	3,867	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI DREGHORN PRIMARY SCHOOL	64,503	64,503	64,503	0	64,503	0	64,503	64,503	64,503	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI GLENCAIRN PRIMARY SCHOOL	4,469	4,469	4,469	0	4,469	0	4,469	4,469	4,469	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI LOUDOUN MONTGOMERY PS	2,700	0	2,700	0	2,700	0	0	0	2,700	0	0	0	31-Mar-24	31-Mar-24	Planning	On Target	On Target	
PLI MAYFIELD PRIMARY	4,850	0	4,850	0	4,850	0	0	0	4,850	0	0	0	31-Mar-24	31-Mar-24	Planning	On Target	On Target	
PLI PENNYBURN PRIMARY	179,316	172,899	179,316	0	179,316	0	172,899	172,899	179,316	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI SKELMORLIE PRIMARY SCHOOL	618,480	16,996	618,480	0	123,980	0	16,996	16,996	123,980	0	0	0	31-Mar-24	31-Mar-24	Planning	On Target	On Target	
PLI ST BRIDGETS PRIMARY	20,184	20,184	20,184	0	20,184	0	20,184	20,184	20,184	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI ST JOHN OGILVIE PRIMARY SCHOOL	6,744	6,744	6,744	0	6,744	0	6,744	6,744	6,744	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI AUCHENHARVIE ACADEMY*	374,081	372,749	374,081	0	374,081	0	372,749	372,749	374,081	0	0	0	31-Mar-24	31-Mar-24	Planning	On Target	On Target	
PLI IRVINE ROYAL ACADEMY*	12,974	18,369	12,974	0	12,974	0	18,369	18,369	12,974	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI KILWINNING ACADEMY	207,433	200,395	207,433	0	207,433	0	200,395	200,395	207,433	0	0	0	Complete	Complete	Complete	Complete	Complete	Underlying structural issues identified during construction
PLI KYLE ROAD UNIT 34	4,069	4,069	4,069	0	4,069	0	4,069	4,069	4,069	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI BRIDGEGATE HOUSE	166,423	2,912	166,423	0	12,306	0	2,912	2,912	12,306	0	0	0	30-Sep-24	30-Sep-24	Planning	On Target	On Target	
PLI ACHNAMARA CHILDREN'S UNIT	11,954	11,954	11,954	0	11,954	0	11,954	11,954	11,954	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI THE MEADOWS	39,500	0	39,500	0	39,500	0	0	0	39,500	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI ANAM CARA	95,473	56,343	95,473	0	95,473	0	56,343	56,343	95,473	0	0	0	31-Oct-23	19-Jan-24	Construction	On Target	On Target	
PLI TAIGH MOR	3,500	0	3,500	0	3,500	0	0	0	3,500	0	0	0	31-Mar-24	31-Mar-24	Construction	On Target	On Target	
PLI VIKINGAR	2,500	3,096	2,500	0	2,500	0	3,096	3,096	2,500	0	0	0	31-Mar-24	31-Mar-24	Planning	On Target	On Target	
PLI EGLINTON CASTLE	48,000	0	48,000	0	48,000	0	0	0	0	(48,000)	(48,000)	31-Mar-24	31-Oct-24	Planning	On Target	On Target		
PLI GARNOCK CAMPUS	5,800	5,800	5,800	0	5,800	0	5,800	5,800	5,800	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI THE PORTAL	47,754	47,754	47,754	0	47,754	0	47,754	47,754	47,754	0	0	0	Complete	Complete	Complete	Complete	Complete	
Total Office Accommodation	2,398,377	1,276,971	2,398,377	0	1,571,557	0	1,276,971	1,276,971	1,630,153	58,596	0	58,596						
Other Property																		
HOME	289,971	289,971	289,971	0	1,323	0	1,323	1,323	1,323	0	0	0	On Hold	On Hold	On Hold	On Hold	On Hold	
BUILD	47,749	47,749	47,749	0	1,500	0	1,500	1,500	1,500	0	0	0	On Hold	On Hold	On Hold	On Hold	On Hold	
EMERGENCY CONTROL CTR	158,000	67,191	158,000	0	156,780	0	65,971	65,971	156,780	0	0	0	31-Mar-24	31-Mar-24	In development	On Target	On Target	
GOLDCRAIGS REFURBISHMENT	766,000	25,000	766,000	0	0	0	0	0	11,650	11,650	11,650	31-Mar-26	31-Mar-26	In development	On Target	On Target		
GALLOWGATE TOILETS	275,803	273,681	275,803	0	246,153	0	244,031	244,031	246,153	0	0	0	31-Aug-23	17-Nov-23	Construction	On Target	Slightly off target	Contractor delays
WOODLANDS PRIMARY PLAYINGFIELD DRAINAGE	134,641	109,065	134,641	0	28,519	0	2,943	2,943	2,943	(25,576)	(25,576)	Complete	Complete	Complete	Complete	Complete		
Total Property	1,672,164	812,657	1,672,164	0	434,275	0	315,768	315,768	420,349	(13,926)	0	(13,926)						
Other Housing																		
CCTV REVIEW	350,000	0	350,000	0	350,000	0	0	0	0	(350,000)	(350,000)	31-Mar-25	31-Mar-25	Planning	On Target	On Target		
2-4 BOYLE STREET HOSTEL	120,000	0	120,000	0	31,025	0	(88,975)	(88,975)	31,025	0	0	0	12-May-23	12-May-23	Construction	On Target	On Target	
Total Other Housing	470,000	0	470,000	0	381,025	0	(88,975)	(88,975)	31,025	(350,000)	0	(350,000)						

PLACE

Project Description	TOTAL PROJECT				2023/24 BUDGETS								COMPLETION DATES		MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2023/24	Year to Date Budget 2023/24	Actual Expenditure to 31 January 2024	Year to Date Variance 2023/24	Projected Expenditure to 31 March 2024	Actual Over/ (Under) Spend for 2023/24	True Over/ (Under) Spend	Brought / Carry Forward to 2024/25	Original Target	Revised Forecast	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
Growth & Investment																		
ARDROSSAN HARBOUR INTERCHANGE	4,127,112	526,460	4,127,112	0	119,000	0	71,008	71,008	108,000	(11,000)		(11,000)	1st Qtr 2026	1st Qtr 2026	Design	On Target	On Target	
LOW CARBON HUB	613,828	656,984	613,828	0	501,823	0	544,979	544,979	501,823	0		0	30-Sep-24	30-Sep-24	Multiple Projects	On Target	On Target	
ARDROSSAN NORTH SHORE	42,329,034	4,433,271	42,329,034	0	12,265,869	0	1,599,504	1,599,504	12,265,869	0		0	27-May-24	31-Dec-24	Tender	On Target	On Target	
VDLF - HARBOUR MASTERS OFFICE	157,500	20,933	157,500	0	136,567	0	0	0	4,246	(132,321)		(132,321)	31-Mar-24	31-Mar-24	Design	On Target	On Target	
VDLF - I3 IRVINE ENTERPRISE	279,411	257,020	279,411	0	22,391	0	0	0	22,391	0		0	31-Mar-24	31-Mar-24	Design	On Target	On Target	
Other Growth & Investment	58,252,957	5,894,667	58,252,957	0	13,045,650	0	2,215,492	2,215,492	12,902,329	(143,321)	0	(143,321)						
Total Economic Development & Regeneration	172,073,059	33,931,791	172,073,059	0	31,056,486	0	8,191,855	8,191,855	25,347,863	(5,708,623)	0	(5,708,623)						
Completed Projects																		
BIOMASS RETROFIT PROGRAMME	3,378,163	3,377,163	3,378,163	0	0	0	(1,000)	(1,000)	0	0		0	Complete	Complete	Complete	Complete	Complete	
QUARRY ROAD PHASE 1	2,977,098	2,899,427	2,977,098	0	40,595	0	(37,076)	(37,076)	967	(39,628)		(39,628)	Complete	Complete	Defects Period	Complete	Complete	
ARDROSSAN HOSTEL					0	0	2,086	2,086	0	0		0	Complete	Complete	Complete	Complete	Complete	
Total Completed Projects	6,355,261	6,276,590	6,355,261	0	40,595	0	(35,991)	(35,991)	967	(39,628)	0	(39,628)						
Total Place	337,890,637	112,914,093	337,890,637	0	88,374,513	0	40,159,331	40,159,331	73,304,954	(15,069,559)	0	(15,069,559)						

OTHER BUDGETS

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Project Description	TOTAL PROJECT				2023/24 BUDGETS						Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2023/24	Year to Date Budget 2023/24	Actual Expenditure to 31 January 2024	Year to Date Variance 2023/24	Projected Expenditure to 31 March 2024	Over/ (Under) Spend for 23/24	
	£	£	£	£	£	£	£	£	£	£	
FLEXIBILITY / IMPROVEMENT FUND	8,633,036	0	8,633,036	0	1,533,036	0	0	0	1,533,036	0	
CORE INFRASTRUCTURE INVESTMENT	351,000	0	351,000	0	351,000	0	0	0	351,000	0	
Total Other Budgets	8,633,036	0	8,633,036	0	1,884,036	0	0	0	1,884,036	0	

Project Description	TOTAL PROJECT				CURRENT YEAR 2023/24 - Period 10						DELIVERY STATUS		Narrative
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/(Under) Spend	Total Revised Budget 2023/24	Actual Expenditure to 31 January 2024	Projected Expenditure to 31st March 2024	Virement Request	Carry /Brought Forward to /From 2024/25	True Over/ (Under) Spend	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£									
EXPENDITURE													
Council House Building													
Afton Court	1,335,654	1,214,308	1,335,654	0	681,987	560,641	681,987				On Target	Complete	Complete
Ayrshire Central Site	50,373,322	2,923,473	50,373,322	0	600,000	440,559	600,000				On Target	Significantly off target	Project due to commence on site February 2024.
Bourtnehill Village	9,924,743	87,799	9,924,743	0	50,000	67,457	85,000		35,000		On Target	Significantly off target	Project due to commence on site October 2024.
Brathwic Terrace	6,674,074	6,678,395	6,678,395	4,321	26,403	148,855	155,877			129,474	On Target	Complete	Complete
Caley Court	3,131,066	2,865,079	3,131,066	0	322,630	56,644	322,630				On Target	Complete	Complete
Corsehillhead	2,027,810	212,599	2,027,810	0	350,000	0	0		(350,000)		On Target	Significantly off target	Value engineering exercise being undertaken due to significant increase in construction costs.
Dalrymple Place	5,838,627	5,822,700	5,838,627	0	1,473	2,212	18,139			16,666	On Target	Complete	Complete
Flatt Road	19,934,544	19,698,658	19,934,544	0	302,327	72,033	302,327				On Target	Complete	Complete
Friars Lawn	2,199,628	2,055,110	2,086,112	(113,516)	231,468	86,130	117,952			(113,516)	On Target	Complete	Complete
Fullarton Street (High Flats)	14,481,290	30,435	14,481,290	0	50,000	4,500	50,000				On Target	Significantly off target	New build project due to commence on site July 2024.
Garnock Academy Site	12,092,889	661,581	12,092,889	0	1,110,750	88,400	138,400		(972,350)		On Target	Significantly off target	Project site start delayed due to outstanding consent required from Scottish Water.
Garrier Court	2,369,763	2,380,699	2,369,763	0	34,212	(1,540)	34,212				On Target	Complete	Complete
Glebe Place	1,894,952	0	1,894,952	0	0	0	0				On Target	On Target	Project deferred to 2026/27 following refurbishment of the block for Ukrainian funded by the Scottish Government.
Harbourside	14,622,742	14,119,065	14,622,742	0	939,356	350,827	939,356				On Target	Complete	Complete
James McFarlane Site	4,784,118	376,551	4,784,118	0	450,000	11,786	450,000				On Target	Significantly off target	Project due to commence on site November 2023.
James Reid Site	11,896,026	862,603	11,896,026	0	1,200,000	0	0		(1,200,000)		On Target	Significantly off target	Project site start delayed due to non resolution of culvert maintenance issue
Kings Arms (113-115 High Street)	2,169,980	311,550	2,169,980	0	482,000	25,627	182,000		(300,000)		On Target	Significantly off target	Project site start delayed due to value engineering being undertaken and additional budget approval at Full Council 14 February 2024.
Laburnum Ave/Newhouse Dr (Regen 1a&b)	3,274,506	95	3,274,506	0	250,000	133,654	450,000		200,000		On Target	Significantly off target	Project due to commence on site January 2024.
Largs Police Station	2,769,301	2,759,320	2,769,301	0	1,038,673	884,700	1,038,673				On Target	On Target	Project on-site due to complete August 2023
Montgomerie Park (Both Phases)	46,166,866	4,727,689	46,166,866	0	780,000	80,456	352,208		(427,792)		On Target	Significantly off target	Tender for grouting works to be awarded following clarification of costs.
Regeneration Project 1d	9,965,851	2,750	9,965,851	0	0	0	0				On Target	Significantly off target	Pre Site
Regeneration Project 1e	1,658,083	0	1,658,083	0	0	0	0				On Target	Significantly off target	Project due to commence on site June 2024.
Springvale	2,852,016	2,747,677	2,852,016	0	0	1,682	106,021			106,021	On Target	Complete	Complete
Stancastle Site	7,768,147	604,509	7,768,147	0	450,000	405	450,000				On Target	Significantly off target	Project due to commence on site November 2023.
St Beya Gardens	3,691,052	3,689,346	3,691,052	0	1,706	0	1,706				On Target	Complete	Complete
St Colm's Largs	4,907,987	4,808,504	4,907,987	0	12,685	(65,376)	34,107			21,422	On Target	Complete	Complete
St Michael's Wynd	13,996,769	13,908,729	13,996,769	0	0	(189,072)	(101,032)			(101,032)	On Target	Complete	Complete - in year credit expected from Scottish Water.
Towerlands Primary School	8,579,943	8,545,982	8,579,943	0	9,279	(24,683)	9,279				On Target	Complete	Complete
Unallocated Regeneration Block	8,304,876	0	8,304,876	0	479,000	0	0		(479,000)		On Target	On Target	Budget to be transferred to future years as not required for 2023/24.
Nelson Street Regeneration	622,116	0	622,116	0	50,000	0	50,000				On Target	Significantly off target	Pre Site
Acquisition Of Land & Buildin	0	(109)	0	0	0	(84)	0				On Target	On Target	
House Building - General	1,547,765	0	1,547,765	0	0	0	0				On Target	On Target	
Acquisition Houses-Open Market	254,752	340,938	254,752	0	254,752	498,618	239,505		(15,247)		On Target	On Target	
Dickson Drive Phase 2	0	0	0	0	0	0	0				On Target	On Target	
Harbour Street	0	0	0	0	0	0	0				On Target	On Target	
Refurb - Connell Court	0	(30,395)	0	0	0	(30,395)	0				On Target	On Target	Complete
Kinnear Road	2,118	0	2,118	0	2,118	0	2,118				On Target	Complete	Complete
Sy Mary's Primary, Largs							676,260		676,260		On Target	On Target	
Contingency	11,000,624	0	11,000,624	0	0	0	0				On Target	On Target	
Internal Management Charges	1,757,259	693,039	1,757,259	0	1,757,259	916,616	1,757,259				On Target	On Target	
SUB TOTAL	293,114,000	102,405,640	293,004,805	(109,194)	11,918,078	4,120,653	9,143,984	0	(2,833,129)	59,035			

Project Description	TOTAL PROJECT				CURRENT YEAR 2023/24 - Period 10						DELIVERY STATUS		Narrative
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2023/24	Actual Expenditure to 31 January 2024	Projected Expenditure to 31st March 2024	Virement Request	Carry /Brought Forward to /From 2024/25	True Over/ (Under) Spend	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£									
Improvements to existing stock													
Wet Room - Void	426,386	157,616	286,936	(139,450)	426,386	189,714	286,936			(139,450)	On Target	On Target	Reduction in estimated number of completions based on jobs received to date
Bathrooms - Void	770,876	349,339	524,333	(246,543)	770,876	382,752	524,333			(246,543)	On Target	On Target	Reduction in estimated number of completions based on jobs received to date
Wet Room - Planned	150,025	0	150,025	0	150,025	0	150,025				On Target	On Target	
Bathrooms - Planned	341,561	160,277	334,699	0	334,699	227,663	334,699				On Target	On Target	
Electrical Rewiring	585,710	304,458	580,895	0	535,280	295,113	580,895		45,615		On Target	On Target	Anticipated slippage due to no access.
Heating	2,924,745	1,200,209	2,169,965	(754,780)	2,924,745	1,494,987	2,169,965		(202,920)	(551,860)	On Target	On Target	Scope of works less than budgeted for some properties and reduced numbers resulting in an anticipated underspend.
Kitchens	1,581,530	617,773	1,458,554	0	1,458,554	743,252	1,458,554				On Target	On Target	Reduction in estimated number of completions due to no accesses.
Kitchens - Void	1,313,771	697,316	1,146,886	(166,885)	1,313,771	859,679	1,146,886			(166,885)	On Target	On Target	Reduction in estimated number of completions due to no accesses.
Roofing	1,105,661	680,898	1,434,218	0	1,516,630	961,760	1,434,218		(82,412)		On Target	On Target	
Wall/floor rendering	62,000	1,887,956	134,783	0	93,594	2,238,328	134,783		41,189		On Target	On Target	Budget pulled forward to reflect additional addresses
EWI	4,473,962	0	4,486,246	12,284	4,473,962	0	4,486,246			12,284	On Target	On Target	Overspend element due to an increase in anticipated unit rate
Window Replacement	541,903	366,936	376,925	0	349,037	382,767	376,925		27,888		On Target	On Target	Work being undertaken in relation to access arrangements. Housing will be reviewing this in order to improve access.
Saltcoats MSF Investment	1,314,188	659,257	1,314,188	0	1,314,188	728,809	1,314,188		0		On Target	On Target	Projected expenditure includes buy-back houses, budget virement requested.
Smoke Detector Programme	250,000	136,950	250,000	0	250,000	194,210	250,000				On Target	On Target	
Energy Efficiency	122,610	5,050	10,000	0	10,000	5,050	10,000		0		On Target	On Target	
Path Finder Project	250,000	0	10,000	0	250,000	0	10,000		(240,000)		On Target	On Target	
Solar Panels	5,050,000	1,654,903	4,560,026	0	5,007,000	1,384,765	4,560,026		(446,974)		On Target	On Target	Recently surveyed houses not suitable. Sent out another batch but unlikely to complete by year end
SUB TOTAL	21,264,928	8,878,938	19,228,679	(1,295,374)	21,178,747	10,088,849	19,228,679		(857,614)	(1,092,454)			
Other Capital works													
Estate Based Regeneration	2,093,064	364,605	2,093,064	0	825,629	391,371	740,089		(85,540)		On Target	On Target	Skelmorlie parking costs lower than expected.
Lift Replacement	454,425	0	454,425	0	50,000	0			(50,000)		On Target	On Target	Slippage on programme . Works now expected to commence Dec/Jan
Sheltered Housing Units	12,965,531	56,572	12,965,531	0	4,100,000	4,109,592	4,633,521		533,521		On Target	On Target	Budget pulled forward due to an acceleration of works
High Flats Demolition	2,368,970	1,296,243	1,725,818	(643,152)	2,368,970	1,424,132	1,725,818			(643,152)	On Target	On Target	Final Account has now been agreed
Health and Safety Works	207,000	0	0	(207,000)	207,000	0	0			(207,000)	On Target	On Target	Carried forward from 2022/23. Not required for 2023/24.
Parkhall & Kirkhall Asbestos	17,358	0	0	(17,358)	17,358	0	0			(17,358)	On Target	On Target	Carried forward from 2022/23. Not required for 2023/24.
Major Improvements	6,000	0	0	(6,000)	6,000	0	0			(6,000)	On Target	On Target	Carried forward from 2022/23. Not required for 2023/24.
Newhouse Drive (Regen 1b)	5,000	0	0	(5,000)	5,000	0	0			(5,000)	On Target	On Target	Carried forward from 2022/23. Not required for 2023/24.
Maress House Refurb	(12,540)	0	(12,540)	0	(12,540)	0	0			12,540	On Target	On Target	
Other Capital works						1,975	0						
SUB TOTAL	18,104,808	1,717,421	17,226,298	(878,510)	7,567,417	5,927,070	7,099,428		397,981	(865,970)			
Total Expenditure	311,218,808	104,123,061	310,231,103	(987,704)	40,664,242	20,136,572	35,472,091	0	(3,292,762)	(1,899,389)			
Income													
Affordable Housing Contributn					(2,444,930)		(2,444,930)						
CFCR					(5,151,045)	(13,158)	(5,151,045)						
Capital Grants					(6,785,747)	(142,334)	(6,785,747)						
Prudential Borrowing					(22,217,853)	155,492	(17,025,702)		3,292,762	1,899,389			
Council HB fund contribution					(4,064,667)		(4,064,667)						
Sale of Assets													
Other Capital Income													
SUB TOTAL					(40,664,242)	0	(35,472,091)		3,292,762	1,899,389			
Total Project Expenditure	311,218,808	104,123,061	310,231,103	(987,704)	40,664,242	20,136,572	35,472,091	0	(3,292,762)	(1,899,389)			
Total Project Income					(40,664,242)	0	(35,472,091)	0	3,292,762	1,899,389			
Total Net Expenditure					0	20,136,572	0	0	0	0			

Check Total

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

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

Cabinet

Title:	Irvine Locality Property Review
Purpose:	To provide Cabinet with details of the Irvine Locality Property Review and recommended next steps.
Recommendation:	That Cabinet approves the Irvine Locality Property Review recommendations for implementation.

1. Executive Summary

- 1.1 As part of the approach to address the current financial challenges facing local authorities, the Council has adopted an ambitious sustainable change programme aligned to its Medium-Term Financial Plan, Council Plan and other relevant strategies. One of the key workstreams within this programme is focused on land and property. The purpose of the land and property workstream is to rationalise the Council's property estate, in a managed way, aligned to clear strategic objectives.
- 1.2 The Council's most significant concentration of property assets is in Irvine, which has therefore been the focus of the first phase of the property review work, taking a whole locality approach. Officers have been working together to review the Council's property assets in Irvine to understand opportunities for remodelling of the estate to accord with the strategic objectives outlined at paragraph 2.1.
- 1.3 This report sets out a series of recommendations for implementation on a phased basis, which together reflect a structured approach to:
- Vacate and subsequently market property assets including: Quarry Road, Trinity Church, Galt House and Greenwood Conference Centre
 - Consolidate operations from the above buildings primarily within Cunninghame House to optimise utilisation of that building
 - As a future phase, vacate Bridgegate House and consider future uses as part of the Irvine town centre regeneration work and establishment of the Irvine Town Board, aligned to the Long Term Plan for Towns Levelling Up Funding allocation
- 1.4 Key benefits of this property rationalisation proposal include:
- Optimisation of under-utilised property assets
 - Reduction of carbon emissions by an estimated 286tCO_{2e}/year
 - Reduction of property running costs and property maintenance costs, with combined estimated potential revenue savings of up to £0.357m per annum
 - Generation of potential capital receipts or revenue income through leasing arrangements following marketing of the surplus buildings

- 1.5 Cabinet approval is sought for implementation of the property rationalisation recommendations, on a phased basis, with proposed next steps and estimated timescales provided for each phase within the body of the report below.

2. Background

2.1 As part of the approach to address the financial challenges currently facing local authorities, the Council has adopted an ambitious sustainable change programme aligned to its Medium-Term Financial Plan, Council Plan and other relevant strategies. One of the key workstreams within the programme is focused on land and property. The purpose of the land and property workstream is to rationalise the Council's property estate, in a managed way, in order to:

- Reduce the Council's carbon emissions arising from the property estate and future exposure to investment requirements for public sector buildings to reach ZDE ('zero direct emissions') by 2038
- Reduce property running costs, i.e. from rates, utilities etc.
- Reduce property maintenance and future investment costs, to enable limited resources to be focused on property assets that will be retained in the longer-term
- Address under-utilisation of key office accommodation and provide a proportionate property estate that ensures members of the public can access the services they need
- Provide potential opportunities for community ownership of surplus property assets
- Consider wider opportunities linked to existing and forthcoming regeneration proposals, for example the recent £20 million allocation for Irvine town centre as part of the Levelling Up Fund

2.2 The Council's most significant concentration of property assets is in Irvine, which has therefore been the focus of the first phase of the property review work, taking a whole locality approach. Officers have been working together to review the Council's property assets in Irvine to understand opportunities for remodelling of the estate to accord with the above objectives.

2.3 Extensive feasibility work, alongside a number of service engagement sessions with key stakeholders, has been completed to develop the property rationalisation concept, generate options, and assess costs, benefits and risks. The information gathered from this work has led to identification of a set of recommendations for the Council's property estate within Irvine, for implementation on a phased basis. A summary of each of the proposed phases is set out below.

Phase 1A: Quarry Road Office & Trinity Church

2.4 The first phase proposal is to vacate both the Quarry Road office block and the Trinity Church building. The Council owns the office block located at Quarry Road which is currently leased to KA Leisure, with a sub-lease to the Council's Business Support & Development Service. The office block was completed in 2019 and provides an attractive, modern working environment, and there is expected to be interest if it was marketed for lease or sale.

2.5 The first step would be to relocate the Council's Genealogy Team from the

Townhouse to Irvine Library. This provides clear synergies between library services and genealogy but will also free-up accommodation for KA Leisure staff from Quarry Road to relocate to the Townhouse, meaning that they will be co-located with the wider KA Leisure management team based at the Portal.

- 2.6 The Council's Business Support & Development Service currently located within Quarry Road would be relocated to Cunninghame House. This would then allow Quarry Road to be marketed.
- 2.7 Quarry Road is currently leased from the Council by KA Leisure at a rental of £0.100m per annum, with a sub-lease from KA Leisure to the Council for the Business Support & Development Service accommodation at £0.030m per annum. It is anticipated that KA Leisure would enter into a new lease for the required space at Irvine Townhouse.
- 2.8 Works will be needed to separate the Quarry Road offices from the Circuit sports centre and form a new reception space for KA Leisure to continue operating the Circuit facility. These alteration works would not affect any immediate marketing exercise or any new owner or lessee occupying the building before the works were fully completed.
- 2.9 A final consideration is the original capital funding package for the construction of Quarry Road. This included an element of Regeneration Capital Grant Fund monies, which has clawback arrangements if the building is sold. The nature of these arrangements is being considered further with colleagues in Democratic Services. This may restrict any sale of the building in the short to medium term but does not preclude marketing of the building for lease.
- 2.10 In relation to Trinity Church, North Ayrshire Council and Irvine Bay Regeneration Company developed a conservation plan for Bridgegate in 2010 with Trinity Church playing a key role. Funding was secured from Historic Environment Scotland's Conservation Area Regeneration Scheme in 2011 to support comprehensive repair works to the main church and hall, along with conservation work on the tower and spire. The Ayrshire Community Trust (TACT) also secured funding from the Town Centre Communities Capital Fund to transform the Annexe into a community hub. TACT initially occupied the Annexe, however the main building remained empty despite several marketing attempts. In 2017, an award was secured an award from the European Regional Development Fund (ERDF) through Transport Scotland's Low Carbon Travel and Transport Challenge Fund to develop an Active Travel Hub in the former church. The Trinity Active Travel Hub opened during 2019 and continues to operate. The Equal supported employment service later moved into the Annexe and delivers a range of services to support people with disabilities to find long term employment.
- 2.11 The proposal is for the Active Travel and Employability teams to vacate Trinity Church and relocate to Cunninghame House. The building would then be marketed. Earlier funding conditions for the refurbishment of the building, similarly to Quarry Road, mean that the building may need to be leased. It is understood that market interest in the building may be limited at the current time. If no buyer/lessee can be found, the property would be secured and regularly inspected in the meantime, with a view to consideration via the Irvine Town Board through forthcoming Irvine Town Centre regeneration plans aligned to the Long Term Plan for Towns Levelling Up Fund allocation.

- 2.12 The Galt House building was originally proposed to be included in this phase. A partial vacation of Galt House has been completed, with some staff now relocated to Bridgegate House. The next step in this process was to undertake internal alterations within Bridgegate House in order to accommodate the services provided by the Housing Advice Team (HAT). This work is proposed to be paused, resulting in a saving of c.£0.166m. The works and associated investment would then be incorporated into the remodelling of Cunninghame House (see phase two below), allowing the Housing Advice Team to relocate and vacate the building as part of a subsequent phase. Negotiations with two existing private tenants within Galt House will also have to agree exit terms and timelines.
- 2.13 The key steps and estimated timescales associated with Phase 1A proposals are summarised in the following table:

Key Milestones		Forecasted Dates
1	Relocation of Genealogy services from the Townhouse to Irvine Branch Library, including internal alterations to the library	July 2024 – March 2025
2	Relocation of Business Support & Development services from Quarry Road offices to Cunninghame House	September 2024
3	Relocation of Active Travel and Employability services from Trinity Church to Cunninghame House	September 2024
4	Marketing of Trinity Church	September 2024 – March 2025
5	Marketing of Quarry Road offices	September 2024 – March 2025
6	Relocation of KA Leisure from Quarry Road offices to the Townhouse	April 2025
7	Alterations to Quarry Road offices (works would not preclude marketing or occupation of buyer/lessee)	April 2025 – March 2026

Phase 1A costs and savings overview:

Details		Value (£)
Capital		
	Alterations to Irvine Branch Library	(50k)
	Alterations to Quarry Road office/ Circuit	(206k)
	Potential Capital Receipt for Quarry Road office*	478k
	Potential Capital Receipt for Trinity Church*	195k
	TOTAL ESTIMATED CAPITAL RECEIPT	417k
Revenue		
	Loss of rental income from Quarry Road (NALL lease)	(100k)
	Savings from BS&D office sub-lease	30k
	Potential rental income for the Townhouse	50k
	Savings from Quarry Road property running costs	N/A
	Savings from Trinity Church property running costs	37k
	Savings from property maintenance	£8.8k
	TOTAL ESTIMATED REVENUE SAVINGS	25.8k

*Subject to review of grant funding arrangements- if the buildings cannot be disposed for sale, they would be marketed for lease to provide a revenue income instead with a view to disposal at a later date.

Phase 1B: Relocate staff from Bridgegate House to Cunninghame House

- 2.14 The majority of staff based at Cunninghame House and Bridgegate House are operating on an agile working pattern. This provides an opportunity to optimise utilisation of available office accommodation in line with the objectives at paragraph 2.1. The office accommodation across Cunninghame House and Bridgegate House has been mapped against future working requirements to understand the scale of potential, while ensuring that sufficient office accommodation, civic space, meeting space, storage facilities etc. are provided both for now and the future.
- 2.15 This assessment has identified the opportunity for a phased closure of Bridgegate House, starting with relocation of most staff on the upper floors of Bridgegate House to Cunninghame House. In the meantime, essential staff would remain at Bridgegate House in order to service the Customer Service Centre (CSC) requirements on the ground floor of the building. The continued operation of the CSC and retail units on the ground floor of Bridgegate House will ensure the continuation of an active office and retail frontage in the town centre for the timebeing.
- 2.16 The future of the Bridgegate House building will be further considered, with the Irvine Town Board, as part of the Irvine town centre regeneration proposals aligned to the £20m Long Term Plan for Towns Levelling Up Fund allocation (see phase two below).
- 2.17 This phase will involve establishing a cross-service working group of staff to prepare a detailed accommodation plan for Cunninghame House, which takes cognisance of service needs and the works proposed under phase two below. There will be some costs for relocation of staff and materials under this phase, anticipated to be c.£0.050m.
- 2.18 The key steps and predicted timescales associated with Phase 1B proposals are summarised in the following table:

Key Milestones		Forecasted Dates
1	Form cross-service staff steering group and undertake a series of engagement workshops	April 2024 – July 2024
2	Prepare detailed staff accommodation plan for Cunninghame House (taking into account works proposed under phase two below)	August 2024 – October 2024
3	Complete the relocation of office staff from Bridgegate and within Cunninghame House	November- December 2024
4	Isolate redundant services and unoccupied floors in Bridgegate House	January 2025

Phase 1C: Greenwood Conference Centre

- 2.19 The Council's Greenwood Conference Facility was closed during the pandemic and leased to the NHS. The NHS has since renounced the lease and vacated the site in February 2024. It is proposed that the site remains closed and is marketed for sale.
- 2.20 In order to ensure that the Council has suitable training and development facilities, it is proposed that, as part of this phase, design work is commenced for re-configuration of the 4th Floor East within Cunninghame House to provide a new

training suite. Location of the facility on this floor would align with the existing cafe provision.

- 2.21 Currently, there is a 29.9kW Solar PV array at GCC generating a Feed-In Tariff income of c.£2,500 per annum. Discussions would take place with Ofgem and the Council's energy supplier to relocate the panels and continue receiving income.
- 2.22 This phase would also include design work for other reconfiguration works required as part of phase two below.
- 2.23 The key steps and estimated timescales associated with Phase 1C proposals are summarised in the following table:

Key Milestones		Forecasted Dates
1	Marketing of Greenwood Conference Centre for disposal	April 2024 – December 2024
2	Develop scheme designs for Cunninghame House Training Suite, ICT alterations and CSC alterations (see phase two below)	April 2024 – July 2024

Phase 1C costs and savings overview:

Details		Value (£)
Capital		
	Potential Capital Receipt for Greenwood Conference Centre	700k
	TOTAL ESTIMATED CAPITAL INCOME	700k
Revenue		
	Savings from Greenwood Conference Centre property running costs	101k
	Savings from property maintenance costs	23.3k
	TOTAL ESTIMATED REVENUE SAVINGS	124.3k

Phase 2: Closure of Bridgegate House and Re-configuration of Cunninghame House

2.24 This would be the final phase of the Irvine Locality Property Review, and would incorporate reconfiguration of Cunninghame House and associated works as follows:

- Creation of new Customer Service Centre, mirroring similar provision as currently provided (and planned) at Bridgegate, including required interview rooms
- Creation of new Training Suite on the 4th Floor East
- Provision of new ICT work room and storage area
- Addressing any immediate, existing property maintenance requirements in the building, e.g. heating and ventilation that are required regardless of the Irvine Locality Property Review work. Only the heating and ventilation costs are included in the costs below.

2.25 In light of forthcoming requirements for all public sector buildings to have ZDE (zero direct emissions) by 2038, it is proposed that a detailed study is commissioned to understand the measures and investment requirements for Cunninghame House to

reach this standard. This work can then be considered, if viable, as part of the specification of the phase two works above.

2.26 Following completion of the above works, all remaining staff in Bridgegate House (i.e. those not relocated as part of phase 1B) and Galt House will be relocated.

2.27 The ICT Disaster Recovery servers will relocate to an alternative Council building. Retail units at Bridgegate House would also be vacated.

2.28 The future use of Bridgegate House will be considered as part of the Irvine town centre regeneration work noted above. Market research shows a low likelihood of achieving any interest or capital receipt for Bridgegate House, therefore an allowance for demolition has been made at this stage.

2.29 The key steps and estimated timescales associated with Phase 2 proposals are summarised in the following table:

Key Milestones		Forecasted Dates
1	Alterations to form new Disaster Recovery facility (out-with Bridgegate House) and relocate ICT equipment, test & commission	August 2024 – October 2024
2	Repairs and remedial works to existing high-priority property maintenance issues at Cunninghame House	September 2024 – December 2024
3	Alterations to 4 th Floor West to form new Training Suite	January 2025 – September 2025
4	Alterations to Ground West to form ICT secure storage and build area, and enhance staff welfare facilities	September 2025 – February 2026
5	Alterations to Ground East to form new Customer Service Centre and alter reception space	February 2026 – December 2026
6	Marketing of Galt House for disposal	September 2026
7	Review of Bridgegate House options as part of Irvine town centre regeneration masterplan	Ongoing
8	Relocate remaining staff from Bridgegate House and Galt House	January 2027

Phase 2 costs and savings overview: -

Details		Value (£)
Capital		
	Alterations to Cunninghame House Ground East (Customer Service Centre)	(311k)
	Alterations to Cunninghame House Ground West (ICT)	(121k)
	Heating repairs to Cunninghame House (Ground West & 4 West)	(313k)
	Year 1 high-priority backlog maintenance	(198k)
	Alterations to Fourth Floor East (Training Suite)	(436k)
	Relocation of workforce costs	(30k)
	Relocation of Disaster Recovery facility	(187k)
	Potential Capital Receipt for Galt House	280k
	Potential Capital Receipt for Bridgegate House	TBC
	Estimated demolition costs	(800k)
	TOTAL ESTIMATED CAPITAL INVESTMENT REQUIREMENT	(2.116M)

Revenue		
	Loss of rental income from Bridgegate House (retail and masts)	(140k)
	Loss of rental income from Galt House (retail)	(15k)
	Savings from Bridgegate House property running costs	265k
	Savings from Galt House property running costs*	35k
	Savings from property maintenance	61.7k
	TOTAL ESTIMATED REVENUE SAVINGS	206.7k

*These costs have already been removed from the budget through a previously agreed saving.

2.30 A summary of all capital costs, capital receipts, revenue savings and carbon emissions savings are provided in the table below. It should be noted that these figures are all high-level estimates at this stage and will be subject to change following detailed design and implementation work.

Rationalisation Work Stream	Revenue		Capital			Annual Carbon Emissions (tCO2e/year)
	Net Property Running Cost Savings (£)	Property Maintenance Costs Savings (£)	Investment Requirements (£)	Potential Capital Receipts (£)	10yr PLI Savings (£)	
Phase 1A	17k	8.8k	0.256m	673k	400k*	12
Phase 1B	-	-	-	-	-	-
Phase 1C	101k	23.3k	-	700k	212k	37
Phase 2	145k	61.7k	2.396m	280k	1.347m	237
TOTAL		0.357m	2.652m	1.653m	1.959m	286

* PLI information not held for Trinity Church and the Townhouse therefore assumed lifecycle investment data used.

2.31 The table above shows that the Irvine Locality Property Review potential property cost savings may be in the order of £0.357m per annum, with total capital receipts estimated at £1.653m, and avoided capital expenditure of £1.959m. This is set against capital investment costs estimated at £2.652m to deliver the proposals.

Governance

2.32 Subject to Cabinet approval, the development and implementation of the Irvine Locality Property Review recommendations set out within this report would be led by a cross-service working group, remitted to oversee:

- Stakeholder communication & engagement
- Preparation and implementation of detailed project plans
- Budget management
- Programme management
- Risk management
- Development of reviews for other North Ayrshire localities

3. Proposals

3.1 That Cabinet approves the Irvine Locality Property Review recommendations for implementation.

4. Implications/Socio-economic Duty

Financial

- 4.1 An allocation of £2.500m was made within the Council's Capital Investment Programme aligned to the forthcoming locality based review, as part of the annual budget setting process on 28th February 2024. A range of estimates have been provided in relation to capital costs, capital receipts, and revenue savings within this report. These will be further refined as detailed work develops.

Human Resources

- 4.2 The resources for programme management of the proposed recommendations will require additional resources, which will be met from the Council's Change and Service Redesign Fund, and/or from capitalisation of employee costs from the £2.500m allocation noted at paragraph 4.1 above.

Legal

- 4.3 There are a number of legal implications arising from the report, including in relation to lease arrangements for the retail units and telecommunications masts at Bridgegate House, and also for lease arrangements with KA Leisure at Quarry Road and Irvine Townhouse.

Equality/Socio-economic

- 4.4 There are no equality/socio-economic implications arising from the report.

Climate Change and Carbon

- 4.5 The proposals set out within this report are designed to have a direct impact on reduction of carbon emissions from the Council's property estate and support the Council's ambitions to be net zero by 2030.

Key Priorities

- 4.6 The proposals would support delivery of the Council Plan priority in relation to tackling climate change and becoming a sustainable Council.

Community Wealth Building

- 4.7 Any tender documents for physical works would include provision for Community Wealth Building benefits.

5. Consultation

5.1 A range of services were consulted in the preparation of this report.

RUSSELL McCUTCHEON
Executive Director (Place)

For further information please contact **David W. Hammond, Head of Sustainability, Corporate Property & Transport**, on (01294) 324514.

Background Papers - None

Cabinet

Title: Lease Extension – Parterre Hall, 19 High Street, Irvine

Purpose: To seek Cabinet approval to provide an extension to the lease of Parterre Hall, 19 High Street, Irvine to Irvine Judo Club.

Recommendation: That Cabinet approves the lease extension of Parterre Hall, 19 High Street, Irvine to Irvine Judo Club, until 2045, on the existing lease terms.

1. Executive Summary

- 1.1 The Parterre Hall, at 19 High Street, Irvine, is currently leased to Irvine Judo Club until 26th January 2042. Irvine Judo Club are seeking grant funding from Sport Scotland to enable the building to be physically extended to accommodate growth in demand.
- 1.2 To obtain the necessary funding, the Club is required to have secure tenure of 20 years over the property. It is therefore proposed that a Minute of Agreement is completed to extend the lease period to continue until 26th January 2045. All other lease terms are to remain in accordance with the existing lease.
- 1.3 The Property Management & Investment Service (Estates) will continue to liaise with Irvine Judo Club in relation to the physical extension of the building. Cabinet approval is sought for the lease extension only at this time.

2. Background

- 2.1 The Parterre Hall, at 19 High Street, Irvine was leased to Irvine Judo Club on the 23rd January 2017 for a 25 year period on Full Repairing and Insuring (FRI) terms at a rental of £1 per annum (if asked). The club were granted the original lease via a Community Asset Transfer which was approved by Cabinet in May 2016. A location plan is provided at Appendix 1.
- 2.2 The membership of Irvine Judo Club has increased substantially in recent years, and, as a result, the Club is seeking to extend the building to accommodate larger classes. Irvine Judo Club has shared plans of the building extension with the Council's Property Management & Investment Service and has been granted landlord consent, in principle, subject to obtaining the necessary planning permission and building warrant. The proposed physical extension area is within the site boundary of the current lease.
- 2.3 To enable the physical extension of the building, Irvine Judo Club is seeking grant funding via Sport Scotland. A condition of the grant funding is that the Club must have secure tenure over the property for a minimum of 20 years. Given the remaining lease term of 18 years, the Club is requesting that the lease is extended until 26th January

2045. This proposed three-year addition would provide the required period for the Club to obtain the relevant permissions in relation to the physical extension of the building, whilst ensuring the required 20-year secure tenure is in place to assist their funding application.

3. Proposals

- 3.1 It is recommended that Cabinet approves the lease extension of Parterre Hall, 19 High Street, Irvine to Irvine Judo Club until 26th January 2045 on the existing lease terms.

4. Implications/Socio-economic Duty

Financial

- 4.1 There are no financial implications arising from this report.

Human Resources

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

Legal

- 4.3 If approved by Cabinet, Legal Services will complete the formal Minute of Agreement in relation to the longer lease period. The Council's Property Management & Investment Service has reviewed the Club's physical extension proposal and granted landlord consent, in principle, subject to obtaining the necessary planning permission and building warrant. The Service will continue to liaise with Irvine Judo Club in relation to the physical extension of the building and, assuming grant funding is obtained and the building extension is completed in line with all necessary permissions, formal landlord consent would be granted.

Equality/Socio-economic

- 4.4 If approved, Irvine Judo Club will be able to complete the physical extension of the building and offer additional social and sporting opportunities to their members, alongside the local schools and wider community.

Climate Change and Carbon

- 4.5 There are no climate change implications arising from this report.

Key Priorities

- 4.6 If the report is approved, the further development of Irvine Judo Club will support the Council plan priority of using our assets to support wellbeing in local communities.

Community Wealth Building

4.7 Agreeing the extension of the lease will support the Judo Club to expand their offering to the community.

5. Consultation

5.1 The Council's Connected Communities service has been consulted in the preparation of this report.

RUSSELL McCUTCHEON
Executive Director (Place)

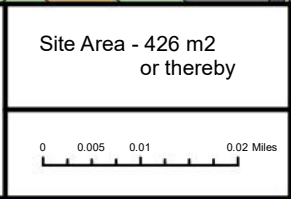
For further information please contact **David W. Hammond, Head of Sustainability, Corporate Property & Transport** on **01294 324514**.

Background Papers

None



Parterre Hall
19 High Street
Irvine
KA12 0AB



NORTH AYRSHIRE COUNCIL

19 March 2024

Cabinet

Title: Auchengate

Purpose: To update Cabinet on a motion passed at full Council on 13 December 2023 in respect of Auchengate.

Recommendation: That Cabinet notes the findings that:

- i) There is no formal process in respect of classification of a village and furthermore, it is not clear what additional benefits would be available to Auchengate if indeed there was a formal process.
 - ii) Roads have held discussions with South Ayrshire Council and Police Scotland to consider a reduction in speed limit at Auchengate and that a reduction in speed limit is not supported by Police Scotland
 - iii) that Police Scotland have agreed measures with North Ayrshire officers in order to address road safety concerns raised by residents of Dundonald Crescent.
 - iv) amendments to signage and road markings are minor in nature and will be funded through the Roads revenue budget.
 - v) any future review of the Scheme for the Establishment of Community Councils which may be approved by Council would cover all aspects of the scheme including, but not limited to, the number of Community Councils and boundaries.
-
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1. Executive Summary

1.1 At its meeting on 13 December 2023, full Council agreed a motion that:

‘Council asks that a paper be brought to Cabinet to provide considered information on:

- whether the formal recognition of Auchengate as a village in its own right would result in positive benefit to the community which would make a tangible difference to community outcomes
- whether road safety at Auchengate where it falls within the boundary of North Ayrshire Council, and with due consideration of those other areas, could be improved through consideration of a reduction of the speed limit from 60mph to 40mph, taking into account the results of the previous investigation into this matter and
- the financial implications for the above proposals were it considered appropriate that they be implemented.
- in any future review of community council boundaries etc, taking into account community opinion and resourcing implications, the Council would consider if it were appropriate to put forward a case to recognise the settlement of Auchengate in its own right.

2. Background

Whether the formal recognition of Auchengate as a village in its own right would result in positive benefit to the community which would make a tangible difference to community outcomes.

- 2.1 In relation to this point, Planning has advised that there is no formal process (national or local) that can be drawn on or used that provides a definition of town or village. The only formal process that Planning can find reference to is the competitive bid process for new city designation which requires monarchy approval.
- 2.2 Furthermore, Connected Communities has confirmed they are unaware of any potential funding routes that would become available to Auchengate by being classified as a village. In terms of other support, Connected Communities has already been providing Auchengate with support through the Community Learning & Development team, working with their Tenants and Residents Association. Connected Communities cannot identify any further benefit to Auchengate from having village status in terms of support.

Whether road safety at Auchengate where it falls within the boundary of North Ayrshire Council, and with due consideration of those other areas, could be improved through consideration of a reduction of the speed limit from 60mph to 40mph, taking into account the results of the previous investigation into this matter and the financial implications for the above proposals were it considered appropriate that they be implemented.

- 2.3 In respect of road safety, concerns were raised by the residents of Auchengate with regard to traffic speeds on the U66 between Meadowhead roundabout and the North Ayrshire boundary.
- 2.4 Traffic surveys were undertaken to establish actual vehicle speeds and it was determined that the average speed of vehicles is 41mph with 85% of vehicles travelling at 47mph or less.

- 2.5 North Ayrshire Council officers considered that it may be appropriate to reduce the posted speed limit to 40 mph as a result of the concerns raised by the residents, and that it was possible that measured speeds may fall into compliance with a reduced speed. Due to the position of the cycle crossing near to the boundary in South Ayrshire Council (SAC), it was considered by officers to be appropriate to include a possible reduction in the speed limit from the roundabout in SAC to Meadowhead roundabout.
- 2.6 Police Scotland were consulted on a proposed change to the existing speed limits and a reduction in speed limit was not supported at this location. The reasons for this were:
- The lack of residential frontages on this section of road, with only one property directly adjacent to the road.
 - The area where cyclists cross is highlighted with road markings and advanced warning signs and there are streetlights which further enhance the safety of cyclist/pedestrians crossing the road at this point.
 - The existing vehicle speeds are more than acceptable for the current national speed limit and show good compliance.
 - Any reduction of the speed limit would take average speeds above the proposed limit and place an unnecessary additional enforcement burden on Police Scotland.
 - There have been no reported crashes on this section of road and this length is not considered a priority route by Police Scotland in relation to casualty reduction.
- 2.7 Police Scotland further met with officers to consider any improvements that may be made to the U66 Auchengate particularly for cyclists/pedestrians and to alleviate the concerns raised by the residents. It was agreed that improved signage warning of cyclists crossing and refreshed road markings, including the addition of SLOW markings on the road on the approach to the cycle crossing, and at either side of the junction at Dundonald Crescent, would further enhance road safety. It was also agreed there are good lines of sight in both directions when exiting the junction at Auchengate.
- 2.8 South Ayrshire Council (SAC) also did not support a reduction of the speed limit on the section of the U66 which lies within the SAC boundary as there are no accident/collision statistics to support a reduction and no requests for a reduction from the public, notwithstanding that any reduction was not supported by Police Scotland. They were further concerned that a reduction in speed limit with no supporting justification could inadvertently create a focal point for complaints where enforcement action is unlikely to be forthcoming.
- 2.9 SAC further advised that as part of a future active travel scheme they are considering a new signalised crossing point in the vicinity of the link path to Lochgreen Avenue, as part of this they would be looking at reducing the speed limit to 40mph on the approach to the lights as part of the detailed design. This scheme is only in the early stages and engagement and consultation would be undertaken as part of this process.
- 2.10 The North Ayrshire Council active travel team are also considering improved cycle/pedestrian links within the North Ayrshire boundary, however, this is currently at the feasibility stage.

In any future review of community council boundaries etc, taking into account community opinion and resourcing implications, the Council would consider if it were appropriate to put forward a case to recognise the settlement of Auchengate in its own right.

2.11 The formal process for reviewing the Scheme for the Establishment of Community Councils in North Ayrshire includes an initial consultation period during which every aspect of the Scheme is open to review, including the number of community councils and their boundaries. The report by officers to initiate a review of the Scheme would generally highlight any matters raised by Members, officers, the public and community councils themselves, including, for example, the potential for a dedicated community council for Auchengate.

3. Proposals

Cabinet is asked to note that:

- 3.1 There is no formal process in respect of classification of a village and furthermore, it is not clear what additional benefits would be available to Auchengate if indeed there was a formal process.
- 3.2 discussions have been undertaken with South Ayrshire Council and Police Scotland to consider a reduction in speed limit at Auchengate, Irvine in order to improve road safety and that a reduction in speed limit is not supported by Police Scotland.
- 3.3 Police Scotland have agreed measures with North Ayrshire Roads officers in order to address road safety concerns raised by residents of Dundonald Crescent.
- 3.4 amendments to signage and road markings are minor in nature and will be funded through the Roads revenue budget.
- 3.5 any future review of the Scheme for the Establishment of Community Councils which may be approved by Council would cover all aspects of the scheme including, but not limited to, the number of Community Councils and boundaries.

4. Implications/Socio-economic Duty

Financial

4.1 There are no financial implications from this report.

Human Resources

4.2 There are no human resource implications from this report.

Legal

4.3 There are no legal implications from this report.

Equality/Socio-economic

4.4 There are no equality/socio-economic implications from this report.

Climate Change and Carbon

4.5 There are no climate change and carbon implications from this report.

Key Priorities

4.6 None

Community Wealth Building

4.7 None

5. Consultation

5.1 Road safety concerns raised have been discussed with South Ayrshire Council and Police Scotland. Village status and any potential benefits from this were discussed with Planning and Connected Communities.

RUSSELL McCUTCHEON
Executive Director (Place)

For further information please contact **Thomas Reaney, Head of Service (Neighbourhood Services)**, on **01294 34570**.

Background Papers

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NORTH AYRSHIRE COUNCIL

19 March 2024

Cabinet

Title: **Decriminalised Parking Enforcement**

Purpose: To update Cabinet on the introduction of Decriminalised Parking Enforcement (DPE) on 28 March 2024 and the proposal for enforcement of the new parking prohibitions contained within the Transport (Scotland) Act 2019 commonly referred to as the Pavement Parking Ban.

Recommendation: That Cabinet

- i) notes that Decriminalised Parking Enforcement will commence on 28 March 2024.
- ii) notes that the regulations governing enforcement of the new parking prohibitions commonly known as the Pavement Parking Ban came in to force 11 December 2023
- iii) notes the approach taken to undertake the footway parking assessment
- iv) approves the proposal for implementation of enforcement of the prohibitions contained within the Transport (Scotland) Act 2019 with regard to the ban on pavement parking, double parking and parking at dropped kerbs for pedestrian and cycle access

1. Executive Summary

- 1.1 The decision to proceed with Decriminalised Parking Enforcement (DPE) without car parking charges was agreed at a meeting of North Ayrshire Council on 15 February 2023
- 1.2 The implementation of DPE in North Ayrshire is planned for 28 March 2024 and will enable North Ayrshire Council enforcement officers to administer parking penalties to ensure compliance with parking controls with regard to waiting, loading or parking restrictions.
- 1.3 The Transport (Scotland) Act 2019 bans pavement parking, double parking, and parking at dropped kerbs for pedestrian and cycle access. The secondary legislation to enable enforcement by local authorities came into force in December 2023.

- 1.4 NAC Enforcement Officers may also enforce parking prohibitions with regard to pavement parking, double parking and parking at dropped kerbs for pedestrian and cycle access under the powers provided by the Transport (Scotland) Act 2019.

2. Background

- 2.1 The decision to proceed with Decriminalised Parking Enforcement (DPE) without car parking charges was agreed at a meeting of North Ayrshire Council on 15 February 2023.
- 2.2 Parking Enforcement Officers have been recruited and a supplier engaged to provide systems and training to support the implementation of DPE.
- 2.3 The implementation of DPE in North Ayrshire is planned for 28 March 2024 and this will enable NAC enforcement officers to administer parking penalties to ensure compliance with parking controls with regard to waiting, loading or parking restrictions. All moving traffic offences, matters of obstruction and some temporary waiting restrictions remain the responsibility of Police Scotland.
- 2.4 The Scottish Government introduced parking legislation in 2019 in Scotland to assist in tackling the impact of inconsiderate and obstructive parking to ensure that the roads and pavements are accessible for all. Inconsiderate and obstructive parking on footways and at dropped kerbs as well as double parking causes inconvenience and accessibility issues for all. It particularly affects those with mobility problems, parents with pushchairs and older people.
- 2.5 The introduction of The Transport (Scotland) Act 2019 bans pavement parking, double parking, and parking at dropped kerbs, and gives local authorities the relevant powers to enforce these new provisions. The Act also gives local authorities the power to exempt footways from the pavement parking prohibition in certain circumstances and in accordance with Ministerial directions.
- 2.6 The secondary legislation to enable local authorities to enforce the new legislation came into force in December 2023. It is proposed that the parking prohibitions contained within the Transport (Scotland) Act 2019 are enforced in line with implementation of DPE on 28 March 2024.

Pavement Parking Exemptions

- 2.7 Ministerial Directions, known as The Transport (Scotland) Act 2019 (Pavement Parking Prohibition) (Footway and Associated Carriageway Characteristics) Directions 2022, have been issued to Scottish Local Authorities and detail the characteristics which a footway **must** have in order to be considered for an Exemption Order:

(1) A footway may not be specified in an exemption order unless:

- a) its layout or character would allow for a width of 1.5 metres of the footway to remain unobstructed when any part of a vehicle is parked on it, or*
- b) the layout or character of the carriageway associated with the footway is such that the passage of an emergency vehicle would be impeded by the presence of a vehicle parked on the carriageway.*

The width of 1.5 metres mentioned in paragraph 1(a) is to be measured from the footway edge which is furthest away from the centre of the carriageway (however that edge is bounded).

- 2.8 In accordance with Scottish Government guidance, exemptions should only be deployed in areas where it is absolutely necessary and no alternative solution can be used to maintain vehicular access. Traffic Regulation Order methods, such as one-way streets and parking restrictions (double yellow lines), can be used to regulate parking in areas where poor parking behaviour persists.
- 2.9 There are exemptions which allow pavement parking for specific service vehicles, emergency services, medical practitioners, postal service providers where delivery/collection cannot be achieved without the vehicle being parked on the pavement. There are also exemptions for vehicles used in connection with roadworks and the removal of obstructions.
- 2.10 Enforcing footway parking prohibitions will deliver significant benefits to all users of the footway, providing an unobstructed and safe route for travel. However, it is acknowledged that enforcement, particularly in areas where levels of footway parking are significant, could inadvertently have a negative impact on the wider road network. Mitigation measures such as waiting restrictions and/or parking prohibitions may be considered to address concerns raised. It is also recognised there could be further resource implications in terms of enforcing the pavement parking legislation and we will monitor the situation.

Footway Assessment

- 2.11 Prior to implementation of the pavement parking ban, the Scottish Government provided funds to local authorities to undertake an assessment of their footway network. A footway assessment of current parking behaviour has been completed to identify any areas where parking exemptions may need to be considered in line with the legislation. The assessment was initially undertaken as a desktop exercise with approximately 2700 streets assessed. This identified areas which required onsite inspections, these were undertaken both during the day and in the evenings in order to assess when residents are home and parking on footways may be more prevalent. Further locations were highlighted by elected members that may require to be considered for an exemption under the legislation.
- 2.12 The footway assessments indicated that only a small number of streets in North Ayrshire have significant footway parking where mitigation measures may be required to minimise negative impacts on the wider road network when the regulations are enforced.
- 2.13 In the majority of streets where footway parking is prevalent, there is sufficient road space for vehicles to be parked fully on the carriageway.
- 2.14 In accordance with the legislation, all exempted streets must be signed and lined. Transport Scotland have asked that information on anticipated costs for exemptions, promotion of orders, signing and lining, be submitted to them by 1 April 2024. It is expected that the majority of local authorities will not be in a position to provide costs at this stage. A submission, however, will be made to support possible exemptions in order that if any exemptions are required, these will be funded. It should be noted that

there will be no funding provided for ongoing maintenance of signs and lines required as part of any exemption orders.

Parking Enforcement

- 2.15 A national awareness campaign is being delivered by Transport Scotland on the Pavement Parking Ban and the Council will run a communications campaign aligned with the national approach prior to implementation. As well as this the Council will also run a bespoke communications campaign relating to DPE including local radio and social media messaging.
- 2.16 It is proposed that a soft launch will commence on 28 March 2024 where warning notices rather than penalty charge notices will be issued for a period of 2 weeks in order to raise awareness of the parking behaviours that will incur a penalty once the regulations are enforced. This applies to both decriminalised parking offences and parking prohibitions under the Transport (Scotland) Act 2019.
- 2.17 Warning notices will be issued in areas highlighted through the footway assessment as having significant pavement parking problems to ensure the public are aware that they must not park on the pavements and that continuation of this behaviour may result in a penalty charge notice.
- 2.18 The issue of warning notices is expected to lead to streets being highlighted as requiring further assessment. There are also expected to be concerns raised with regard to displacement into adjacent streets. The assessment of areas of concern will be ongoing as the legislation has its intended effect on parking behaviour.
- 2.19 Officers will assess the impact on the wider network and consider if mitigation measures, such as waiting restrictions/prohibitions, may be required. Where it is identified that parking displacement impacts on the wider network and cannot be resolved through these measures, an exemption order may be considered.
- 2.20 It is anticipated that members of the public may report illegal parking to the Council by way of email/telephone contact and /or photographic evidence in order to have their concerns or parking difficulties addressed. This will provide information to the enforcement team around potential areas that may require attention. Penalty charge notices (PCNs) cannot be issued based on evidence submitted to the council, an enforcement officer is required to be in attendance in order to witness the violation and issue a PCN.
- 2.21 For information, Local Authorities in Scotland that have Decriminalised Parking Enforcement powers are in the process of preparing for enforcement of the new parking prohibitions under the Transport (Scotland) Act 2019. Edinburgh City Council commenced enforcement of parking on pavements, parking at crossing points and double parking in Edinburgh on Monday 29 January 2024 with no exemptions currently proposed, with the impact being monitored thereafter to inform any mitigation measures that may be needed.

Highland Council have been issuing warning notices for the new parking prohibitions since December 2023 and are expected to commence enforcement in February 2024.

3. Proposals

- 3.1 That Cabinet notes that Decriminalised Parking Enforcement will commence in 28 March 2024
- 3.2 That Cabinet notes that the regulations governing enforcement of the new parking prohibitions commonly known as the Pavement Parking Ban came into force 11 December 2023.
- 3.3 That Cabinet notes the approach taken to undertake the footway parking assessments.
- 3.4 That Cabinet approves the proposal for enforcement of the prohibitions contained within the Transport (Scotland) Act 2019 with regard to the ban on pavement parking, double parking and parking at dropped kerbs for pedestrian and cycle access.

4. Implications/Socio-economic Duty

Financial

- 4.1 The Scottish Government provided funding of £67,242 to assist with the assessment process. North Ayrshire Council are awaiting confirmation of whether additional funding may be made available to Councils to meet the cost of processing and making Traffic Regulation Orders or other mitigation measures that may be required as a result of the introduction of the footway parking prohibitions.

Human Resources

- 4.2 The enforcement team in place for Decriminalised Parking Enforcement will also carry out enforcement of the pavement parking provisions. Enforcement officers working hours are between 7.30am and 10pm, Monday to Sunday. The Roads Network team will carry out assessments and consider mitigation measures as required within existing resource. Resource implications from the new pavement parking legislation will be monitored.

Legal

- 4.3 Delegated authority to enforce the legislation is contained within the Delegation to Officers, General Provisions.

Equality/Socio-economic

- 4.4 Implementing these parking prohibitions will be beneficial to all pedestrians, and particularly to those with mobility issues, or with prams, who may benefit most from enforcement of the dropped kerb and footway parking prohibitions. This should also assist in improving accessibility for the community, for accessing public transport and for active travel.

Climate Change and Carbon

- 4.5 There are no direct climate change and carbon implications from this report however the enforcement of parking regulations may encourage more use of public transport and help reduce carbon emissions.

Key Priorities

- 4.6 Wellbeing – ensure our places and spaces where we live, work and visit are well maintained and accessible.

Community Wealth Building

- 4.7 None

5. Consultation

- 5.1 An elected members briefing was held on 5 October 2023 to provide information on DPE and the Pavement Parking Ban. This included the criteria that must be met to consider exemptions from the Pavement Parking Ban. Members have further provided details of locations that they consider may require assessments with regard to displacement into nearby streets. A further elected members update on the implementation of DPE was issued on 29 February 2024.

RUSSELL McCUTCHEON
Executive Director (Place)

For further information please contact **Thomas Reaney, Head of Service (Neighbourhood Services)**, on **01294 324570**.

Background Papers

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19 March 2024**Cabinet**

Title: **Roads, Structures and Street Lighting Maintenance Programme 2024/25****Purpose:** To seek Cabinet approval of the proposed Roads, Structures and Street Lighting Maintenance Programme for 2024/25**Recommendation:** That the Cabinet (a) notes the approach taken to determining the asset maintenance programme for roads, structures and street lighting; (b) approves the maintenance programme for 2024/25, as shown at Appendix 1a and 1b; (c) approves the additional works to the value of £0.75m as agreed at the Council's budget setting meeting, as shown at Appendix 1c and (d) notes that the programme will be issued to the Locality Planning Partnerships for information.

1. Executive Summary

- 1.1 North Ayrshire Council has a statutory obligation under the Roads (Scotland) Act 1984 to manage and maintain its public road network. The adopted road network within North Ayrshire has a total length of 1045m. The core roads assets are currently estimated at a value of approximately £1.7billion.
- 1.2 The Council's Roads Service has adopted an asset management approach to road maintenance to allocate available road maintenance funds to locations that will offer the most beneficial return on investment.
- 1.3 The Roads Asset Management Plan (RAMP) and the roads assets maintenance strategy follows the recommendations contained within the 'Well Maintained Highway's' Code of Practice, ensuring that the Council's statutory obligations as delegated Roads Authority are met.
- 1.4 In complying with the Code of Practice, an effective regime of inspection, assessment and condition recording is well established which assists in not only providing a road network for the future but one that promotes social inclusion and contributes to economic growth within the area. This approach also ensures the Council is providing value for money on any investment attributed to road maintenance.
- 1.5 The proposed Roads, Structures and Street Lighting Maintenance Programme 2024/25 is attached in Appendix 1a and 1b. The Programme is based on approved Revenue and Capital budgets. At the Council's budget setting meeting on 28 February 2024 an additional £0.75m was approved for roads infrastructure. Details of the proposed works are attached at Appendix 1c.

2. Background

- 2.1 North Ayrshire Council is responsible for the maintenance of the adopted local road network including lighting and structures assets as well as its other non-adopted road assets. However, the Council has no responsibility for the maintenance of the Trunk Road Network which falls to Transport Scotland and their management contractor, Amey. The Trunk Road network includes the A78, the A737 from Kilwinning to the Renfrewshire Boundary and A738 from the Pennyburn Roundabout to the A737 Dalry Road Kilwinning.
- 2.2 North Ayrshire Council's roads are the Council's largest community asset and play a vital role in supporting the local and wider economy by facilitating the movement of people, goods and services and connecting people with economic and social opportunities.
- 2.3 The proposed Roads, Structures and Street Lighting Maintenance Programme for 2024/25 has been developed in accordance with the strategy contained within the Roads Asset Management Plan (RAMP) to deliver the maximum return on investment and ensures the provision of an effective road network throughout North Ayrshire.
- 2.4 Road Condition is measured nationally through the Scottish Road Maintenance Condition Survey (SRMCS). The measure in place, the Road Condition Index (RCI), records the percentage of the Council's roads which should be considered for maintenance. North Ayrshire's RCI had been improving in recent years but there was a 0.9% reduction last year with an RCI of 34.8% published in 2023. Our position in the RCI tables also changed from 20th out of 32 authorities to 21st. It should be noted that due to the method employed to calculate road condition, overall RCI is based on the previous 2 to 4 years survey information, as such, improvement from additional investment may not be immediately apparent.
- 2.5 The estimated carriageway maintenance backlog figure for North Ayrshire is currently £38.5m. The 'steady state' figure for maintaining our roads at present condition has increased to £5.5m per year from £4.3m per year.
- 2.6 The previous steady state figure of £4.3m was calculated in May 2019, the revised steady state figure of £5.5m was calculated in September 2023. The revised figure has been calculated using road condition data from 2021 and 2022 for A, B and C classified roads and 4 years of condition data for unclassified roads 2019 to 2022. The treatment rates used in this calculation are Scotland wide treatment costs released by the Scottish Roads Research Board unit cost benchmarking group in August 2023 and are based on actual costs.
- 2.7 Despite road condition improving nationally over the last 4 years, the overall backlog figure for Scotland has increased by 16.3% primarily as a result of an increase in treatment costs. Treatment costs have increased significantly as a result of difficulties in sourcing materials post pandemic, inflationary rises and increasing energy prices, this also impacting significantly on contractor costs. In North Ayrshire, our treatment costs have increased by approximately 18% since 2022/23.
- 2.8 The capital budget supported by revenue funding is £4.3m for 2024/25. This level of investment is outpaced by the 'steady state' figure and may therefore contribute to a deterioration of the road network condition over time. However, it should be noted that

at the Council's budget setting meeting on 28 February 2024 an additional £0.75m was approved for roads infrastructure for 2024/25 which will help reduce the gap between investment and the 'steady state' figure.

- 2.9 Road lighting condition is measured through programmes of structural and electrical assessment and testing and is complemented through the ongoing review of age profile and material type life expectancy. The results are categorised and recorded in the lighting asset management database to inform a prioritised list of replacement schemes. Lighting is allocated an annual Capital budget of £1m to address a 'steady state' position of maintaining our lighting at present annualised depreciation rate.
- 2.10 Bridge and retaining wall condition is also evaluated through a robust inspection programme. General inspections are undertaken every 2 years, while an in-depth 'principal inspection' is carried out every 6 years and the results of the inspections are used to inform work programmes. The results of the inspections are input into a Structures database which is then used to calculate an average Bridge Structure Condition Index (BSClav) based on the total number of assets. The BSClav is currently 86.36 (2022/23 figure) which is within the 'good' classification of 85 to 94. This figure is a slight improvement on the previous year. The allocated capital budget of £560,000 is supported by carryover from 2023/24 giving a total of £695,000.
- 2.11 Details of how condition assessments are carried out and how roads, structures and lighting locations are prioritised for inclusion in our maintenance programme are provided in Appendix 2. The assessment matrix used for scoring and ranking structures for inclusion in the Structures Maintenance Programme is attached in Appendix 3.
- 2.12 The road maintenance programme in 2023/24 mitigated high inflationary cost increases through two factors - by forecasting higher projected costs and building this into the programme early in the financial year and, secondly, the Ayrshire Minor Works Framework contract price being held for the 6 months to September 2023. Works completed by the operational team and any works tendered since then were subject to inflationary rises in material and plant costs as well as contractor price increases. The 2024/25 road maintenance programme has been prepared using increased rates from 2023/24 costs to allow for further inflationary rises in operational costs and to ensure that programmed works can be completed.
- 2.13 The following footway locations are being carried over from the 2023/24 maintenance programme due to an unforeseen contractor availability issue:
- Thorntree Avenue, Beith
 - St Margarets Avenue, Dalry
 - North Street / Braehead Dalry
- 2.14 The following structure contracts are being carried over from the 2023/24 maintenance programme, feasibility and design works are ongoing:
- Seven Acres Mill Bridge (U54)
 - Threadmill Bridge (C99)
 - Carsehead Bridge (B714)
 - Dougarie Bridge (C147)
 - Catacol Bridge (C147)

3. Proposals

- 3.1 That Cabinet notes the approach taken to determining the asset maintenance programme for roads, structures and street lighting.
- 3.2 That Cabinet approves the maintenance programme for 2024/25, as shown at Appendix 1a and 1b.
- 3.3 That Cabinet approves the additional works at a value of £0.75m as agreed at the Council's budget setting meeting, as shown at Appendix 1c.
- 3.3 That Cabinet notes that the programme will be issued to Locality Planning Partnerships for information.

4. Implications/Socio-economic Duty

Financial

- 4.1 The Roads, Structures and Street Lighting Maintenance Programme will be delivered from allocated Capital and Revenue budgets. Estimated costs are detailed within the appendices.

Human Resources

- 4.2 Delivery of the programme will be met from existing staff resources.

Legal

- 4.3 North Ayrshire Council has a statutory obligation to manage and maintain its public road network under the terms of the Roads (Scotland) Act 1984.

Equality/Socio-economic

- 4.4 There are no equality implications. The maintenance programme contributes to the Council's socio-economic duty, as well-maintained roads are essential for the social and economic prosperity of North Ayrshire.

Environmental and Sustainability

- 4.5 Effective programming and management of these assets will assist in reduced carbon associated with mobilisation of unplanned reactive maintenance resources and extends the use of assets in a cost effective and sustainable manner.

Key Priorities

- 4.6 Effective management of these assets contributes to Council plan priorities ensuring that our places and spaces where we live, work and visit are well maintained and accessible.

Community Wealth Building

4.7 The maintenance programme contributes to Community Wealth Building through community benefits clauses associated with maintenance contracts. It is also the case that a proportion of the maintenance programme is also delivered in-house by the Roads Operations Team and Building Services.

5. Consultation

5.1 The maintenance programme will be shared with each Locality Partnership.

RUSSELL McCUTCHEON
Executive Director (Place)

For further information please contact **Susan Macfadyen, Interim Senior Manager, Commercial Services (Roads)**, on **Tel: 01294 324844**.

Background Papers

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Mainland Roads Programme 2024/25

<i>Carriageway Resurfacing</i>			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
A71	Irvine	Warrix Interchange to Greenwood Interchange	£250,000
A737 Marress Road	Irvine	Southbound Carriageway	£200,000
A738 Glencairn St/High Road	Stevenston	Tesco to Mayfield Road	£145,000
B780 Manse Street	Saltcoats	Memorial Roundabout to existing joints	£60,000
B7048 Portencross	West Kilbride	Car park to cottage, from Ardneil cottage for approx 800m, plus patching	£165,000
B781 Yerton Brae	West Kilbride	Full length	£82,000
B777	Beith	From Surface Dressing joint at anti skid on a section starting from Baelochside to Lochend	£115,000
B777 near school	Glengarnock	From Kersland across front of school to bend sign	£100,000
B780 Sharon St/West Kilbride Road	Dalry	Full Length Sharon St to just past Wingfaulds Avenue	£135,000
B780 Roche Way	Dalry	South of James Street towards Townend Street	£63,000
Glebe Road	Beith	Full Length	£122,000
Paddockholm Road	Kilbirnie	Holmhead to Mill Road	£82,000
South road	Glengarnock	Full Length	£56,000
Sycamore Court	Beith	Full length	£37,000
Morrishill Drive	Beith	Dalry Road to Cuff Crescent	£17,000
St Inans	Beith	Full length	£57,000
Garnock Street	Dalry	To No entry signs	£94,000
Lynn Avenue	Dalry	Full Length	£63,000
Finlay Avenue	Dalry	Full Length	£28,000
Newhouse Drive	Kilbirnie	no.73 to Place View	£45,000
New Street	Irvine	Friars Croft to Fullarton Roundabout - include Roundabouts at Greggs and McDs	£186,000
Shewalton Rd	Irvine	Roundabout to Murdoch Place + contribution to Murdoch Place	£126,000
Smithstone Way/Smithstone Court	Irvine	Auchenharvie Place to Kersland Foot	£30,000
Paterson Avenue	Irvine	no. 46 to Stewart Drive	£42,000
Castlepark Road	Irvine	Castlepark Crescent to Castlepark Circle	£74,000
West Doura Way	Kilwinning	A738 to shops	£39,000
Glenbervie Drive	Kilwinning	Part Length	£83,000
Longford Avenue	Kilwinning	From junction of Dubbs Road	£29,000
Love Street	Kilwinning	no. 15 to Moncur Road	£15,000
Cambusdoon Place	Kilwinning	Main access road only	£62,000
B785 Fergushill Road	Kilwinning	A737 to Parkhead Avenue	£78,000
The Roundel	Largs	Full Length	£49,000

Mainland Roads Programme 2024/25

Auchenmaid Crescent	Largs	Full Length to Joint on Scotlaw Drive	£37,000
Seamore Street	Largs	Full Length	£95,000
Montgomerie Crescent	Saltcoats	Melbourne Park towards South Beach to include Traffic Calming	£99,000
Dockhead Street	Saltcoats	Contribution to improvements	£109,000
West Doura Avenue	Saltcoats	Full Length	£55,000
St Andrews Road	Ardrossan	Full Length	£47,000
Moorpark Rd East and West	Stevenston	Include Island crossing point at Moorpark West	£115,000
Golf Road	Millport	Part Length	£94,000
Ritchie Street	Millport	Full Length	£15,000
			£3,395,000

<i>Carriageway Screeding</i>			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Oakwood Drive	Beith	Full Length	£23,000
Windyedge Rd	Dalry	272m section prior to Brodoclea (approx 83m north of Millour Burn)	£30,000
C5 From railway bridge to B706	Dalry	From Jct C68 to railway bridge at Giffen cottage (Multi hog patching required from there to B706)	£49,000
Castlepark Drive	Fairlie	Glen Road to Fairlie castle jct	£15,000
Knoxville Road south	Kilbirnie	Resurface Cway, kerb & surface gravel path including associated lighting works.	£70,000
Kenilworth	Saltcoats	Half width	£10,000
Long Hill	Skelmorlie	Full Length	£73,000
Annetyard Road	Skelmorlie	from Fosterland jct to Eglinton Terrace, include Fosterland jct	£20,000
Misk Knowes	Stevenston	Small section from Ardoch Crescent	£13,000
U35	West Kilbride		£92,000
Lindsay Crescent	Largs	Full Length - high kerb upstand, patch and screed	£55,000
			£450,000

Mainland Roads Programme 2024/25

<i>Footway Resurfacing</i>			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Thorntree Avenue	Beith	Full Length - Odd Nos, 38-56 Even Nos	£26,000
St Margarets Avenue	Dalry	Kittyshaw to Houston Crescent	£50,000
North St/Braehead	Dalry	Regal Court to Braehead Place	£43,000
Raise Street	Saltcoats	Footway one side only (Argyle road to Station)	£31,000
Canal Street	Saltcoats	Robertson Crescent to old railway bridge	£4,000
Manse Street	Saltcoats	Sainsbury car park exit to bus stop at memorial roundabout	£8,000
Braeside	Irvine	Braefoot to Parking Bays	£16,500
Castlepark Footpaths	Irvine	Various Sections	£60,000
Remote Footpath	Millport	Howard Street to Bute Terrace	£18,000
Pennyburn Footpaths	Kilwinning	Various Sections	£40,000
Manse Crescent	Largs	Full Length	£33,500
			£330,000

Mainland Roads Programme 2024/25

<i>Lighting Deteriorated Infrastructure Replacements</i>		
<i>Area</i>	<i>Town</i>	<i>Estimate Cost</i>
Anderson Drive Merryvale Road Lamont Drive Rubie Crescent Broomlands Drive Whitehope Green Braehead Lammermuir Court Moorfoot Way Earncraig Green Pentland Place Windlestraw Court	Irvine	£554,150
West Kilbride Road Lynn Avenue	Dalry	£82,850
Lindsay Avenue Plan View School Wynd	Kilbirnie	£55,010
Montgomery Terrace	Skelmorlie	£74,590
		£766,600

<i>Lighting Deteriorated Column Replacements</i>			
<i>Area</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Various Unplanned Locations			£179,000

<i>Lighting Deteriorated Column Inspections</i>			
<i>Area</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Various Locations			£54,400

<i>Structures Projects</i>			
<i>Structure</i>	<i>Road</i>	<i>Project</i>	<i>Estimate Cost</i>
Seven Acres Mill Bridge	U54	Bridge Replacement	£350,000
Bungle Burn Bridge	A736	General Repairs	£40,000
Threadmill Bridge	C99	Replacement / Strengthening	£160,000
Carsehead Bridge	B714	General Repairs	£35,000
			£585,000

Mainland Roads Programme 2024/25

Carriageway Resurfacing:	<i>£3,395,000</i>
Carriageway Screeding:	<i>£450,000</i>
Footway Resurfacing:	<i>£330,000</i>
Lighting Infrastructure Replacements:	<i>£766,600</i>
Deteriorated Column Replacements:	<i>£179,000</i>
Deteriorated Column Inspections:	<i>£54,400</i>
Structures Projects:	<i>£585,000</i>
Overall Mainland Total:	<i>£5,760,000</i>

Arran Roads Programme 2024/25

<i>Carriageway Resurfacing</i>			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
C3 Ross Road	Slidery	Approx 600m from C147 Junction.	£30,000
C147 Slidery	Slidery	Just north of Slidery heading to Corriecravie	£70,000
C147 Kilpatrick	Kilpatrick	South of previous resurfacing heading to Corriecravie	£150,000
Auchrannie Road	Brodick	Willowdale to Peddar	£25,000
U87 & B880	Machrie	Timber Transport Match Funding	£75,000
C147 Tormore	Machrie	Tormore to Machrie Bridge	£75,000
U86 Levencorroch	Kilmory	Full Length	£30,000
			£455,000

<i>Structures Projects</i>			
<i>Structure</i>	<i>Road</i>	<i>Project</i>	<i>Estimate Cost</i>
Dougarie Bridge	C147	Temporary Strengthening/ Scour repairs	£50,000
Catacol Bridge	C147	Temporary Strengthening/ Scour repairs	£60,000
			£110,000

Carriageway Resurfacing: £455,000

Structures Projects: £110,000

Overall Arran Total: £565,000

Mainland Roads Programme 2023/24

<i>Additional Budget £750,000</i>			
CARRIAGEWAYS			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Smith Street	Dalry	New Street to Car Park	£40,000
West Kirklands Place	Dalry	Full Length	£38,000
A737 Merryvale Roundabout	Irvine	Including A737 North & South Approach	£93,000
A737 Marress Roundabout	Irvine	Various Sections	£60,000
Stockbridge Crescent	Kilbirnie	Various Sections	£52,000
Milton Road	Kilbirnie	Milton Quad to Herriot Avenue	£92,000
A760 Cochrane Street	Kilbirnie	Patching	£15,000
B779 Almswall Road	Kilwinning	Car Park to Nethermains Roundabout, including roundabout	£150,000
A737 Lauchlan Way	Kilwinning	Woodwynd to Church Street	£15,000
Holehouse Court	Largs	Full Length	£45,000
B780 Stevenston Cross	Stevenston	Glebe Street to Post Office	£100,000
C147 Machrie	Machrie	Machrie Tea Room to Machrie Moor Road	£50,000
			£750,000

Condition Assessment and Prioritisation Process

- 1.1 The Audit Scotland Follow-up report, Maintaining Scotlands Roads published in August 2016 stated that Councils should use their RAMPs to establish long term investment plans for maintaining the road network taking into account whole-life costing and treatment options.
- 1.2 As part of the Roads Asset Management process, annual condition assessments are carried out on the public road network as part of the inspection regime. All locations are assessed using a risk based approach.
- 1.3 Condition assessments are carried out simultaneously with the Safety Inspections in accordance with the pre-determined timescales contained within our Safety Inspection Manual. All faults noted during these inspections are logged within our electronic Routine Maintenance System (RMS).
- 1.4 For carriageways, to take account of whole-life and different treatment options the carriageway maintenance programme is developed using road asset management principles. Lifecycle planning is at the core of this approach and takes into account, hierarchies, condition and local community priorities. Preventative treatments are used to prolong the life of carriageway surfaces before their condition deteriorates and requires extensive resurfacing.
- 1.5 The main factors considered are:-
 - Road Condition – based on detailed visual inspection and the Scottish Road Maintenance Conditions Survey (SRMCS).
 - Road Hierarchy – this takes account of the strategic importance of the road and is determined from our Local Transport Plan.
 - Assistance to Council and Community Priorities – this takes account of other priorities such as economic development, access to shops, amenity housing or schools.
- 1.6 Carriageways and footways are both condition assessed and scored in accordance with the assessment table below. These condition scores, RCI data, road hierarchy information and priorities information as above are utilised through our electronic WDM Scheme Manager to target locations for improvement works in order to optimise investment.

Assessment Table

Extent	CONDITION			
	1 (Acceptable)	2 (Safe but poor appearance)	3 (Minor deterioration)	4 (Major deterioration)
1 - Up to 25%		5	9	13
2 – 25% to 50%		6	10	14
3 – 50% to 75%		7	11	15
4 – 75% to 100%	4	8	12	16

Each location is also reviewed at least once a year depending on its location within the Roads Hierarchy as part of the routine inspection process.

- 1.7 There are various types of surfacing materials and processes available depending on the particular road type, location and level of existing deterioration. Options available for treatment include preventative measures such as surface dressing and resurfacing options such as screeding, resurfacing (inlay and overlay), depending on the severity of deterioration full reconstruction may be the most effective option.
- 1.8 The level of investment associated with the varying treatment types identified in the table below was established using the Society of Chief Officers of Transportation in Scotland's cost projection model, developed as part of the Roads Asset Management Planning project. The model assists with identifying the effect of various treatments on the on-going condition of the carriageway. This enables a more accurate design life for the treatments currently available to be developed and ensuring value for money on their use. Costs for works at any location further vary from the figures below depending on restricted working arrangements, traffic management required and the extent of preparatory works necessary to enable resurfacing. There is also an additional uplift for island working of up to 50% for works on Arran and Cumbrae.

Treatment Option Table

Treatment Option	Cost per Sqm 2022/23	Cost per Sqm 2023/24	% Change	Extension to life
Surface Dressing	£3.60	£4.00	+11%	Up to 10 years
Screeding	£11.50	£14.40	+25%	5 – 10 years
Inlay HRA	£22.00	£26.00	+18%	Up to 20 years
Overlay <100mm	£26.50	£33.00	+25%	Up to 20 years
Inlay 100mm	£32.30	£38.00	+18%	Up to 20 years
Reconstruction 300mm	£140.00	£165.00	+18%	Up to 20 years

- 1.9 Street Lighting column replacement is prioritised through non-destructive strength testing to determine the level of deterioration associated with the columns. Following testing, columns are categorised within the Asset Management database for road lighting.
- 1.10 Testing is carried out in accordance with the Institute of Lighting Engineer's Technical Report No.22 Managing a Vital Asset: Lighting Supports as well as UK Lighting Board Code of Practice: Well-lit Highways.
- 1.11 Once results are input, the database then compares these results against the more general age profile to determine a final list of priority repairs. This produces recommendations in order of priority for both individual units and whole streets or areas.
- 1.12 Recommendations are generally categorised as Category A through K as follows:
- A: Immediate replacement
 - B: Replace urgently or reinspect within 6 months
 - C1: Column Material failure, replace as soon as possible or reinspect within 1 year
 - C2: Bracket failure, sleeve where possible or replace unit within 1 year
 - D: Foundation failure, realign, reinstate and reinspect within 6 months
 - E: Material approaching failure, replace as part of planned maintenance programme or reinspect within 2 years
 - F: Material approaching failure, replace as part of planned maintenance programme or reinspect within 5 years

- G: Condition reasonable, but age expired and certified insured for 2 year periods until replaced
- H: Condition reasonable, but age expired and certified insured for 5 year periods until replaced
- I: Acceptable condition but age expired and insured for 5 years periods until replaced.
- J: Sound condition but age expired & visually poor (evidence of concrete cracking etc.)
- K: Sound condition and not age expired – no current requirement for strength structural inspection, visual only at planned maintenance cycle.

1.13 Where non-urgent replacement recommendations (Category F through to J) are on an individual column basis, the data is further analysed to determine a percentage value for recommended replacement numbers against the balance of units in a street. If this figure exceeds 30% then the entire street will be considered for higher prioritisation which will address the design class standard of the street beyond individual replacement for safety reasons only.

1.14 The structures programme is identified based on the structures prioritisation matrix which ranks assets based on a number of factors including its condition, safety, and usage.

Structure Name:
Date when the scoring is carried out:

Enter score based on the description in the following coloured cells

Priority Ranking for structure capital programme

No.	Factors	Maximum Score			Structure Name:	Structure Score Input	Net score	% of total Score	Additional commentry
1	Type of Bridge	1	Score 1 if road bridge and 0 if foot bridge	Culverts, Subways which carry road shall be considered as road bridge as per this scoring system. Structures which carry only pedestrians, cyclists and equestrians shall be considered as footbridge.			NA		
2	Route Factor	40	Score based on NAC route hierachy	Route hierachy Cat 2 - SPT/ NAC strategic routes - 40 Cat 3a - Main distributor routes - 30 Cat 3b - secondary distributor routes - 20 Any other category - 10 Routes serving fewer than 5 properties - 5			0	0%	
3	HGV Restriction factor	60	Score based on weight capacity	Weight restriction 3 tonnes - 60 7.5 to 13 tonnes tonnes - 50 18 tonnes - 40 26 tonnes - 30 No weight restriction - 0			0	0%	
4	Condition factor	10	Score based on the condition of the bridge	Sliding score based on 0 for very good condition to 10 for poor condition. (10 - (BCI crit/ 10))			0	0%	
5	Deterioration factor	10	Score based on the rate of deterioration of the structure	Sliding score based on 0 for very slow deterioration to 10 for rapid deterioration			0	0%	
6	Pedestrian factor	20	Score based on pedestrian usage. Bridges with footways of heavy pedestrian usage shall score a maximum of 30.	Structures with footways in heavily used urban areas score 20. Score 20 if route is access to a school or railway station. Apply a sliding scale going down to 0 for rural structures without footways.			0	0%	
7	Flooding factor	40	Score based on the potential for the existing structure to contrubute to flooding	A structure that makes no contribution to flooding risk will score 0. Structures that are know to increase the risk of flooding due to restrictions in width or soffit height will score 30.			0	0%	
8	Scour factor	60	Score based on risk of collapse due to expose to scour in heavy flow conditions	Risk of collapse of structure due to scouring. Structures which have been deterioted severely because of inadequate scour protection and on verge of collapse score maximum. Scour risk based on a sliding scale.			0	0%	
9	Parapet Condition Factor	15	Score based on the condition of the parapets	Structures with substandard Parapets with poor conditon will score 15 . Structures with substandard parapets with a 'monitor only' recommendation will score 10. Structures which have parapets to current standards will score 0.			0	0%	
10	Parapet Risk Factor	10	Score based on risk in the event of a parapet collapse leading to high risk injuries and human casualties.	What is the likelihood of severe injury or even death while the parapet is open to use considering the condition of the structure. Risk based on a sliding scale.			-5	100%	

11	Delay factor	10	Score based on whether existing restrictions such as limited width cause delays at the structure	Structures where delays are caused by width, weight, height or other restrictions such as traffic lights will be given a score higher than zero. Delays less than 2 minutes at peak times will score 5 and longer than 2 minutes will score 10. Score maximum if fire station, railway station or hospital affected by delay.		0	0%	
12	Structure Risk factor	10	Score based on risk in the event of a Structure collapse leading to high risk injuries and human casualties.	What is the likelihood of someone getting a high risk injury or even death while the structure is open to use considering the condition of the structure. Risk based on a sliding scale.		0	0%	
13	Maintenance factor	20	Score based on maintenance required to keep the existing structure open.	Score based on known maintenance history and requirement. No maintenance requirement will score 0. Listed structures score 15.		0	0%	
14	Diversion factor	10	Score based on the length of the diversion route if the structure is closed in an unplanned manner with no finite time limit.	Score based on diversion length. Any diversion equal to or more than 20 miles scores 20. Score 1 for each 2 miles of diversion up to 20. Score 10 if a road closure adversely affects a fire or railway station or hospital. Score 10 if there is no alternative diversion.		0	0%	

-5

Note maximum score that can be achieved for road bridge= 500

Priority level Chart		Structure Name: 00-Jan-00 Date of Scoring: 00-Jan-00							
Priority Level Indicator		Overall works (500)		Structure works (100)		Parapet works (70)		Scour Protection (60)	
		Level	Score	Level	Score	Level	Score	Level	Score
No Action Rquired									
Low Priority									
Medium Priority									
High Priority									
Immediate action required									

Note : Works are divided above into three sub categories as each work can be independent and each has its own significance in terms of attention required.

NORTH AYRSHIRE COUNCIL

19 March 2024

Cabinet

Title:	North Ayrshire Leisure Limited (NALL) Performance and Impact Report incorporating the 2024-25 Budget.
Purpose:	To seek Cabinet's approval for the North Ayrshire Leisure Limited (NALL) Performance and Impact Report incorporating the 2024-25 Budget.
Recommendation:	That Cabinet: <ol style="list-style-type: none"> a) Notes the North Ayrshire Leisure Limited (NALL) Performance and Impact Report incorporating the 2024-25 Budget; b) Notes the projected out turn budget position in 2024-25; and c) Authorises officers to continue to progress the recovery and development of the business.

1. Executive Summary

1.1 North Ayrshire Leisure Limited (KA Leisure) aims to improve health and wellbeing through physical activity. The work of the leisure trust includes:

- Supporting physical activity
- Improving health and wellbeing;
- Providing quality experiences
- Supporting and developing community sport
- Enhancing skills through training; and
- Creating pathways to employment.

1.2 Prior to the Covid-19 pandemic, KA Leisure consistently recorded significant increases in participation across programmes and facilities. Equity of opportunity is at the heart of the approach. The impact of the pandemic and resultant restrictions had a severe impact on the business through temporary closures during 'lockdowns' and adaptations to buildings to accommodate new guidance. This was partially mitigated by the furlough scheme, a phased return and greatly accelerated digital programmes.

1.3 The Council's Financial Recovery Plan for 2020/21 was presented to Cabinet on 8 September 2020 and included approval of additional cashflow management support to KA Leisure of up to £2.743m to ensure they continued to operate as a going concern and met their cash liabilities at the time. Cabinet approved the North Ayrshire Leisure Limited (KA Leisure) Recovery and Renewal Plan in February 2021 and a progress report was presented in September 2021. The Performance and Impact Report presented in February 2022 provided a further update on the implementation of the

Plan. A further update presentation was made to members in December 2022. The additional cashflow support is being exhausted as the company continues to recover.

- 1.4 In 2022/23, operations returned to more normal levels of activity. In the financial year 2021/22 KA Leisure incurred a trading deficit of £35,423 after allowing for the core contribution from North Ayrshire Council. In the 2023/24 financial year this has been further reduce to a trading deficit of £13,974.
- 1.5 Despite this, there continue to be consequential financial impacts on KA Leisure particularly from the increase in operational costs due to rising prices. This continues to present challenges; however the Council and KA Leisure continue to work closely on operational and financial planning and importantly, in addressing the financial pressures and further developing and refining the operation of the organisation.

2. Background

- 2.1 North Ayrshire Leisure Limited trades as KA Leisure. They are a Company limited by guarantee and a registered Scottish Charity and are also a not-for-profit organisation and any surpluses generated are reinvested across the Company. They are governed by their Articles of Association which includes their charitable objectives.
- 2.2 KA Leisure aims to improve health and wellbeing through physical activity, regardless of age or background and, to fulfil these goals, will continue to encourage participation, operate facilities, and create innovative opportunities to help the inactive become active. The Recovery and Renewal Plan balances the focus on those who participate in physical activity and sport and, in line with the North Ayrshire Active Communities strategy, those who are not active because inactivity carries significant health, social and economic risks. Working with partners in North Ayrshire and beyond, KA Leisure continues to develop innovative programmes and to participate in the North Ayrshire Active Communities Strategy and the DrEAM (Drop Everything and Move) events. KA Leisure are the lead partners in the Wellbeing Alliance, which delivers on the wellbeing aspirations of the North Ayrshire Partnership Plan.
- 2.3 The impact of Covid restrictions on programme delivery is now gone, and membership income has returned to nearer pre-pandemic levels, in excess of 8,800. There still continue to be considerable financial implications, however, from the increase in utilities prices and other costs, and regular planning, support and finance meetings take place to ensure there is integration with the Council's ongoing financial planning. Trading income for the year is projected at over £380,000 more than in 2022/23 which shows the ongoing growth and expansion of the business.
- 2.4 A permanent Chief Executive was appointed by the organisation in 2023. This is providing stable leadership for the organisation as it focuses on developing its new adaptive model. The organisation has undertaken a restructure of its senior management team which has realised savings against their yearly costs. The Council continues to provide HR support at present and in the future will maintain strong links with KA to ensure it can benefit from the expertise of the Council. Work will continue to ensure that the organisation operates as efficiently as possible.
- 2.5 KA Leisure has a national reputation for its excellent community health, wellbeing and recovery programmes and these were highlighted at Cabinet in September 2021 in the Health and Wellbeing Service Performance and Impact Report. In light of their

experience in this area and the experiences of the pandemic, KA Leisure has aligned itself more closely with the new North Ayrshire Partnership Plan for 2022 – 2030. KA Leisure is now the lead partner of North Ayrshire’s Health and Wellbeing Alliance, with a partner launch event being held in June 2023. The Alliance builds on extensive existing work to develop the Wellbeing priority from the Plan.

Venue Portfolio

- 2.6 KA Leisure continues to offer a modern and diverse portfolio of venues across North Ayrshire and to use these to seek new and innovative ways to engage with communities. The organisation continues to invest to ensure the best possible experience for members and users of the facilities.

Wellbeing Alliance

- 2.7 KA continues to be the lead partner in the development of the Wellbeing Alliance. The Alliance is a multi-level leadership body for the development and delivery of the wellbeing Local Outcome Improvement Plan priority for North Ayrshire Community Planning Partnership. The Alliance aims to deliver large scale meaningful change as the shared vision creates a closer relationship between health and leisure, built on social prescribing, co-location of services and the delivery of preventative activity opportunities. The work aims to tackle health inequalities by co-locating services, delivering preventative activities and strengthening the relationship between health and leisure. As the Alliance has begun to mature, a focus has emerged on three areas:

Practice: Understanding what we already do, learning from this and celebrating where we are

Partnerships: Reflecting on opportunities for network and partnership working

People: Thinking about the people we support and their current life experiences

These key themes will continue to influence the development and delivery of Alliance activities.

Fitness

- 2.8 New health and fitness products continue to be developed. Updated equipment at the Portal offers access to the latest technology so that users can track their workout performance both inside and outside of the gym and monitor their progress towards their goals. KA continues to focus on the customer experience and creating a welcoming and inclusive environment that encourages customer retention.

Digital

- 2.9 The Customer Relationship Management system allows customers to be kept more up to date than ever, while use of online tools for communication helps engage with communities and partners. The KA Leisure app has been downloaded over 15,000 times since its launch. A new platform for swimming waiting lists, registrations and swimmer journeys has helped to ease the process for service users. Digital transformation in order to be fit for the future is a high priority for the organisation.

Health & Wellbeing Service

- 2.10 KA Leisure’s Health & Wellbeing Service continues to expand to deliver innovative programmes. The Walking for Health programme offers opportunities for gentle exercise, social interaction, volunteering and now a dog friendly walk at Eglinton Park. The focus of the service is to include those who are vulnerable, isolated and at greatest risk of inactivity by offering them the right support at the right time within their community.

Community Sport

- 2.11 Community sports hubs continue to support registered clubs and provide volunteering opportunities, with 65 clubs now registered. Inspire membership allows children and young people to experience sporting activities, arts, drama, dance and music, with 403 participants and over 100 classes now on offer each week. 16 weekly walking groups offer social opportunities and increased activity for those with medical conditions.

People and Partnerships

- 2.12 KA Leisure continues to deliver its Wellbeing at Work programme, aimed at developing a positive health and wellbeing culture and encouraging employees to take a proactive part in this. The “Know the Way, Show the Way, Go the Way” programme also encourages the culture of continuous improvement by supporting staff to embrace the right attitudes and behaviours in all areas of work. The staff team also work with a wide range of partners to help maximise the benefits of their offer to communities across North Ayrshire.

Financial Implications

- 2.13 Financial planning for 2024/25 is being undertaken using the best information currently available, particularly in relation to utility costs. The ongoing cost of living crisis and utility price rises create some uncertainty. The business continues to progress towards its aims of achieving financial sustainability in the short, medium and long term. Further growth and expansion as well as the consolidation of existing offers will help to achieve these aims.
- 2.14 North Ayrshire Council continues to support KA Leisure using previously identified and agreed funding.

3. Proposals

- 3.1 It is proposed that Cabinet:

- (a) Notes the North Ayrshire Leisure Limited (NALL) Performance and Impact Report incorporating the 2024-25 Budget;
- a) Notes the projected outturn budget position in 2024-25; and
- b) Authorises officers to continue to progress the recovery and development of the business.

4. Implications/Socio-economic Duty

Financial

- 4.1 The financial position continues to be closely monitored by North Ayrshire Council and the KA Leisure Board. The Council and KA Leisure continue to work together on medium term financial planning. While there remains uncertainty regarding future costs, in particular relating to utilities, KA Leisure staff will ensure that future expenditure represents the best value possible at all times.

Human Resources

4.2 The Council and KA Leisure continue together to align workforce planning and the KA Leisure Recovery and Renewal Plan.

Legal

4.3 There are no legal implications in the current report.

Equality/Socio-economic

4.4 As set out in the report KA Leisure continues to focus much of their activity on individuals and groups requiring specialist support and activity, thus closing the inequalities gap across a number of themes. The Health and Wellbeing Service and Community Sport continue to address health inequalities and this provides the starting point for the refocusing as a community health and wellbeing company. The Wellbeing Alliance aims to work with partners to delivery large scale change that also includes preventative action.

Environmental and Sustainability

4.5 Energy efficiencies continue to be sought through improvements in venues.

Key Priorities

4.6 The services delivered by KA Leisure support the North Ayrshire Council Plan strategic aims:

- To transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people.
- We will have active, inclusive and resilient communities.
- A Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities.

Community Wealth Building

4.7 The proposal contained within the report creates and maintains employment opportunities and volunteering and skills development opportunities.

5. Consultation

5.1 Consultations take place with KA Leisure on an ongoing basis and partners. Customers and prospective customers are the focus of regular engagement by KA Leisure and North Ayrshire Council

Audrey Sutton
Executive Director Communities and Education

For further information please contact **Rhonda Leith, Head of Service (Connected Communities)**, on **(01294) 324415**.

Background Papers

Appendix 1: KA Leisure Performance and Impact Report incorporating the 2024-25 Budget



| leisure

A woman with blonde hair, wearing a black tank top, is smiling and assisting a young child with a handstand on a yellow horizontal bar. The child is wearing a colorful floral swimsuit and is upside down, holding onto the bar with both hands. In the background, another child is visible on a red mat, and the setting appears to be a well-lit indoor gym or activity room with wooden floors and large windows.

PERFORMANCE & IMPACT REPORT

Incorporating 2024/25 Budget

**CONNECTION, ACTION AND IMPACT
KEEPING NORTH AYRSHIRE ACTIVE**



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Welcome from **THE CHAIR**



I am delighted to share with you the Performance and Impact Report for 2023. As with many communities and organisations across the country, the past year has presented significant challenges for North Ayrshire. The COVID-19 pandemic cast a long shadow over daily life, followed by rising energy prices and increased living costs, which ultimately limited household disposable income and resulted in reduced spending. However, despite these challenges, KA Leisure remained resilient and adaptive in its approach to supporting the local community.

Despite these ongoing challenges, KA Leisure was able to attract new and returning memberships, which is coupled with an increased rate of retention of current members. It

is also pleasing to see an increase in subscribers across the Learn to Swim programme and Inspire memberships.

We have continued to make significant influences on community health through our Health and Wellbeing Service. It supports people with health issues, including mental health problems, to recover, grow confidence and improve their wellbeing. The team has extensive expertise which gives confidence and trust from our partners who continue to support and fund our breadth programmes. Further developments within the Parkinson's

and ACTIVATOR programmes have increased our reach and supported people to access vital services.

Furthermore, KA Leisure provided free swimming and skating events in July, thanks to funding support from North Ayrshire Council. The organisation also removed further barriers to being active by launching a recycling programme for clothing, footwear, and sports equipment and opened the first pop-up shop in September.

In addition to KA Leisure's focus on physical health, the organisation has a growing cultural programme that





includes theatre, drama, singing, art, percussion, and dance. Many of these activities are a part of our children's Inspire programme. By combining the arts with physical activity opportunities, we ensure children and young people can try

a range of activities while more importantly having fun.

I have also been pleased with the continued collaboration with North Ayrshire Council and a range of partners to establish a Community Health and Wellbeing Alliance. This

innovative initiative aimed to align the efforts of all parties involved in improving the quality of life of North Ayrshire residents. We are eager to progress in 2024 when we will realise our collective vision.

KA Leisure's strengths lie in its ability to innovate and adapt to change. We are grateful for the dedication and commitment of our employees, Board of Directors, and all strategic partners. It is with great optimism that we look forward to the future and continue our efforts to support the health and wellbeing of the North Ayrshire community.



Ashley Pringle

Ashley N Pringle
Chair



Who
WE ARE



For over 20 years, we have been dedicated to promoting, supporting and inspiring people to lead more active and healthier lives – a mission that is more vital than ever in these challenging times. As we enter a new year, our mission remains the same but the methods we use to achieve this continue to evolve significantly.

We offer a wide range of programmes that contribute directly to the physical, mental and social wellbeing of North Ayrshire residents. Our organisation is the driving force of physical activity in the area, with state-of-the-art facilities such as gyms, pools, leisure centres, golf courses, sports pitches and more. This is combined with our dedicated commitment to partnership working which delivers innovative and inclusive initiatives that address the diverse needs and aspirations of our communities.

Company Structure

North Ayrshire Leisure Limited is a Company limited by guarantee and has charitable status. The Company's trading name is KA Leisure. The Company is governed by its Articles of Association. The Company is a not-for-profit organisation, any surpluses generated are reinvested in improving facilities and services.

Directors

- ▶ A Pringle (Chair)
- ▶ H Campbell
- ▶ J McClung
- ▶ J Montgomerie
- ▶ I Murdoch
- ▶ J Sweeney
- ▶ A Todd
- ▶ L Tulloch
- ▶ Vacant

As set out in the Company Articles of Association the maximum number of Directors is nine and comprises of the following; a maximum of four Directors appointed by North Ayrshire Council, a maximum of four Directors appointed from, and representative of, the North Ayrshire area (with skills to assist the Company in carrying out its objects), a maximum of one Director appointed from and by the employees of the Company.

The Board of Directors meet at least six times a year to consider Company business. The Company has an HR Committee and Audit Committee.

Senior Management Team

- ▶ Malcolm McPhail – CEO
- ▶ Laura Barrie – Head of Active Communities

2023 HIGHLIGHTS



Recycling for Sport: How We Turn Old Gear into New Opportunities

We launched our recycling programme for pre-loved sports clothing, footwear and equipment. Delivered in partnership with the Community Sport Hub Programme the collection bins are located across our portfolio of venues. Donations can be accessed by individuals, sports clubs and community groups. Several free pop-up shops have been held throughout the year including a collaboration with partners at Children 1st.

Inspiring, Educating and Challenging the Future Generation



This 4-week programme launched in April and provides 12-15 year olds with an introduction to a gym environment. These sessions provide information on how to exercise safely and effectively whilst looking to inspire, educate and challenge the Future Generation. Over 350 young people took part throughout 2023.

Co-creating a Wellbeing Alliance

In June we held our first planning workshop for North Ayrshire's new Wellbeing Alliance. The event was attended by over 80 individuals and included partners from public organisations and the third sector. The event contained a range of activities which will be a valuable first step in defining the shape and scope of this future Alliance, which challenges us to think creatively - and perhaps differently, too!



Summer of Activity

Over 1,200 young people took part in a wide variety of camps, lessons and activities across the summer break. We were also delighted to aid partners with over 120 free or funded places for families they support across North Ayrshire. In addition, our free skate and swimming sessions attracted 9,239 visitors thanks to funding from North Ayrshire Council.



Supporting the Teachers of Tomorrow

Support was secured from the Developing Young Work Force fund for twelve young people to participate in a swimming teacher programme. This has provided employment avenues and supported us to expand our Learning to Swim programme.

Global Students Join Scottish FA Training at KA Leisure

We were delighted to host the Scottish FA's National C Licence course. The training included students from across the world including Africa, the Americas and Europe. Tutors included KA Leisure's Assistant Community Sport Manager, Craig Hamilton.



Kilwinning Academy Young Leaders Support Intergenerational Activities

Active Lifestyles hosted a Winter Games event that delivered fun festive-themed activities to those who attend our Active North Ayrshire classes. With the support from our partnership with Kilwinning Academy, we were aided in delivery by young leaders who volunteered their time and helped us create an intergenerational environment full of fun!





What
WE DO

Our VENUES

Our venues remain the heartbeat of our communities providing more than just areas for physical activity. They are social spaces that allow us, our partners, and community groups to deliver activities which improve both the physical and mental wellbeing of our residents.

We welcomed 1,126,555 visitors across 2023 which was an increase of 10% in comparison to 2022.

This is a testament to the quality of our venues and dedicated staff teams. Despite the increased price of energy, and growing cost of supplies, services and staffing, we are committed to ensuring affordable access, with most of our prices remaining below the national average.

Throughout the year the service at Kilwinning Community Sport Hub (Kilwinning Academy) was temporarily interrupted by delayed refurbishment works which impacted gym users. Service has now resumed as normal following completed works. In addition, we also experienced recruitment and staffing issues on the Isle of Arran which has brought periods of interruption to Arran Community Sport Hub (Arran High). We are working with partners to widen recruitment opportunities and create more sustainable roles.

Our facilities offer more than just sport and physical activity spaces.

The Vikingar! Experience is a unique heritage attraction that showcases the life and culture of the Vikings in the 12th century. Thanks to a generous grant of £25,742 received from the Place Based Investment Fund, we have upgraded and modernised the attraction including improved entrances, updated audio-visual equipment and refreshed exhibits.

Leisure Venues

- ▶ Auchenharvie Leisure Centre, Stevenston
- ▶ Garnock Community Campus, Glengarnock
- ▶ Portal, Irvine
- ▶ Vikingar!, Largs

Community Sport Hubs/Campuses

- ▶ Arran High School
- ▶ Dalry Primary School
- ▶ Greenwood Academy
- ▶ Kilwinning Academy
- ▶ Largs Academy
- ▶ Stanley Primary School (Company acts as booking agent only)
- ▶ St Matthew's Academy
- ▶ West Kilbride (in partnership with West Kilbride Community Association)

Golf Courses

- ▶ Auchenharvie, Stevenston
- ▶ Ravenspark, Irvine
- ▶ Routenburn, Largs

Outdoor Sports Facilities



FITNESS



We are dedicated to providing a programme which is focused on the complete experience for our customers.

We understand the power of connection and support when it comes to reaching your fitness goals. The objective is to enhance both the physical and mental wellness of our community, promoting a healthier lifestyle overall. That's why we've created welcoming and inclusive environments where participants can meet like-minded individuals who share a passion for health and wellbeing.

We have –

- ▶ Grown to 8,022 members
- ▶ Increased the average length of stay from 10.5 to just under 14 months.
- ▶ Increased the average yield to £23.41 per member.

Our enhanced customer journey, agility in adapting to emerging industry trends, and unwavering commitment to equipping our staff teams with the necessary training and skills have significantly contributed to our increased memberships and improved retention rates.

Our growth across 2023 was also supported by the reopening of fitness suites at Garnock Community Campus, West Kilbride Campus and the upgraded equipment at the Portal which were all completed in late 2022. Upgrades at the Portal included the integration of the digital platform Pulse TRAKK. TRAKK utilises the latest technology to create a connected digital experience, allowing members to track workout activity inside and outside of the gym as well as monitor body composition through Tanita. Combined with the

ability to connect to Pulse Fitness equipment, TRAKK tracks distance, speed, heart rate, weight lifted, and calories burned.

ELEVATE ACADEMY

Our Elevate Academy, launched in January 2023, offers 12-15 year olds the opportunity to access our fitness suite and learn how to maximise their training. Throughout 2023, we have welcomed over 350 participants who joined our weekend sessions and intensive courses during school breaks.

2024 will include the redevelopment and digitalisation of our personal training offer to create a fully immersive experience. Our digital developments will continue with a focus on digitally transforming processes across customer service, customer journeys and communication systems.

Highlights

70,252

Attendances across group exercise in 2023

Over 15,000

KA Leisure App downloads since its launch

AQUATICS

We provide access to four swimming pools across North Ayrshire providing a range of activities for swimmers of different levels and preferences, such as swimming lessons, aqua classes, lane swimming sessions, and family fun swims.

Our pools attracted 296,415 visitors across the year. This was supported by increasing our number of aqua aerobic classes and the reintroduction of fun run sessions and birthday parties. However, a national shortage of lifeguards continues to have a significant impact on our programme and has increased service disruption. We will continue to address this across 2024 by launching additional training courses for both the public and interested staff members across other roles.

The Learn to Swim (LTS) programme is available at all four pools offering high-quality swimming instruction for people of all ages and abilities. In the past year, we have currently over 1,700 participants enrolled in our various levels and classes, from beginners to advanced; from toddlers to adults. This means that our lessons are operating at around 80% of our capacity, which is a commendable achievement given the challenges posed by teacher shortages. Whilst this is encouraging we have recently adopted a new digital platform to assist with registration, waiting lists and swimmer journeys. This system will support us to maximise capacity.

A Crash Course lesson programme was launched during the school holidays in 2023, providing 583 children who were not enrolled



in our LTS programme with an opportunity to experience introductory lessons.

We also successfully resumed 1 to 1 lessons during the October school break. This is in addition to ASN swimming lessons which were added to the timetable at Vikingar! in November. Both will be added to our programme across our pools in 2024. This is part of our commitment to provide accessible and inclusive swimming opportunities for people with additional support needs.



Highlights

1,790

Learn to Swim Members

447

Swim Only Members

GOLF



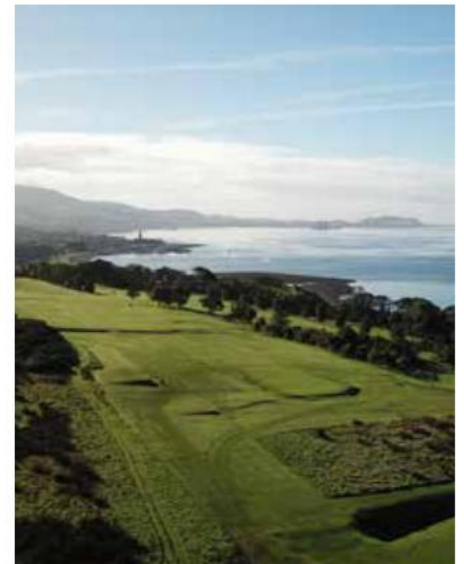
We are proud to offer three golf courses for our customers. Whether you prefer the 18-hole courses of Ravenspark and Routenburn, or the 9-hole course and driving range of Auchenharvie, you will find a scenic experience in the stunning North Ayrshire landscape.

Our golf courses attracted 37,500 visits last year, showing a remarkable growth in both golf rounds (30.5%) and driving range usage (64%) compared to the previous year. Despite the unfavourable weather conditions in the summer, our golf enthusiasts have shown their passion and loyalty for the sport, which has increased by 13% in Scotland since

2022. We are especially grateful to our customers at Auchenharvie, who have been patient and understanding during the essential works carried out by Caledonia Water to fix the sewage pipe problem that affected part of the course. We are happy to announce that the works are now completed, and the 4th tee will be restored to its original condition.

We have developed an exciting new initiative which promotes physical activity and social inclusion to enable those with supported health conditions to participate in the game. We will continue to expand this programme for the 2024 season.

In 2024, our current golf provision will be enhanced by the appointment of an Outdoor Sports and Golf Manager, who will work closely with the associated clubs and improve the development of golf and the quality of our courses. We will also focus on coaching through our Community Sport section, introducing the game to young people and increasing club involvement.



Highlights

1,094

Members

37,500

Visits

ICE

Auchenharvie Ice Rink hosts a variety of ice sports and activities for our customers. The ice rink is home to 14 clubs that offer opportunities for ice hockey, figure skating, speed skating and curling enthusiasts.

In 2023, we were delighted to resume many special events for our clubs that had been postponed due to the COVID-19 pandemic. These events showcased the skills and talents of our club members and attracted further participants and spectators.

The demand for ice time remains high, especially after the closure of Ayr ice rink with many clubs seeking a new home. We look forward to working with the clubs old and new to foster and build an ice community

that increases our communities access to ice sports. We aim to increase the utilisation of ice, the membership of clubs and the awareness of ice sports among our customers. This will include more opportunities for the public and clear pathways from public skating to club sports.

The utility costs for our portfolio have risen significantly. Auchenharvie has faced a high cost due to its pool and ice rink facilities. To improve efficiency, we invested in new boilers for the gym, ice rink and office/reception areas.

Highlights

93,301

Attendances

14

Resident clubs



Health and WELLBEING

At KA Leisure, our mission is to enable everyone to enjoy the positive impacts of physical activity. Through a diverse range of programmes, we strive to empower participants to improve their health and wellbeing.

Within our Health & Wellbeing Service, we provide a wide array of activities in local communities to assist individuals in becoming more active and adopting healthier lifestyles.

Our Health & Wellbeing Service has four key service areas:

1. Active North Ayrshire (ANA)
2. Community Outreach
3. ACTIVATOR
4. Bridgegate Active Zone and Health and Wellbeing Hub.

All of which provide fun and accessible ways for people to start their active journey.

We continually strive to deliver innovative programmes through collaboration with key partners who share the same outcomes which:

1. Engage with priority groups including those who are vulnerable, isolated and at greatest risk of inactivity.
2. Support prevention and early intervention. Offering the right support at the right time in the local community.
3. Target specific health issues including long term conditions and mental health and wellbeing.

Active North Ayrshire

Within ANA, 897 new referrals were screened in 2023.

▶ **31% male / 69% female**

Reasons for referral:



- **9%** Weigh To Go
- **5%** Parkinson's
- **18%** Mental Health Support
- **10%** Falls Prevention
- **5%** Cardiac Rehab
- **3%** Cancer Prehab/Rehab
- **2%** Doorstep Intervention
- **21%** MSK/Ortho Prehab & Rehab
- **1%** Pulmonary Rehab
- **26%** HARP

We've incorporated numerous new features into ANA to ensure we can keep up with the growing demand for support, reduce waiting times, ensure comprehensive participant preparation, offer a diverse range of activity options, and deliver the best possible value.

This includes:

▶ ANA Introductory Sessions

These sessions take place weekly across all venues and

provide a detailed overview of the programme, and the chance to meet other participants. The introduction of the sessions has significantly reduced waiting time from point of referral to first appointment and provides a more seamless transition to participation in physical activity.

▶ ANA Membership

This offers ANA participants unlimited access to our state-of-the-art fitness suites, pools and classes. In addition, it provides the opportunity to join our condition-specific classes that support different health needs. These are designed to provide value for money and to encourage more regular participation in supported physical activities.

▶ Bespoke Training Pathway

To address ongoing challenges related to recruitment of staff with a qualification in physical activity on referral, we created a comprehensive training programme which enables new employees to work towards gaining the appropriate specialist qualifications and valuable practical experience.

The programme continues to rely on external funding to provide person centred physical activity interventions, and securing external funding will continue to be essential for the sustainability and development of ANA in 2024.

Mind & Be Active

Our Mind and Be Active programme continues to support people to improve their mental health and wellbeing through supported physical activity.

- ▶ **198** 'Active' MBA participants in the programme
- ▶ **51** new referrals were in recovery from addiction
- ▶ **74** participants required a high level of support
- ▶ **51** active members currently receiving longer-term support (beyond 12 months)

Highlights

472

ANA Memberships purchased since launch

71

Physical activity opportunities each week

363

ANA participants identified that they required support to manage their weight.

Highlight

In 2023 we were awarded a physical activity grant from Parkinson's UK which allowed us to continue to develop weekly physical activity opportunities designed specifically for people living with Parkinson's.

Community Programme - Walking for Health

Our team collaborates with local communities in diverse settings to offer activities tailored to individual needs and preferences. Whether it's an inclusive open session or a targeted closed one, we ensure the delivery of high-quality and enjoyable activities. This encompasses our renowned Walking for Health programme, supported by funding from Paths for All, NatureScot, and the North Ayrshire Green Health Partnership. These walks are led by either a member of the Active Lifestyles Team or one of our fully trained Walk Leader Volunteers.

We were delighted to launch our first dog-friendly walk at Eglinton Country Park in 2023. Every week, dog owners and their furry friends join us for a social gathering and a leisurely stroll around the park. Additionally, we delivered Walk Leader training for young individuals from Irvine Royal and Kilwinning Academies. They acquired skills in planning, leading, and evaluating walks for diverse groups and abilities. We take pride in their accomplishments and eagerly anticipate seeing them take the lead in more walks in the future.



ACTIVATOR

Our mobile health and activity unit, the ACTIVATOR, offers essential health checks and lifestyle advice. The dynamic programme encompasses visits to various communities throughout North Ayrshire, including community groups, libraries, schools, events, and workplaces.

Teaming up with the NHS Ayrshire and Arran Blood Borne Virus and Sexual Health Team, the ACTIVATOR led a focused intervention initiative across Ayrshire & Arran. Introduced in May 2023, the programme reached out to individuals who are traditionally hard to engage and delivered early intervention services. Due to the success of this new way of working, further partnership projects are planned for the future.



Upon Referral:

- ▶ **75%** of participants did not meet the recommended 150 minutes of physical activity per week
- ▶ **16%** of participants met the recommended 150 minutes of physical activity per week but required support for a long-term condition
- ▶ **9%** of participants exceeded 150 minutes physical activity per week but required support for a long-term condition

Community SPORT

At KA Leisure, we understand the vital role that sport plays in creating healthy and happy communities. Our programmes are designed to help people connect socially, enhance their confidence, and improve their physical and mental wellbeing. We believe that everyone deserves to enjoy the benefits of sports, no matter their age, ability, or background.

The Inspire Membership continues to be a huge success with a growing number of subscribers. Since its launch, we have witnessed a remarkable increase in families using this affordable and flexible option to access our programmes and leisure facilities. We have given

memberships to those who may not have been able to afford them and lowered costs for partners with funding to ensure they can support health, wellness, and community for those they serve.

Our community programme continues to expand with over 100 classes per week across all localities. These include arts, drama, music and dancing which gives young people the chance to experience more than just sport. We have also partnered with several local sports clubs to deliver introductory classes providing clear pathways from community to club sport.

Our sports clothing and recycling scheme has been key to removing barriers to participation. Donation boxes are located across our venues and we have been overwhelmed by the generosity of our communities. We have also partnered with community sports clubs and local businesses that have hosted donation bins.

North Ayrshire Alcohol & Drug Partnership (ADP) continued to fund our Champions for Change programme which uses sport and physical activity to educate children and young people on the dangers of substance misuse. In 2023 we visited 19 schools and worked with over 1,400 pupils.





Supporting everyone to take part in sports activities is a core part of everything we do. Our team has worked with partners including Active Schools and Scottish Disability Sport to ensure all our classes are accessible to those with additional needs. We have added seven new classes exclusively for those with ASN across the period which includes closed groups with partners.

2024 will see the introduction of a club accreditation scheme for our Hub Clubs. This will provide support, pathways and guidance for clubs to achieve their goals and create more opportunities for our communities to participate in sports and physical activity. We will expand our adult sports programme to provide additional opportunities for people to return to sport in a supportive and social environment. This will

include a greater integration of these classes with our wellbeing programme. We are also excited to deliver an expanded programme of football activities in the build up to Scotland's participation in the Euro 2024 tournament.



Highlights

403

Inspire Members

65

Registered Community Sport Hub Clubs

Over 1,000

Class attendances per week



Making a
DIFFERENCE



Weigh to Go

Steven is 65 and still loves football. He joined KA Leisure's Weigh to Go programme, a partnership with NHS Ayrshire and Arran, through our Walking Football sessions. The programme aims to help people lose weight and improve their health by providing exercise and nutritional advice.

The Weigh to Go programme is a 12-week weight management course that helps you achieve your health and fitness goals. The programme combines physical activity sessions, nutritional advice and behavioural change techniques to help participants lose weight and keep it off. They are supported by a qualified instructor who will tailor the programme to their individual needs and preferences. Those enrolled also gain access to online resources, group support and motivational tips to help you stay on track.

Steven says that joining the programme has been beneficial for

his physical and mental wellbeing. He says, **"As you get older you feel a need to look after yourself better."** He appreciates the guidance from the staff and the support from his peers. He says, **"You get to an age where you think you know what's good for you but it's great to get that advice from someone who actually knows."**

He also enjoys the social aspect of the programme. He says, **"The camaraderie is important. I've been involved in football since I was a wee boy and the social side was always important for me. As you get older in life you don't always have the same number of links that you once had. So since joining the walking football and this programme here it's been great meeting a group of guys who have just accepted me in and it's just been important for my own wellbeing. The group is a great link to others, and I would recommend it to anyone as they get older to help avoid isolation and just improve your wellbeing."**



Having Fun and Getting Fit

Jess had to undergo several operations for a back condition, something which affected her mobility and quality of life. She was referred to KA Leisure and Active North Ayrshire by her physiotherapists, who recommended physical activity as part of her recovery process.

Active North Ayrshire is a programme that offers a range of exercise classes, gym sessions, swimming and other activities for people with long-term health conditions, disabilities or mental health issues. The programme aims to improve physical and mental wellbeing, reduce social isolation and promote healthy lifestyles.

Before joining the programme, Jess had a consultation with a qualified

instructor, who assessed her fitness level and helped her choose the activities that suited her needs and preferences. Jess decided to sign up for the ANA membership, which gave her unlimited access to all the facilities and activities offered by KA Leisure and Active North Ayrshire.

"I decided to sign up for the ANA membership. It's great value and allows me to use the facilities anytime, which has been beneficial for my rehabilitation", Jess says.



The ANA membership also enabled Jess to connect with other people who shared similar experiences and challenges. She made new friends and enjoyed the social aspect of the programme. **"Not only do I get to improve my fitness every week, I also get to meet lots of new people and I'm not just stuck in the house."**

Jess has made remarkable progress in her recovery and has noticed the positive impact of being active on her physical and mental health. **"It's been absolutely wonderful! When I first started coming along, I had to bring my mum to help me get changed as it was really difficult. Now I just come by myself, I meet everyone for the class and we have a coffee afterwards. I just have loads of fun and that's what it's all about, having fun and getting fit."**

Habits for Life

Graham was feeling low and unhealthy after being inactive for a long time due to the pandemic. He decided to take action and resume his exercise routine, but he needed some guidance and support.

That's when he joined the Portal and became one of its 3,500 members. Here he found a welcoming and friendly environment. He started to use the gym regularly and also tried out the Elevate Series of classes, which are designed to challenge and improve different aspects of fitness. They are gym-based classes which use a range of functional movements from pushing, pulling, bending, twisting, lunging and squatting.

Graham enjoyed the variety and intensity of the classes, which only lasted 30 minutes each, but had a lasting effect on his wellbeing. He also appreciated the opportunity to train with his son Mason, who joined the Elevate Academy, a programme for young people to develop their physical and mental skills.

Graham said: **"KA Leisure has made a huge difference in my life. I feel better mentally and physically, and I have more energy and confidence. I also love spending quality time with my son and seeing him grow and learn. KA Leisure has helped me create good habits for life."**



Life has Changed for the Better

Hazel who is 49, suffers from a rare genetic neurological condition that affects her balance, coordination and spatial awareness. She had to retire from her job as a librarian in North Ayrshire due to her health problems, which also impacted her mental wellbeing.

In 2021, she was referred to the Mind and Be Active Programme by her mental health nurse and community link worker. The programme aims to help people improve their physical and mental health through exercise.

Hazel started with a consultation



and a personalised exercise plan that suited her needs. She also joined a falls prevention class that taught her how to reduce the risk of falling, how to cope if she did fall, and how to boost her confidence.

Hazel was nervous at first, but she soon felt encouraged and supported by the staff and other participants. She progressed to an advanced class and tried the gym as well. She now attends several classes per week, including two aqua-based ones. **"I find these classes challenging but I always feel my mood is lifted afterwards."**

Hazel says that the programme has helped her improve her strength,

balance and independence. She no longer needs her walking stick all the time and can walk into the centre without it. She also enjoys the social aspect of the classes and feels happier after exercising.

Hazel's life has changed for the better since joining the programme. **"It's been a hard journey from where I've come. However, I've recently become a gran for the first time. I can do so much more with my grandson, and I don't think I could have done this if I hadn't come to the classes. I honestly can't thank everybody from KA Leisure enough. I will be forever grateful."**

ACTIVATOR Saves the Day

The ACTIVATOR is our versatile, mobile, physical activity and health unit which provides a valuable service of health checks and lifestyle advice within the heart of local communities.

During a community visit when the ACTIVATOR was parked in the car park at Auchenharvie Leisure Centre, local retired GP Dr Gerry Norton decided to get a health

check on his way to one of his regular workouts:

"I use the gym at Auchenharvie three times a week. In March I was heading into the gym when I noticed a mobile unit parked outside. They were offering blood pressure checks. I thought, why not, and went in. My readings were dangerously high, and I was advised to contact my GP. I did exactly that and was admitted to Crosshouse Hospital that afternoon where the high readings were confirmed. I had multiple investigations and was

commenced on medication. My readings are now within the normal range. I am convinced that I would have suffered a stroke or a heart attack if the high readings had not been discovered."



Fit for our FUTURE

Transforming Our Future

In the past year, we have undertaken several developments across the entire organisation to remain successful, thriving and financially sustainable.

A significant development has been the introduction of a revised staffing structure that aligns seamlessly with our strategic priorities and current business requirements.

We recognise that a flexible and robust framework establishes a strong base for cultivating an innovative and engaging workforce that possess the necessary skills, and it is an area that we're committed to investing in.

Staff development is paramount, and providing our team with the skills and knowledge necessary to deliver high-quality services and programmes remains central to all business decisions.

Furthermore, we've embraced innovative approaches, crafting new programmes that not only enhance our commercial capability but also amplify our impact on customers and communities.

Know, Show, Go has also undergone a refresh; our cultural employee initiative encourages everyone within the organisation to



embrace a culture of continuous improvement. Shaped by input from colleagues, the three principles and seven behaviours of Know the Way, Show the Way, Go the Way continue to be integrated into every aspect of our organisation. This emphasis extends to cultivating the right attitude and behaviours in all our endeavours.

Journeying Through Digital Transformation

Digital transformation has emerged as a crucial driving force within our organisation, fundamentally altering the way we interact with our customers and provide services.

The ongoing enhancements to our Customer Relations Management

System include the recent integration of advanced 4 Global technology. This integration allows us to utilise our data effectively to optimise health and social benefits. This technological upgrade positions us to amplify the positive impact on individual wellbeing and community health through more refined and tailored services.

Utilising the insights gathered from this system's marketing intelligence allows us to enhance our customer experience and retention. Additionally, it enables the creation of targeted campaigns to effectively boost membership sales.

Our system development has also expanded into facility management and operations with the recent introduction of OpsPal and STITCH at the end of 2023.



OpsPal provides the tools necessary to achieve and maintain operational excellence, including a centralised location for all operational documentation.



STITCH system for accident and incident reporting offers a straightforward and easy-to-use process for recording and managing all related data.



Marketing for Tomorrow

At KA Leisure, our expansive marketing strategy extends beyond merely promoting our services and venues. We centre our messaging on the experience we can offer and the positive impact on health and wellbeing. Utilising various platforms, we strive to connect with our customers and partners by emphasising the advantages of being active and becoming a part of the KA Leisure community. Our aim is to showcase the diverse opportunities accessible to everyone in North Ayrshire and highlight the positive influence it can have on their lives.

In the upcoming year, we're excited to introduce a rejuvenated look and style to our image and branding. While our brand has enjoyed success for over a decade, it no longer entirely encapsulates the breadth of our impact. Our offerings are extremely diverse and inclusive,

catering to individuals pursuing fitness, enjoyment, knowledge, or transformation. We are keen to unveil this under our revitalised appearance.

Prioritising Safety: Our Commitment to a Secure Environment

The staff Health, Safety and Wellbeing (HSW) forum was relaunched in May 2023 with the participation of employees from different areas of the organisation. The purpose of the forum is to exchange ideas and insights on how to enhance the HSW of both employees and customers.

The objectives of the HSW forum are:

- ▶ To reinforce the essential HSW principles to ensure compliance.

- ▶ To identify and mitigate potential hazards and to implement appropriate control measures.
- ▶ To improve communication across the organisation which will foster relationships and collaboration.
- ▶ To develop a HSW culture that aligns with the employee cultural programme Know, Show, Go the Way.

ROSPA Awards

We achieved the ROSPA (Royal Society for the Prevention of Accidents) Gold Medal (nine consecutive Golds) Award in 2023. This is a remarkable achievement by our team across the organisation and we're aiming for ten Golds in 2024.



REALISING THE VISION

North Ayrshire Health & Wellbeing Alliance

Established in September 2022, North Ayrshire’s Health & Wellbeing Alliance provides a multi-level leadership body in the development and delivery of the Local Outcome Improvement Plan (2022-2030) for North Ayrshire Community Planning Partnership (NACPP).

Collaborating through the lens of a whole systems approach, the Alliance builds on the existing efforts of partners across North Ayrshire to develop the strategic vision of the wellbeing agenda in North Ayrshire.

Our radical approach presents a real opportunity to reimagine traditional leisure services to deliver a greater health and wellbeing impact. Utilising physical activity as an intervention to support public health, address and manage health conditions, engage with communities, and reduce inequalities.

Doing Things Differently

As we rethink traditional leisure services, we recognise that our plans are ambitious. There is a real opportunity to mobilise health and wellbeing solutions through assets that already exist in our communities and working collaboratively to make the biggest positive impact.

We believe that large-scale meaningful change is possible as our shared vision creates a closer relationship between the community, health and leisure, built on social prescribing, co-location of services and the delivery of preventative activity opportunities.

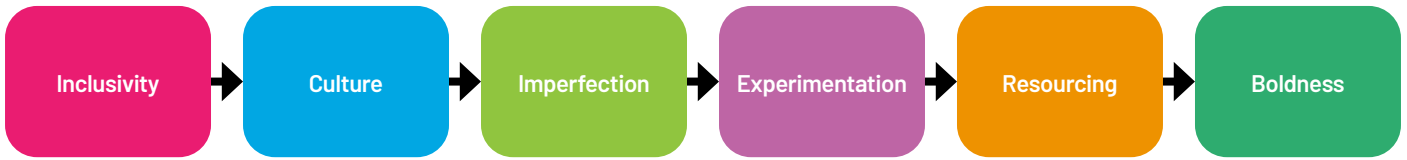


On Friday 23 June 2023, colleagues from a range of organisations across North Ayrshire came together in Irvine for an event to launch the creation of the new Alliance, followed by a series of focus groups.

During this phase of engagement, a variety of key themes emerged to help shape conversation and provide a framework for thinking.

Practice	Partnerships	People
Understanding what we already do, learning from this and celebrating where we are.	Reflecting on opportunities for network and partnership working.	Thinking about people we support, and their current life experiences.

It was clear that there was broad enthusiasm to develop a simple shared model that can help shape the collective work based on the following key principles:



Exploring Wellbeing: Crafting Our Shared Wordcloud



Making it Happen...

The Steering Group of the North Ayrshire Wellbeing Alliance will continue to provide clear leadership and uphold accountability as we progress.

We're excited to enter the next phase, recognising the abundance of commendable work already underway. Our mission, as we guide the Alliance forward, is to contribute value as partners by fostering

connections and generating energy. Our goal is to amplify existing initiatives, creating momentum for increased activity and impact.



Our
PERFORMANCE

The Company reports its Statutory Performance Indicators (SPIs) to North Ayrshire Council every year to assess its performance. Despite the cost of living crisis, we have achieved growth in both attendance and memberships, demonstrating the value the community places on our leisure services.

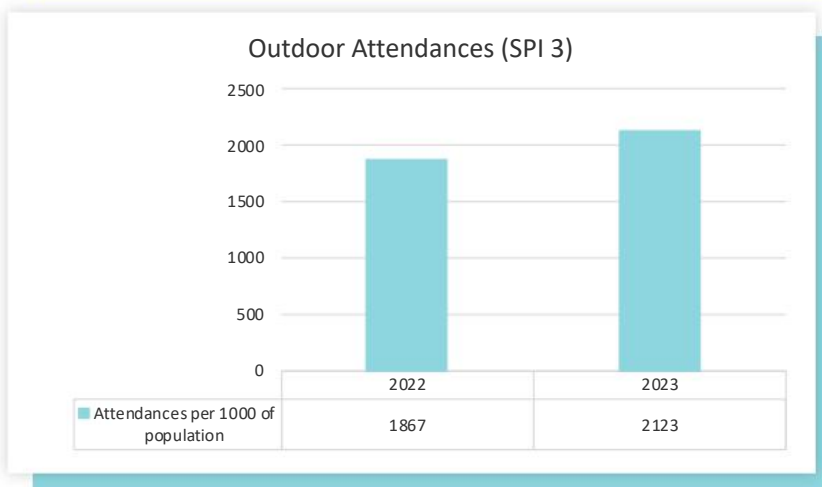
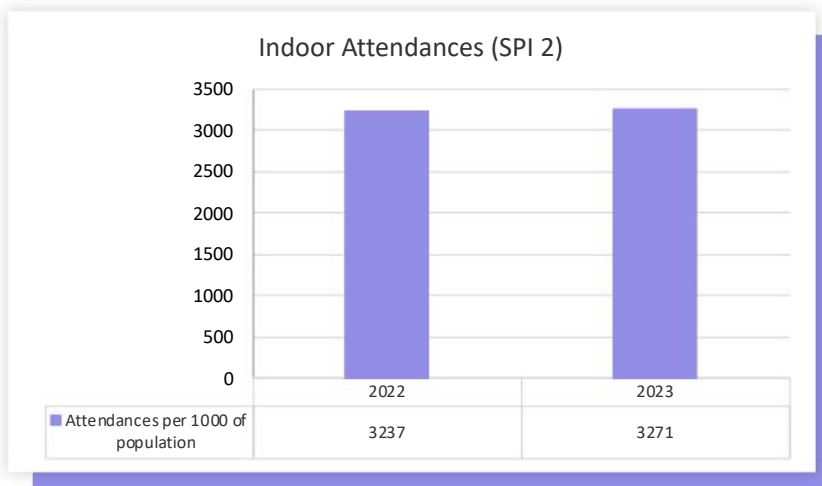
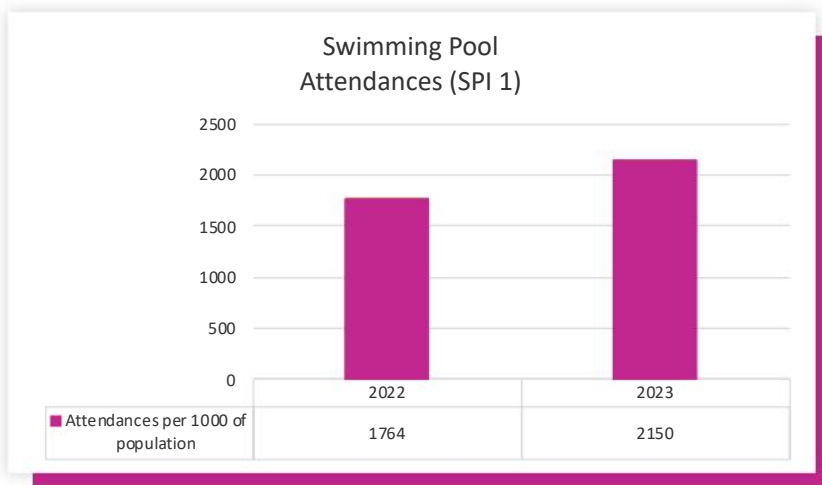
We are pleased to report that our attendance figures for 2023 have risen by 10% compared to 2022. This includes 296,415 visits to our swimming pools. Our Learn to Swim programme and our improved family programme for public swimming have contributed to the growing popularity of our pools.

Indoor sports remain comparable to previous years. Our Community Sport Hubs and the Circuit contribute to much of these attendances due to the many sports clubs, community groups and organisations they host.

Outdoor sports are also encouraging and include an increase in the golf attendance recorded. As golf remained available during the various restricted periods of the pandemic, it has successfully attracted and retained many new players to the sport.

The financial sustainability of the organisation is heavily reliant on the performance of its fitness programme, which previously contributed over £2 million to the overall annual income.

Unfortunately, due to the pandemic, the number of members plummeted from 9,600 to under 5,500. However, due to programme developments and the introduction of new memberships such as the Active North Ayrshire Membership and E:Active Junior we have been able to maintain steady growth and are approaching pre-pandemic levels of attendance.



Financial INFORMATION

Budget 2024/25

	2023/24 Budget	2024/25 Budget
Expenditure	£	£
Employee Costs	6,635,594	6,450,142
Utility Costs (Gas, Electricity & Water)	1,679,118	1,679,118
Other Property Costs (excluding Utility costs)	496,650	513,950
Supplies & Services	487,389	556,089
Transport & Plant	31,600	35,600
Administration Costs	363,650	365,700
Payments to Other Bodies	159,442	257,200
Finance/Other Expenditure	441,232	486,745
Total Expenditure	10,294,675	10,344,544
Income		
North Ayrshire Council	5,343,455	5,009,157
Other Income	4,965,194	5,345,387
Total Income	10,308,649	10,354,544
Surplus/(Deficit)	13,974	10,000

North Ayrshire Council

North Ayrshire Council contribution has reduced in the year by £334,298. This reduction in contribution reflects the changes made to employers pension contributions as a result of the actuarial valuation.

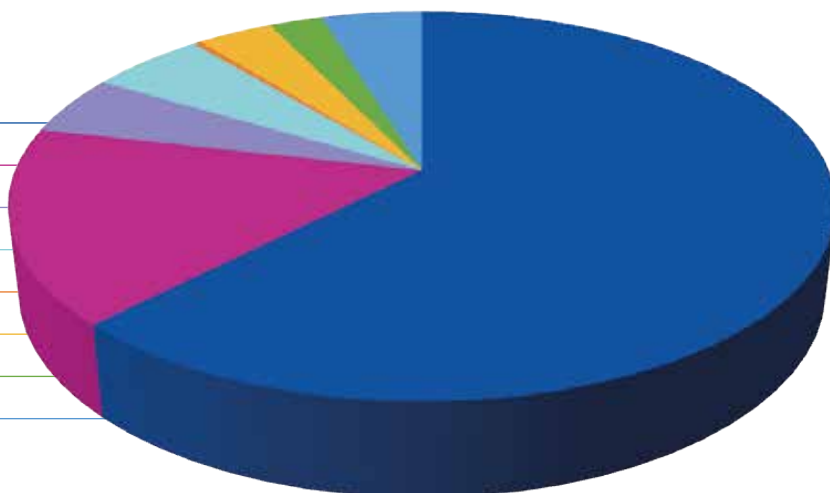
This reduction is partly offset by the budgeted pay award for the financial year 2024/25. This is in addition to North Ayrshire Council's ongoing contribution to support increased energy costs.

Trading Income

Trading income for the organisation is budgeted £380,193 higher in 2024/25 than in 2023/24. This is projected to increase as the organisation continues to grow and expand programmes and events.

The pie chart reveals the percentage breakdown of budgeted expenditure across KA Leisure for 2024/25. The largest cost to KA Leisure is employee costs, which is 62% of the expenditure budget for the financial year.

Employee Costs	62%
Utility Costs (Gas, Electricity & Water)	16%
Other Property Costs (excluding Utilities)	5%
Supplies & Services	5%
Transport & Plant	1%
Administration Costs	3%
Payments to Other Bodies	3%
Finance/Other Expenditure	5%



Variations in Budget 2024/25

The significant variations between the 2023/24 budget to the 2024/25 budget are detailed below.

Employee Costs

Overall employee costs are budgeted £185,452 lower than 2023/24. This is mainly attributed to:

▶ Pension Costs

As a result of the pension actuarial valuation report KA Leisure has been advised that employer pension contributions are to be reduced. This is resulting in a saving of £517,000.

▶ Pay Award

The pay award for financial year 2024/25 has been budgeted at an estimated increase of 3%. This is an additional cost of £182,702, which will be offset by additional income from North Ayrshire Council.

▶ Post Amendments and Incremental Factors

As the business is growing and reshaping there has been a number of amendments made to the employee structure. In order to facilitate the growth of the Company additional posts are required, combined with pay increments due to employees, these total £148,846.

Utility Costs

Consistent with the rest of the UK, energy prices continue to place financial pressure on KA Leisure. Budgets for the financial year 2024/25 have remained the same as the current financial year. At the time of finalising the budgets the energy contracts have yet to be concluded. It is expected that prices will remain constant or reduce slightly in the year. In line with good accounting principles, a prudent approach has been assumed and budgets have been retained at the same level as the previous year.

Supplies and Services

Supplies and Services have increased by £68,700 from the previous financial year. This is mainly due to general price increases across the venues for materials, pool chemicals and equipment. There are also increased budgets for resale goods which will generate additional trading income.

Payments to Other Bodies

The 2024/25 budget for payments to other bodies has increased by £97,758. This is mainly due to inflationary pressures and increased professional fees as a requirement to ensure a smooth transition through the restructuring and embedding of the organisation.

Finance and Other Expenditure

Finance and other expenditure costs have increased by £45,513 from 2023/24. This is predominantly due to increased irrecoverable VAT costs.

Closing thoughts **FROM THE CEO**



KA Leisure has accomplished numerous achievements over the past year, and we take great pride in highlighting them in this Performance and Impact Report. Within this document, we feature significant outcomes and the positive effects our services have had on our customers and communities.

We recognise that the landscape is bleak for many leisure trusts in Scotland - but we are encouraged by the fact that we are defying this trend with our solid partnerships, commercial acumen and innovation which have all contributed to our continued financial recovery.

We take pride in striking a balance between our imperative to generate

income and our unwavering commitment to eliminating barriers to participation. Our dedication remains steadfast in enhancing the overall wellbeing of our communities. This is testament to the collaborative efforts of our team and their commitment to innovative thinking.

In the face of challenges encountered in 2023, our business resolve proved instrumental in navigating the energy crisis and the escalating cost of living for our customers. As we step into 2024, we recognise the importance of sustaining these skills to effectively cope with ongoing economic challenges. Nevertheless, we remain committed to our

aspirations, aligning them with our growth objectives by investing in new opportunities to expand and enhance our services for our customers.

It is our privilege to provide an extensive array of programmes aimed at enriching the physical, mental, and social wellbeing of our communities. This invaluable experience has played a crucial role in the establishment of North Ayrshire's Health and Wellbeing Alliance, and our collaborative efforts across the last year have actively shaped its future. We are excited about undertaking the process of leading our partners as we bring this vision to life.



Collaboratively, we will persist in tackling inequalities to enhance health and wellbeing for all communities in North Ayrshire. The Wellbeing Alliance is grounded in a comprehensive whole systems approach, reinforcing North Ayrshire's "No Wrong Door" ethos for our communities by connecting services and creating seamless pathways for support. This approach has notably influenced our initiatives for young people, encompassing programmes that cater to both their physical and mental wellbeing, providing valuable support when they need it most.



We are ambitious in our approach, and our focus for 2024 remains centred on:

- ▶ Cultivating relationships to encourage collaborative efforts for greater impact
- ▶ Maximising growth potential in key business areas
- ▶ Empowering vulnerable and isolated groups to actively participate in their communities to improve their wellbeing
- ▶ Embracing digital transformation
- ▶ Fostering creative thinking and embracing innovative approaches
- ▶ Delivering quality interventions across a wide range of programmes and services
- ▶ Developing our Key Performance Indicators (KPIs) portfolio, enabling us to glean valuable insights across essential domains and align our efforts with overarching business goals

Our staff teams are at the heart of this journey and ensure our continued success. I continue to be grateful for their commitment and dedication to our work. The development of our employee cultural programme Know the Way, Show the Way, Go the Way has embedded key behaviours which shape everything we do. The insightful input from our employees during consultation opportunities has been pivotal in shaping our culture and ensuring the development of a workplace that actively promotes staff wellbeing.

I would like to express my gratitude for the invaluable support extended by North Ayrshire Council. Their collaboration and assistance have been instrumental in our collective efforts and achievements. We appreciate the ongoing support and look forward to continued collaboration in our shared mission for positive impact and progress.

We will continue to set the standard in this sector, as we are committed to crafting the roadmap for improved community health and wellbeing.



Personally, it has been great to be home having been an Ayrshire lad and spending time away for many years. I am grateful to my team and close partners for making my job so rewarding and I assure you that we have a lot more to accomplish!

Malcolm McPhail

Malcolm McPhail
CEO of KA Leisure







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NORTH AYRSHIRE COUNCIL
19 March 2024
Cabinet

Title: Food Provision in Schools
Purpose: To propose an interim expansion of the current food provision in school settings based on the funding available in 2024/25.

Recommendation: It is recommended that Cabinet:

- a) Approves the use of existing funding on an interim basis to expand food provision to primary school children in 2024/25; and
- b) Approves the use of existing funding on an interim basis to offer breakfast provision at secondary schools in 2024/25.

1. Executive Summary

- 1.1 Facilities Management provides the catering function for school meals across all of the school settings in North Ayrshire. The service is free for those with an assessed eligibility for free school meals based on low income and for those children currently in primary 1 to primary 5. The universal free school meal provision is expected to continue to be rolled out to the remaining primary year groups in 2 phases from 2025 through additional Scottish Government funding.
- 1.2 Funding was made available by Scottish Government in 2023/24 and again for 2024/25 to improve to the current provision in schools to support children and young people with access to free food, including those in receipt of the Scottish Child Payment. This report proposes using this funding to introduce a temporary enhancement to existing provision until March 2025, by which time it is expected that the timing of the next phase of statutory universal provision for children in P6/7 will have been communicated and additional funding provided by Scottish Government.

2. Background

- 2.1 School catering is provided by Facilities Management and covers 49 primary schools, 9 secondary schools and 1 ASN Campus on the mainland and islands of North Ayrshire. This statutory provision also includes associated regulations regarding the food on offer. The Nutritional Requirements for Food and Drink in Schools (Scotland) Regulations 2020 set out the requirements for food in primary and secondary school settings and strengthened the existing regulations regarding healthy eating in schools.

- 2.2 In January 2015 the Scottish Government policy for universal free school meals (UFSMs) was introduced across Scotland for all primary 1 to primary 3 children. In August 2021 this universal provision expanded to primary 4 pupils and then to primary 5 pupils in January 2022.
- 2.3 The Scottish Government has committed to rolling out the free provision of meals to all primary school children and this will be completed in two phases. The first phase will be an expansion of the eligibility criteria for free school meals for primary school children by incorporating those who are eligible for the Scottish Child Payment. It is anticipated that this will be implemented around February 2025. The second phase of the roll out will then be for all remaining primary school children to be included in this provision. It is anticipated that full roll out will be around February 2026.
- 2.4 As part of the Council's budget settlement for 2024/25, funding has been allocated for the expansion of universal free school meals in relation to phase 1 as noted in 2.3 above. The anticipated "go live" date for this expansion is February 2025, and at this time we do not have the details of which children this expansion will include. To maximise the impact of the existing funding, and forthcoming funding for 2024/25 therefore, it is proposed that this is used to expand food provision on a temporary basis for primary school children. This funding would support the provision of a healthy mid-morning snack for all children and the availability of ambient food in primary schools as required and the purchase of additional equipment to support the expansion of food provision in schools. The food would be compliant with the Nutritional Requirements for Food and Drink in Schools (Scotland) Regulations 2020. As a universal provision this would ensure anonymity and a dignified food service to all children regardless of eligibility status.
- 2.5 These proposals are for a temporary provision until the expansion of universal free school meals rolls out to those eligible for the Scottish Child Payment. Once this phase is implemented, all funding will be utilised for the provision of a primary school meal to those eligible under the expanded service.
- 2.6 It is also proposed to expand the Winter Warmer Breakfast initiative in secondary schools for 2024/25. This is a service which has been offered over the last two winter periods and is free to all secondary school pupils. Uptake for this service ranged from 8%-22% across secondary schools. It is proposed that this initiative runs again for Winter 2024/25 from November 2024 until the end of March 2025. This provision will be kept under review in relation to Child Poverty and Cost of Living priorities for North Ayrshire Council.

3. Proposals

- 3.1 It is recommended that Cabinet:
- a) Approves the use of existing funding on an interim basis to expand food provision to primary school children in 2024/25; and
 - b) Approves the use of existing funding on an interim basis to offer breakfast provision at secondary schools in 2024/25.

4. Implications/Socio-economic Duty

Financial

4.1 The funding allocation for 2024/25 is £718k and has been earmarked for an expansion of food provision in schools.

Human Resources

4.2 None

Legal

4.3 None

Equality/Socio-economic

4.4 The provision of free food in a universal way reaches children and young people in a dignified way. Access to food helps address food insecurity and supports the health and well-being of the children and young people. It contributes to the Council's commitment to addressing child poverty and to reducing the cost of the school day.

Climate Change and Carbon

4.5 None

Key Priorities

4.6 The content of this report aligns to the Council key priority of Well-being:

- Providing free access to food in a dignified way which helps to address food insecurity and supports the wellbeing of our children and young people.

Community Wealth Building

4.7 The Catering service buys locally where possible therefore increasing demand for supplies will inevitably also increase orders from local supply chains and help to support local businesses and employment.

5. Consultation

5.1 Consultation has taken place within the service to determine possible models of delivery and required resources.

Dr Audrey Sutton
Executive Director Communities & Education

For further information please contact **Carolyn Hope, Senior Manager Facilities Management**, on [Click here to enter text..](#)

Background Papers

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