



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Audit and Scrutiny Committee

A Meeting of the **Audit and Scrutiny Committee** of North Ayrshire Council will be held in the **Council Chambers, Ground Floor, Cunninghame House, Irvine, KA12 8EE** on **Thursday, 21 March 2024** at **10:00** to consider the undernoted business.

Meeting Arrangements - Hybrid Meetings

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

1 **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 the Meeting of the Audit and Scrutiny Committee held on 25 January 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).

3 **Participatory Budgeting**

Submit report by the Executive Director (Communities & Education) on the ongoing development of small grants Participatory Budgeting (copy enclosed).

4 **Council Plan Mid-Year Progress Report**

Submit report by the Head of Service (Democratic) on the Council Plan Mid-Year Progress Report 2023-24 (copy enclosed).

- 5 2023/2024 Half Yearly Complaint Report**
Submit report by the Head of Service (Democratic) on the Council's complaint performance and the volumes and trends of complaints received in the first six months of Financial Year 2023/24 (copy enclosed).
- 6 External Audit Plan 2023/24**
Submit report by the Head of Service (Finance) to inform the Committee of the External Audit Plan for 2023/24 (copy enclosed).
- 7 Internal Audit Plan 2024/25**
Submit report by the Head of Service (Finance) on the proposed internal audit plan for 2024/25 (copy enclosed).
- 8 Internal Audit Reports Issued**
Submit report by the Head of Service (Finance) on the findings of Internal Audit work completed between January and February 2024 (copy enclosed).
- 9 Internal Audit and Corporate Fraud Action Plans: Quarter 3 update**
Submit report by the Head of Service (Finance) on the progress made by Council Services in implementing the agreed actions from Internal Audit and Corporate Fraud reports as at 31 December 2023 (copy enclosed).
- 10 Standing Item of Business: Consideration of future business for scrutiny**
- 11 Urgent Items**
Any other items which the Chair considers to be urgent.
- 12 Exclusion of the Public - Para 1**
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 1 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.

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.

Audit and Scrutiny Committee Sederunt

John Bell (Chair)
Donald Reid (Vice Chair)
Eleanor Collier
Cameron Inglis
Tom Marshall
Matthew McLean
Davina McTiernan
Donald L. Reid
John Sweeney

Chair:

Apologies:

Attending:

At a Meeting of the Audit and Scrutiny Committee of North Ayrshire Council at 10.00 a.m. involving participation by remote electronic means and physical attendance within the Council Chambers, Irvine.

Present (Physical Participation)

John Bell, Donald Reid, Eleanor Collier, Cameron Inglis, Matthew McLean and John Sweeney.

Present (Remote Participation)

Tom Marshall and Donald L. Reid.

In Attendance (Physical Participation)

A. Sutton, Executive Director, R. Leith, Head of Service (Connected Communities) and A. McClelland, Head of Service (Education) (Communities and Education); R. McCutcheon, Executive Director, Y. Baulk, Head of Service (Housing & Public Protection) and T. Reaney, Head of Service (Neighbourhood Services) (Place); P. Doak, Head of Service (Finance and Transformation) (Health and Social Care Partnership); M. Boyd, Head of Service and L. Miller, Senior Manager (Audit, Fraud, Safety and Risk) (Finance), B. Quigley, Senior Manager (ICT) (People and ICT), and A. Craig, Head of Service, C. Stewart and S. Wilson, Committee Services Officers (Democratic Services) (Chief Executive's Service).

Chair

Councillor Bell in the Chair.

Apologies

Davina McTiernan.

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 Audit and Scrutiny Committee held on 14 November 2023 were confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

3. Chair's remarks

The Chair, in terms of Standing Order 10.5, agreed to vary the order of business to allow consideration of item 5 (HMIE Progress Review of Community Learning and Development) before item 3 on the Agenda.

4. HMIE Progress Review of Community Learning and Development

Submitted report by the Executive Director (Communities & Education) informing of the outcomes of the recent Progress Review of Community Learning and Development (CLD) by HMIE. The Community Learning and Development Progress Visit Report North Ayrshire Council was attached at Appendix 1 to the report.

The dedication and commitment of the Community Learning and Development team, in respect of the work that they were doing for local communities in North Ayrshire, was acknowledged by the Committee.

The Committee agreed to (a) note the recent Progress Review carried out by HMIE against the CLD Strategic Plan and the positive feedback from this; (b) approve the actions planned as a result of the outcome of the review; and (c) note that the progress review had been presented to the Cabinet at its meeting in December 2023.

5. Annual Report – School and Early Learning and Childcare Inspections 2022-23

Submitted report by the Executive Director (Communities & Education) informing of the performance of North Ayrshire schools and early learning and childcare settings in external inspections, with a focus on those published during session 2022-23. The Education Scotland inspection reports which highlighted a number of key strengths common to several of the establishments they visited in North Ayrshire in 2022-23 were attached at Appendix 1 to the report.

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

- the methodology and criteria behind what type of inspection might be carried out by Education Scotland, particularly when it concerned a full inspection;
- the improvement actions that would be put in place by the Service to address any areas of concern, following due consideration of the inspection reports;
- support provided to partner nurseries;
- the inspection frequency for Treetops Nursery; and
- the good working relationship between the Service and Education Scotland and the Care Inspectorate, in terms of addressing any areas of anxiety and/or concern amongst Head Teachers and staff, during inspection of schools and Early Learning and Childcare settings.

The Committee agreed to (a) note the contents of the report; and (b) commend the performance of schools and Early Learning and Childcare settings in inspections conducted by Education Scotland and the Care Inspectorate.

6. Education Authority Annual Plan 2023-24

Submitted report by the Executive Director (Communities & Education) informing of the content and requirement for publication of the Education Authority Annual Plan for 2023-24.

The draft Education Authority annual plan for 2023-24 was attached at Appendix 1 to the report.

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

- the use of some of the language contained in the report and whether this represented a material change in terms of the previous reporting style;
- measures to improve attendance, which was one of the 5 priorities in the NAC Education Service Improvement Plan 2023-26; and
- whether any analysis or evaluation had been undertaken on changing the school week to make it shorter, which had been undertaken by a number of other Education Authorities, but which was not proposed to be taken in North Ayrshire.

The Committee agreed to note the content of the Education Authority Annual Plan for 2023-24 and its publication as required by the Education (Scotland) Act 2016.

7. North Ayrshire Council's Performance Strategy 2023-28

Submitted report by the Head of Service (Democratic) advising of the Council's Performance Strategy 2023-28, including a new approach to self-assessment. 'Our Performance Management Strategy 2023-28', which combined learning from the previous strategy with the Best Value Thematic Approach and initial draft results of the audit, was attached at Appendix 1 to the report.

A member asked a question and was provided with further information in relation to the differences between the new strategy and the previous strategy.

The Committee agreed to note (i) 'Our Performance Management Strategy 2023-28' and (ii) that it formed the basis of performance management within North Ayrshire Council.

8. Year End Performance Reporting: Council Plan Year End Progress Report 2022-23; and Local Government Benchmarking Framework Analysis of 2023 Data Release

Submitted report by the Head of Service (Democratic) advising on progress of the Council Plan priorities. The Council Plan Year End Progress Report and supporting performance measures were attached at Appendices 1, 2 and 3, respectively, to the report. Appendix 4 detailed the Council Plan Annual Performance Report with Appendix Five, providing the status of the Council's performance indicators within the LGBF Analysis of 2023 Data Release.

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

- the new hybrid way of working of the Council and whether there had been any adverse or improved performance trends amongst staff arising from this changed model of working; and
- actions that were significantly adrift of target and the reasons for underperformance within each action including efforts being made to rectify it.

The Committee agreed to note (i) the Council Plan Year End Progress Report and supporting performance measures as set out at Appendix One, Two and Three to the report; (ii) the Council Plan Annual Performance Report as set out in Appendix Four to the report; (iii) the status of the Council's performance indicators within the LGBF Analysis of 2023 Data Release at Appendix Five to the report; and (iv) that officers would review the timescales involved in terms of performance reporting, with a view to seeing whether they could be reduced in any way.

9. North Ayrshire Council Plan 2023-28: Performance Management Framework

Submitted report by the Head of Service (Democratic) on the Council Plan 2023-28 Performance Management Framework, attached at Appendix 1 to the report.

Noted.

10. Internal Audit Reports Issued

Submitted report by the Head of Service (Finance) on the findings of Internal Audit work completed between November and December 2023. The findings from two audit assignments were detailed at Appendix 1 to the report, together with the respective executive summaries and action plans.

In response to a question by a Member concerning assurance of a contract already let and constructed, and the management of such, it was agreed, having heard the Chair, that a report on the subject matter, in general, would be submitted to a future meeting of the Committee for Members' consideration.

Noted.

11. Exclusion of the Public – Para 1

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

12. Investigation Reports Issued (Exempt Item)

Submitted report by the Head of Service (Finance) informing of investigation reports finalised since the last meeting of the Committee.

Noted.

The meeting ended at 11.40 a.m.

NORTH AYRSHIRE COUNCIL

21 March 2024

Audit and Scrutiny Committee

Title: Participatory Budgeting

Purpose: To update the Audit and Scrutiny Committee on the ongoing development of small grants Participatory Budgeting.

Recommendation: That the Audit and Scrutiny Committee:

- a) Reviews the adaptations made to the small grants Participatory Budgeting process in response to feedback; and
- b) Notes the progress made in developing the small grants programme within localities.

1. Executive Summary

- 1.1 The Community Empowerment (Scotland) Act 2015, Community Wealth Building approaches and North Ayrshire Council's own aspirations all support the greater involvement of local people in democratic and community activities, increased participation in local financial decision-making and, in particular, the increased use of participatory budgeting (PB) approaches.
- 1.2 Participatory budgeting is a democratic way for people to have a direct say on how public money is spent. A PB process gives people the opportunity to identify and discuss what matters to them in their communities and to vote on their priorities. North Ayrshire Council's PB approaches have been recognised as sector-leading, with successful engagement across small grant-making, thematic and mainstream PB, using different approaches. PB in North Ayrshire is now mainstreamed into service design and delivery, with community, elected member and partner support.
- 1.3 An update was provided to the Audit and Scrutiny Committee in September 2022 regarding the engagement methods used for PB across North Ayrshire. The Committee agreed to approve the recommended engagement methods for use in future Participatory Budgeting events, as set out in the report.
- 1.4 A request has been made for a further update detailing the progress around the locality based small grants PB processes in particular, and changes made to these processes in response to feedback provided by community members regarding previous rounds.

2. Background

- 2.1 The Community Empowerment (Scotland) Act 2015, Community Wealth Building and the Scottish Government's Open Government Action Plan all support the greater involvement of local people in democratic and community activities, increased participation in local financial decision-making and, in particular, the increased use of participatory budgeting (PB) approaches.
- 2.2 Locality Partnerships have been pivotal to North Ayrshire's success in moving local decision-making into communities. They have each established their own priorities in relation to addressing local inequalities. Locality small grants PB has been in place successfully for several years, helping support public understanding and confidence in the implementation of mainstream PB within the Council's budgets. Mainstream PB can play a central role in collectively defining services which meet the changed (and changing) needs of communities.
- 2.3 The Council's vision for PB is embedded in the vision for radical, participatory democracy in which local people take decisions on the things which affect their lives. It is one of a suite of tools which are used within North Ayrshire to encourage and support participatory democracy. The small grants PB process puts the decision making as to how the funds are spend locally directly into the hands of community members, with local groups applying for funding of up to £1,000 and community members voting to identify which are most important to them and should receive the funding.
- 2.4 There are many benefits to the Council and the communities it serves in participatory methods of working. These include:
- Greater involvement in decision making across the Council;
 - Improved transparency of decision making;
 - The opportunity for a wider range of groups to be involved;
 - Improved trust between Council & communities;
 - Increased democratic participation;
 - A greater sense of ownership and control; and
 - Real devolved power to Localities.
- 2.5 North Ayrshire Council has long attracted national recognition for its sector-leading work in PB, as noted in the 2020 Best Value Audit Report. The approach is recognised by CoSLA, the Local Governance Review Team and the Scottish Government as good practice and has previously received recognition nationally as a finalist in awards. North Ayrshire Council's Officers play an active role in national PB Working Groups and are regarded as a source of expertise and advise by colleagues nationally.
- 2.6 PB events have to strike a balance between tight deadlines, available resources, wide participation and workload. PB is one of a range of tools used to support participation and community empowerment, and the Locality Partnerships and Locality CLD Teams, and the relationships they build within communities, are key to its success. The support of community members in reviewing applications is an invaluable part of the process. We realise that officers, community reviewers and community groups all have limited time and resources available to them and a key consideration is ensuring the process is as easy as possible for all involved, while remaining robust in nature, in order to make the most of times and resources.

- 2.7 With regard to the small grants programme, public voting is one characteristic, however the ability of local groups to bring forward their projects and to influence the decision-making is a central component of the process. In the most recent 2023/24 cycle, 236 applications were made, with 184 projects receiving £198, 377 in total and 9,664 votes being cast.
- 2.8 When designing this cycle, an intentional and focussed effort was made to ensure that local people found it as accessible as possible through streamlined processes, simplified language, new events and a fully hybrid experience that opened PB to a diverse range of participants. The hybrid experience means that those who can are able to use the online voting system provided through CONSUL, while recognising that not all community members are able or comfortable making use of online tools and ensuring an in person voting option through libraries is available to them.
- 2.9 The process used was developed in response to the feedback received from the 2022/23 cycle. The success of the 2023/24 cycle has been recognised by both CoSLA and the Minister for Community Wealth and Public Finance as a national example of good practice in co-design and the use of digital platforms to promote participation.
- 2.10 A full report about the process and the learning has been produced and this is attached as Appendix 1 for consideration. The key adaptations made to the process as a result of the previous feedback are as follows:

Issue	You Said	We Did
In-person opportunities lost during COVID-19 pandemic	NAC needs to “raise awareness of the PB process, of the projects looking for funding and also offer the networking opportunity for partnership working. It was also clear from the applications that some had difficulty with the process and this would be an opportunity to assist with this”	Developed the concept of PB launch events using feedback from 2022-23 round and community engagement responses, with one held in each locality at the start of the application process. The events created space for support and advice from NAC staff, in addition to networking opportunities (e.g. for partnership bids to the UKSPF PB).
Funding criteria	Criteria needs to be reviewed to identify opportunities to tighten the language and make the processes fairer for all. For example, “multiple groups from one place are applying.”	Drafted criteria based on 2022-23 feedback and presented for comment and further recommendations at Community Engagement Event. Changes made based on discussion and approved by Senior Managers for 2023-24 round.
Application process	Disproportionately long and complex given the size of grant available. Potential barrier to applicants.	Application redesigned for CONSUL, streamlining from 25 to 11 questions and making language more accessible. Ability to save and edit introduced.

Approving applications progressing to public vote	“Scoring mechanism required to be reviewed...ambiguous and making the low compliance score very easy to obtain”. Shortlisting panels also under significant pressure from paperwork.	Complete redesign resulting in applications being reviewed against criteria (either eligible or ineligible to proceed) rather than scoring, streamlining paperwork. Volunteers renamed ‘community reviewers’ to better reflect the role they played in the process and attract new faces.
Logging in to CONSUL	Default option of MyGov.Scot was too confusing and complicated and posed a major barrier during the early voting in the 2022-23 round	Created a local login for CONSUL in response to issues raised in 2022-23 round. Retained this option and introduced Facebook and Google login for 2023-24 round, with no significant issues raised in the 2023-24 process.

2.11 It is vital to note that PB processes are by their nature an iterative process and will continue to be refined in response to feedback as they progress. The changes which have been made in the 2023- 24 round have been received positively, with no continued or further issues raised since the 2022-23 round.

3. Proposals

3.1

That the Audit and Scrutiny Committee:

- a) Reviews the adaptations made to the small grants Participatory Budgeting process in response to feedback; and
- b) Notes the progress made in the small grants programme within localities.

4. Implications/Socio-economic Duty

Financial

4.1 PB funding is allocated within existing resources.

Human Resources

4.2 PB is resource-intensive and PB development has to be balanced with staff capacity and resources within local groups and organisations to engage with PB.

Legal

4.3 None.

Equality/Socio-economic

4.4 The purpose of PB is to increase community involvement in local decision-making. North Ayrshire Council has worked with Locality Partnerships and community members to develop its PB approach which will reduce inequalities, increase community cohesion and advance community empowerment.

Environmental and Sustainability

4.5 None.

Key Priorities

4.6 Participatory Budgeting supports 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 PB increases democratic ownership of local financial decision-making and allocation of resources.

5. Consultation

5.1 Co-production is at the heart of our relationship with communities. Development of PB processes as outlined within this paper has been created in line with ongoing feedback from community members, groups and staff as to how the process could be improved and streamlined. Continued engagement and evaluation will take place in future to ensure processes remain as accessible as possible.

Audrey Sutton
Executive Director of Communities and Education

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

Background Papers

Participation Budgeting Report 2023-24



Shaping
North Ayrshire

Participatory Budgeting



Ideas are generated about how a budget should be spent



People vote for their priorities



The projects with the most votes gets funded



Participatory Budgeting 2023-24: Review



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Introduction

This review has been undertaken by the Capacity and Empowerment Officer and the Community Economic Development Officer to record the 2023-24 Participatory Budgeting (PB) cycle and provide recommendations for the future.



Executive Summary

Participatory Budgeting (PB) has a long history at North Ayrshire Council, which has been nationally recognised as a leader in designing and implementing engaging and impactful PB processes.

The 2023-24 cycle distributed £198,377 of funding through a community-driven decision making process that gave North Ayrshire residents the say on the projects and priorities that mattered most to them.

Of 236 applications submitted across Locality, Youth and the new UK Shared Prosperity Fund (UKSPF) PB, a total of 184 projects received funding. 9,664 votes were cast online, in libraries and in schools across North Ayrshire.

Local perspectives and experiences were central to the 2023-24 cycle, with feedback and recommendations from past volunteers and participants shaping the process from beginning to end. An intentional and focussed effort was made on ensuring that local people could see themselves in the new cycle through streamlined processes, simplified language, new events and a fully hybrid experience that opened PB to a diverse range of participants.

The success of the cycle has been recognised by both COSLA and the Minister for Community Wealth and Public Finance as a national example of good practice in co-design and the use of digital platforms to promote participation.

Background

North Ayrshire Council has built a decade of experience of delivering high quality, innovative PB opportunities for local people. This is often through the provision of small-grant PB processes where Third Sector organisations can apply for a small share of funding (around £1,000) to support projects.

A total of £198,377 was available for the 2023-24 PB cycle:

- £97,377 from the central PB fund
- £20,000 from the Health and Social Care Partnership
- £50,000 ringfenced for youth projects
- £31,000 from the UK Shared Prosperity Fund (UKSPF)

In the 2023-24 round, Locality PB was run in parallel with Youth PB, streamlining the administration and centralising PB for communities. Locality and Youth PB were open to applications of up to £1,000. The allocation of funding from the UKSPF award enabled the creation of a new 'pot', opened to partnership applications from across North Ayrshire for up to £5,000.

The split of funding for Locality and Youth PB is calculated based on population in each area:

Locality	Locality PB Allocation	Youth PB Allocation
Arran	£8,979	£4,971
Garnock Valley	£15,232	£8,433
Irvine	£29,841	£16,520
Kilwinning	£11,978	£6,631
North Coast and Cumbrae	£17,621	£9,755
Three Towns	£24,725	£13,689

Reshaping PB

The 2023-24 PB was designed based on the learning and feedback gathered during the previous round, which formed the basis for the redesign of the process. This included the use of CONSUL to host all applications to provide better transparency and visibility; an amended set of criteria; a redesigned application review process and the continuation of a fully hybrid way of working.



Three Towns PB
Launch Event, 2023

A Community Engagement Event was held in June, with over 20 in attendance including previous PB volunteers and participants who signed up through our social media channels. A small number of North Ayrshire Council staff who found the volunteer opportunity via News In Brief also participated. Those attending were key to guiding and shaping decisions about the look and feel of the new cycle.

Launch events were held in each locality to provide support for applicants and space to network and bring people together post-pandemic. The Capacity and Empowerment Team provided 1-2-1 support on the application form, voting and digital access if required. As a result, a significant improvement in application quality could be seen from those who attended the events.

Following the engagement sessions and launch events, new volunteers were recruited as part of the shift from 'shortlisting panels' to 'community reviewers', ensuring local participation in checking applications before public voting began. A new training session was developed, along with refreshed guidance and review packs based on the recommendations of previous participants who had found the time invested in scoring to be disproportionate to the amount being applied for. By shifting from 'scoring' to 'reviewing eligibility against criteria', the transparency of the process was also increased for applicants.

To ensure access to everyone, parallel offline processes were developed for each stage of the PB, including paper applications available from libraries or by request, and a fully offline voting process also offered in libraries.

APPLIED
236
SUBMITTED

Only 1% of applications were submitted offline in the 2023-24 round!
Many groups typically seen to be at risk of digital exclusion, such as older people's groups, were able to complete the application online with support, building their IT confidence and skills.

How Did It Go?

A total of 9,664 votes were cast by local people, who made the decision on the 184 projects that benefitted from PB funding. Any underspend from Locality PB funds was transferred into the Youth PB fund for that area to boost the number of Youth projects supported, as recommended by the community reviewers for this round.

With the addition of UKSPF PB funding there was opportunity for partnership projects to benefit from up to £5,000 each, encouraging collaboration and impact at a larger scale than would traditionally be expected through small-grant PB. In a challenging external funding landscape, this also gives local organisations experience in partnership working that can be used in future applications, building their capacity and potential to secure further funds.

One of the outcomes of running Locality and Youth PB together was a reduction in the number of projects submitted to Locality PB overall, as eligible projects could only apply to one fund. This suggests that the previous approach of hosting Locality and Youth PB at different times of year has 'double funded' several projects, potentially reducing the overall number of initiatives being successful through PB. The issue of potential 'double funding' was raised by participants in the previous round, who were concerned that this limited the opportunities for smaller, less well-known projects to secure funding through PB, particularly where larger organisations running multiple projects could mobilise a higher number of voters to support them. This can lead to disengagement with the process and a feeling that PB is inherently unfair on new groups or ideas. Future PB rounds should continue to look at ways to engage smaller, grassroots organisations while balancing the diverse needs and aspirations of North Ayrshire's Third Sector in the design of PB processes.

Funding awards were distributed to successful organisations from mid-December. In previous rounds of PB, winners were not asked for a formal report on spend until a year later, but moving forwards short progress updates are expected on a quarterly basis. This aims to better capture the progress of projects in 'real time', showing communities how the initiatives they supported are evolving and making a difference. This is the first step towards broadening the understanding of PB beyond 'funding' and demonstrate the power that local people have to decide what happens in their community in a tangible way.

You Said, We Did: A Co-Design Approach to PB

Issue	You Said	We Did
In-person opportunities lost during COVID-19 pandemic	NAC needs to “raise awareness of the PB process, of the projects looking for funding and also offer the networking opportunity for partnership working. It was also clear from the applications that some had difficulty with the process and this would be an opportunity to assist with this”	Developed the concept of PB launch events using feedback from 2022-23 round and community engagement responses, with one held in each locality at the start of the application process. The events created space for support and advice from NAC staff, in addition to networking opportunities (e.g. for partnership bids to the UKSPF PB).
Funding criteria	Criteria needs to be reviewed to identify opportunities to tighten the language and make the processes fairer for all. For example, “multiple groups from one place are applying.”	Drafted criteria based on 2022-23 feedback and presented for comment and further recommendations at Community Engagement Event. Changes made based on discussion and approved by Senior Managers for 2023-24 round.
Application process	Disproportionately long and complex given the size of grant available. Potential barrier to applicants.	Application redesigned for CONSUL, streamlining from 25 to 11 questions and making language more accessible. Ability to save and edit introduced.
Approving applications progressing to public vote	“Scoring mechanism required to be reviewed...ambiguous and making the low compliance score very easy to obtain”. Shortlisting panels also under significant pressure from paperwork.	Complete redesign resulting in applications being reviewed against criteria (either eligible or ineligible to proceed) rather than scoring, streamlining paperwork. Volunteers renamed ‘community reviewers’ to better reflect the role they played in the process and attract new faces
Logging in to CONSUL	Default option of MyGov.Scot was too confusing and complicated and posed a major barrier during the early voting in the 2022-23 round	Created a local login for CONSUL in response to issues raised in 2022-23 round. Retained this option and introduced Facebook and Google login for 2023-24 round, with no significant issues raised in the 2023-24 process.

Reflections and Recommendations

1. The 2023-24 PB represents significant efforts to better design and run a process that meets the expectations and aspirations of North Ayrshire residents and build trust in the Council. All changes made can be traced back to feedback collected from 2022 onwards, with local people at the centre of the decisions and changes made.
2. The new UKSPF PB proved extremely popular, with 21 eligible projects competing to secure a share of £30,000. This demonstrates the interest in larger pots of funding to be made available to local projects through PB, and the potential to scale up the process for larger amounts.
3. The anecdotal feedback from applicants about the changes made to the application form has been overwhelmingly positive, particularly the ability to save and return to in-progress applications, removing the pressure of 'getting it all right first time'. Participants also appreciated being able to see the other projects in their area and find out what was going on in North Ayrshire, as all applications were publicly viewable throughout the process.
4. The investment of staff time in monitoring, supporting and progressing PB is significant, even where a digital platform can remove significant volumes of paperwork. High quality, responsive and dedicated administrative support is crucial to manage the granular details of a PB process, which can have significant impacts if missed. Adequately resourcing the support required to run PB will always be a challenge, but the structures and learning created during the 2023-24 round in particular set up future staff for success as far as possible. Handover packs and templates have been made available centrally for staff to access in future.
5. Further focus on reporting from grant winners is required, and early discussions with COSLA indicate that CONSUL is being developed to allow applicants to provide project updates on the platform directly. This would greatly increase the transparency of PB and provide the public with 'real time' updates about the projects they supported.
6. Additional time was required to create high quality content for social media and local press linked to PB, such as capturing success stories from previous rounds and collating images from past winners. Staff working on future cycles should begin to identify potential case studies as early as possible to create engaging imagery promoting PB to encourage participation.

Reflections and Recommendations: COSLA Perspective

“North Ayrshire Council has now run two rounds of Participatory Budgeting using the digital engagement software CONSUL which is supported in Scotland by COSLA.

The team at North Ayrshire has been ambitious in its use of the CONSUL software enabling multi locality PB processes to be carried out online. One of the strengths of the North Ayrshire PB programme has been the engagement with the community in designing the processes, providing alternative participation channels for those not able to take part digitally and in responding to feedback from users of the service. It is also worth noting that by using a digital process the staff were able to deploy their limited staff resource to support and promote engagement rather than on administering a paper-based system.

As a result, North Ayrshire now has a transparent, online repository of project applications which can be analysed to demonstrate community priorities and which can be further updated to maintain a public record not only of the projects but also the impact and outcomes of those projects.

The key staff involved have developed a high degree of expertise in running digital PB processes and this could be further exploited by other service areas within the council both for PB and other forms of engagement. This is already being demonstrated through good work being done in Arts & Culture.

At COSLA we have been happy to share North Ayrshire’s work as an example of good practice in this area.”

John Munro. PB Digital Participation Manager, COSLA

The CONSUL platform acts as a database of community initiatives, providing the Council with a snapshot of the needs and priorities of local people, which can in turn shape service delivery.

Evidence of initiatives such as the Spike Wheat Scots’ ‘Breaking Bread, Building Bonds: A Syrian Culinary Journey’ and BABCA’s ‘Meet and Greet’ for New Scots showcase cross-cultural engagement and community building, described as ‘political gold dust’ by COSLA as working examples of integration and inclusion. The visibility of these successes through a platform like CONSUL demonstrates the value of an online presence to showcase the work of North Ayrshire’s community groups.



Reflections and Recommendations: Recognition of North Ayrshire's 2023-24 PB by Mr Tom Arthur, Minister for Community Wealth and Public Finance

“1% Mainstream PB Target: COSLA are compiling this year’s 1% returns and early indications suggest these will be positive. COSLA provided examples of the good work local authorities are doing with PB, such as East Ayrshire celebrating 10 years of inspiring communities; Aberdeen, Angus, Shetland and the Borders embedding PB into their budget process; Glasgow, East Lothian and Perth and Kinross’ work using CONSUL and highlighted North Ayrshire’s co-production with the community on how to run PB processes. COSLA officials also noted specific projects in Arran, where PB funding was used for a kids book festival and in Kilwinning, where Syrian New Scots received PB funding to celebrate their background and cuisines. The Minister was impressed with this progress and commented he would be interested to see how PB develops when it becomes more recognised in communities.

Notes of Scottish Government and COSLA Participatory Budgeting Meeting 12:30 – 13:30, 6 December 2023

Recognition of our sector-leading approach to meaningfully and intentionally shape participatory processes in partnership with our community.

Our challenge moving forwards is to be more ambitious about what PB means for North Ayrshire, revisiting discussions about mainstreaming and wider participative democratic processes to encourage local people to get involved in the decisions that affect their communities. Safeguarding high quality PB processes and demonstrating that a vote really makes a difference is central to creating the space where engaged and informed citizens can continue to shape their future.



NORTH AYRSHIRE COUNCIL

21st March 2024

Audit and Scrutiny Committee

Title:	Council Plan Mid-Year Progress Report 2023-24
Purpose:	To consider the Council Plan Mid-Year Progress Report 2023-24.
Recommendation:	The Audit and Scrutiny Committee agrees to note the Council Plan Mid-Year Progress Report 2023-24 attached at Appendix 1.

1 Executive Summary

- 1.1 [Our Council Plan 2023-28](#) is the overarching strategy of our Council and details our Council's strategic priorities. We have a statutory duty to publish information that enables effective scrutiny of our performance.
- 1.2 This report presents the progress made in delivering our new Council Plan 2023-28 as at Mid-Year 2023/24 (30th September 2023). The approach and layout have been refreshed to reflect our new Council Plan as well as the results of our Best Value Thematic Audit. Following Cabinet approval, our corporate performance reports are published on our website www.north-ayrshire.gov.uk/performance.

2 Background

- 2.1 Under the Local Government (Scotland) Act 1992 and Local Government in Scotland Act 2003 we have a duty to demonstrate Best Value. To ensure we support our residents, fulfil our statutory duties and invite scrutiny, we actively manage performance and develop our reporting to make it accessible and engaging.
- 2.2 Our new Council Plan 2023-28 was approved by Council in June 2023 with the Performance Management Framework (PMF) approved in August 2023. Targets were set for 2023/24, however due to the timing of the PMF development, mid-year targets were not set for all indicators (it would not have been best practice to set targets so close to the mid-year point). This has been mitigated by including a review of progress within the report, comparing performance to year end targets.

- 2.3 In parallel to the approval of Our Council Plan, we undertook our Best Value Thematic Audit focusing on “Leadership of the development of new local strategic priorities”. The outcomes of this Audit were extremely positive stating we have a culture of continuous improvement.
- 2.4 In addition, some areas could be improved further such as how we report on audits, inspections and self-assessment activity. This has been reflected in our new report at Appendix 1, with the ‘Best In Class’ section of previous reports refocused towards existing and completed audits, inspections and accreditations – linking to the published reports where available. This approach was discussed with our External Auditors during the Best Value Thematic Audit, primarily as it meant that context (such as reasons for and next steps) rather than purely a list of audits would be available for our residents to scrutinise.
- 2.5 The use of the Inclusive Growth Dashboard was included in our report to Council in June and is highlighted in the Best Value Thematic report. This tool provides a contextual overview of North Ayrshire, is currently being reviewed and will be available in 2024/25 for use within our reporting. However contextual indicators as outlined in our PMF are included in the report.

3 Assessment of Performance

- 3.1 The development of Our Council Plan leaned towards evolution rather than revolution. As a result, many areas are continuing to progress well from the previous Council Plan and are detailed within the body of the report.
- 3.2 There are 47 actions within Our Council Plan, with one reported directly through the HSCP and therefore excluded from this report. The remaining 46 actions are all on target at mid-year.
- 3.3 There are 26 performance indicators within our framework. At mid-year, the status of 16 PIs were either unknown or data only, seven were on target and three were slightly adrift of target (amber). The status of the three indicators slightly adrift of target (amber) were included in our previous Council Plan and scrutinised at year end.
- 3.4 Though not all mid-year targets were available this period, our annual targets give confidence that performance is on schedule, with some areas such as the number of unemployed people progressing into employment already exceeding their annual target at mid-year (652 against a target of 450). Our Street Cleanliness score shows we have performed better than expected at 90.1% against a target of 87%. Participatory Budgeting is currently showing 2.06% of our Council budget to date, ahead of the 1.5% target for Quarter two and year end.
- 3.5 Other areas include the number of empty properties brought back into use and number of new build properties (all tenures) which are progressing at over 50% of target at mid-year, though these may be subject to seasonal fluctuations later in the year.

3.6 Key Highlights

- Our Council Plan 2023-28 was developed with our communities and approved in June.
- We established our Financial Inclusion Partnership to increase access to financial advice and support for our residents.
- Our £198,377 participatory budgeting grants programme was launched for 2023/24.
- 6,529 adults took part in adult learning and capacity building activities.
- Our Regeneration Development Plan's action programme 2023-25 was approved by Cabinet and includes £4million of funding.
- Several significant Ayrshire Growth Deal milestones were reached, including contractor appointments at the Ardrossan Coastal Quarter site of Ardrossan Campus, breaking ground on i3 in Irvine and further progress on the delivery of Irvine Harbourside.
- We launched a £350k Community Net Zero Carbon Fund, enabling local community groups to bid for funding to help with feasibility and/or installation of renewable energy technologies on land or buildings they own.
- Over 100 tonnes of furniture and mattresses were collected to encourage the reuse of items through our bulky waste partner.

3.7 Key Next Steps

- We will meet with the Improvement Service to push forward our data sharing work following the outcome of our Scottish Government Child Poverty Practice Accelerator Fund and Cash First Fund application.
- We will continue drafting our new Community Wealth Building strategy following consideration by the Policy Advisory Panel and Cabinet.
- We will present a paper on treating Care Experienced as a protected characteristic to Council in December.
- We will continue the development of the Participation Strategy and new Community Planning Partnership website and Community Directory.
- We will continue to plan for our 2024 Community Planning Conference, which will focus on Democracy Matters Phase 2.
- We will publish our new 'Sustainable North Ayrshire' and Energy Efficiency Strategies.
- We will progress to construction stage for our new solar farm projects.
- We will launch new energy efficiency measures offer as part of our Energy Smart programme.
- We will progress the procurement exercise for the new Ayrshire Electric Vehicle Charging Infrastructure project.
- We will progress with our fleet decarbonisation route map, including exploration of a hydrogen production feasibility study.
- We will continue the construction of the North Crescent Coastal Path Phase 1, Ardrossan.

- We will review and implement any actions following our Best Value report due to be published in November.
- We will support our External Auditors in the audit of the next Best Value Thematic Approach early in 2024, focussing on workforce innovation.
- We will continue to engage with the Island Plan Delivery and Steering Groups to shape the annual action plans for the Island Plans.

4 Proposals

- 4.1 The Audit and Scrutiny Committee agrees to note the Council Plan Mid-Year Progress Report 2023-24 attached at Appendix 1.

5 Implications/Socio-economic Duty

Financial

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

Human Resources

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

Legal

- 5.3 There are no legal implications arising from this report.

Equality/Socio-economic

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

Climate Change and Carbon

- 5.5 There are no climate change and carbon implications arising from this report.

Key Priorities

- 5.6 The Mid-Year Progress Report enables the effective scrutiny of the delivery of our Council Plan strategic priorities.

Community Wealth Building

- 5.7 There are no Community Wealth Building implications arising from this report.

Consultation

- 5.8 The Executive Leadership Team (ELT) and North Ayrshire Council Cabinet reviewed and scrutinised the report prior to submission to the Audit and Scrutiny Committee.

Aileen Craig
Head of Service (Democratic)

For further information please contact **Isla Hardy, Team Manager (Corporate Policy and Performance)**, on 01294 324035 or email IslaHardy@north-ayrshire.gov.uk.



Our Council Plan

Mid-Year Progress Report 2023-24



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

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Our Performance at a Glance

We established our **Financial Inclusion Partnership** to increase access to financial advice and support for residents.

Council approved Our **Council Plan 2023-28**, developed with our communities. Focus now moves to delivery of this contract with our residents.

1,300 residents participated in 'Take Time on the Road' roadshows focussing on mental health and wellbeing.

Our **£198,377** participatory budgeting grants programme launched for 2023/24.

11,000 young people accessed holiday meals provisions during the summer holidays.

6,529 adults took part in adult learning and capacity building activities between April and September.

Community Transport Pathfinder approved to explore transport needs in our communities.

Our Regeneration Development Plan's action programme 2023-25 was approved by Cabinet and includes **£4m** of funding

28 Community Wishes have been delivered, linking the needs of communities to our contracted businesses. **61** have been granted since launch in October 2021.

We launched a **£350k** Community Net Zero Carbon Fund, enabling local community groups to bid for funding to help with feasibility and/or installation of renewable energy technologies on land or buildings they own.

Over **100 tonnes of furniture and mattresses** collected to encourage the reuse of items through our bulky waste partner.

Several significant **Ayrshire Growth Deal milestones reached** including contractor appointments, breaking ground on i3 and a move towards the delivery of Irvine Harbourside.

Welcome

Welcome to our first Mid-Year Progress Report on [Our Council Plan 2023-28](#). Our Council Plan was approved by Council in June 2023. Our vision remains **'A North Ayrshire that is fair for all'**, and our mission is **'Working together to improve the lives of our people in North Ayrshire'**. We worked with our communities to create our plan and identify our four priorities. We view Our Council Plan as our contract with our communities, 'our' plan. It is more than a document, it is an active commitment to support our residents and deliver on our joint priorities.

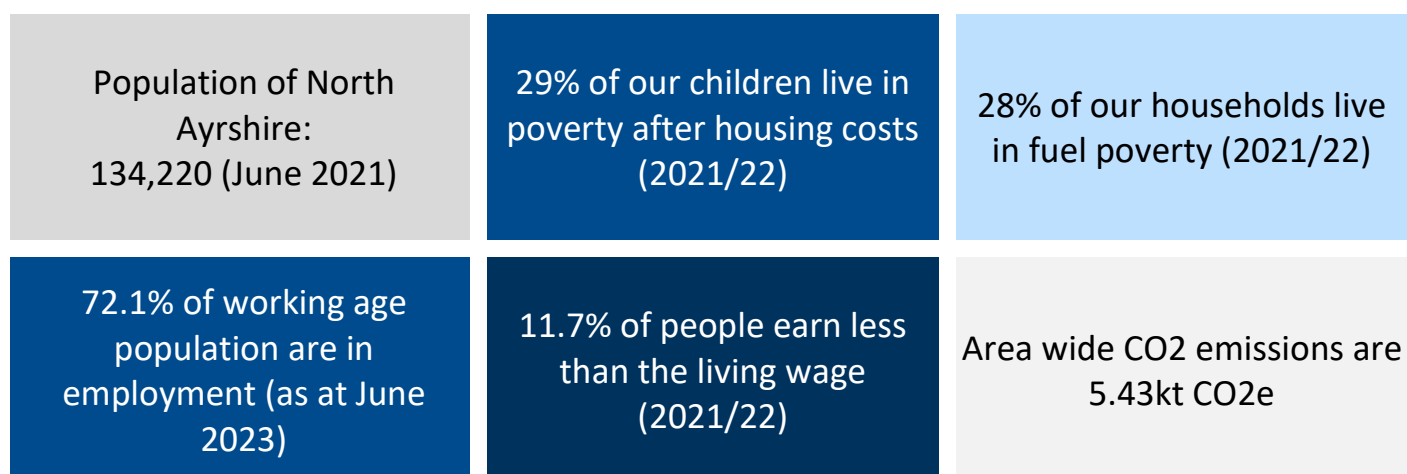
Our four priorities are Wellbeing, Communities and Local Democracy, Climate Change and A Sustainable Council. All of these four areas are interlinked and interdependent - they do not sit in isolation as the progress of each priority directly impacts the other three areas.

Challenges for our residents and communities persist due to the cost of living crisis and supporting our residents is a significant role within our new Council Plan. For example, through our Child Poverty and Cost of Living Board, we are exploring different ways in which we can use information to identify and address need in our communities. Our colleagues in the Third and Voluntary sector continue to work alongside us.

As part of our ambition to achieve net-zero by 2030 we continue to work with our communities across a variety of projects. This includes providing educational opportunities such as the STEM trail at Eglinton Park and supporting the various volunteer groups who give their time to help protect the environment.

Our communities drive the work that we do and as such, lived experience is a crucial element to our decision-making process. This can be seen through our work in implementing the Ten-Year Island Plans for Arran and Cumbrae. This will prove crucial in forming the annual action plans for the islands.

Everything we do is achieved in the context of our environment. Moving forward we will demonstrate this through our 'Inclusive Growth Dashboard' which gives an overview of the status of North Ayrshire. This tool is currently being refreshed and will be available in 2024/25. As an overview, our key contextual indicators are shown below:



Together we will create a North Ayrshire that is fair for all.

Our Priorities

Our Vision – A North Ayrshire that is fair for all.

Our Mission – Working together to improve the lives of our people in North Ayrshire.



Wellbeing

Key Activities

Cost of Living

We are working alongside our residents to identify the areas that will make the greatest impact when supporting them financially. The Financial Inclusion Partnership, established in May, will improve promotion of and access to advice services for our residents. We are implementing a new case management system. This will enable us to see the journey of each of our residents to provide joined up support to meet their needs.

To ensure residents are supported with help around energy costs and health and wellbeing services, we have referral pathways established between North Ayrshire Welfare Rights and Debt Advice Services and a number of other services/agencies including CHAP, Housing and Employability Services, and Citrus Energy (Lemon Aid).

Our Child Poverty and Cost of Living Board has applied for funding from the Scottish Government Child Poverty Practice Accelerator Fund and Cash First Fund. If approved this will fund a small team within our Transformation Team to accelerate progress on our 'No Wrong Door' initiative including our Single Shared Assessment initiative, which would help identify the support a resident and their family is entitled to more quickly.

Full details of financial support we have provided can be found in our [six monthly Cost of Living report](#).

Lifelong Learning Opportunities

6,529 adults took part in adult learning and capacity building activities between April and September. This included 241 New Scots adults who engaged in learning opportunities supporting their language and resettlement needs over the summer. Some of the activities included language cafes,

volunteering opportunities and speaking clubs.

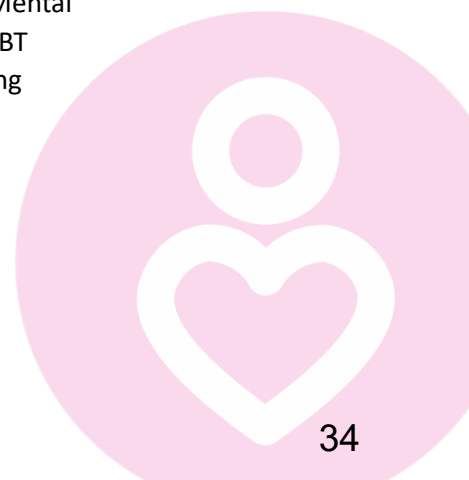
We are delivering the Discovery Award. This helps people 50 or over to adopt an active and healthy lifestyle by offering challenges to both stimulate and motivate.

The "Multiply Project" funded by the UK Shared Prosperity Fund has now officially launched in North Ayrshire. This project aims to boost people's ability to use maths in their daily life, at home and work, targeting learners who are 19+ that have not previously attained a Level 2 SCQF, Level 5 or Higher Maths qualification.

In the Garnock Valley, the North Ayrshire Digital Network, is working in partnership with the Scottish Council for Voluntary Organisations (SCVO), to deliver a Place-based Digital Inclusion Project. Place-based digital inclusion builds sustainable solutions to digital exclusion which take into consideration the assets, and needs, for a specific place. Action is co-ordinated through strong and trusted partnerships and informed by regular communication with those who live there.

Mental Health & Wellbeing

During the summer over 1,300 residents took part in the 'Take Time on the Road' roadshow, focusing on mental health and wellbeing. Attendees took part in gaming activities, wellbeing workshops, yoga and a 'Therapy' Petting Zone. Mental health and wellbeing is a key focus in all of our youth voice, children's rights and youth work programmes. All our programmes are fully inclusive for all young people and we specifically support Additional Support Needs (ASN), Mental Health & Wellbeing, LGBT and New Scots, focussing on tackling inequalities and reducing barriers to participation.



Our 'Drama for Wellbeing' programme took place during the school holidays. The programme saw primary school pupils working on mini plays while learning about mindfulness and wellbeing. Senior secondary school pupils developed their stage presence and delivery, presenting their own thought-provoking play focused on the pressures of modern teenage life. This ended with a live performance at the Harbour Arts Centre.

The Active Schools team has offered a wide variety of extra-curricular opportunities on offer to all primary, secondary and ASN establishments. The work of the Active Schools and Communities Partnership Officers has focussed on care experienced young people and New Scots. The Active Schools Team has further enhanced leadership opportunities to widen achievement by introducing a new pathway in partnership with KA Leisure and Ayrshire College. The sole focus is the National Progression Award (NPA) Fitness Course at Level 6.

Over 11,000 young people accessed holiday meals provisions over the 2023 summer holiday period.

The 2023/24 round of our Participatory Budgeting grants programme offers four separate funds for communities to make a spending decision. These are 'Arts & Culture', 'Locality', 'Youth and UK Shared Prosperity Communities' and 'Place'. A total of £198,377 is available to local organisations. Full details of the projects behind the applications can be found [here](#).

We launched our Science, Technology, Engineering, and Mathematics (STEM) Trail at Eglinton Country Park to help children discover and understand STEM concepts using the outdoor environment as a stimulus.

Our North Ayrshire Wellbeing Alliance builds on extensive existing work to develop the Wellbeing priority from the [Community Plan](#). The work aims to tackle health inequalities by co-locating services, delivering preventative activities and strengthening the relationship between health and leisure. In order to progress and develop our Wellbeing Alliance, KA Leisure has been hosting a series of workshops and working group meetings. Through this work, a project has been developed in the Garnock Valley to respond to an identified need around engaging hard to reach young people.



Public Spaces

Our play facilities programme of investment continues to progress. Building on the coastal park installations last year the focus has now moved to inland facilities with 14 facilities upgraded since June. Officers attend the Scottish Government Play Facilities Working Group. Attending this group gives the service confidence that play facility upgrades within North Ayrshire are progressing well.

We are continuing to make play accessible for all children by installing communication boards in parks. The boards make a big difference to youngsters with neurodivergent conditions – including autism, dyslexia and attention deficit hyperactivity disorder (ADHD) - by giving them images, symbols and patterns to help them express themselves and communicate. They have been installed at seven key parks and further rollout is being considered.

This investment programme provides great facilities for families and visitors and helps deliver facilities that are more inclusive and accessible.

Our Enforcement Team worked in partnership with Police Scotland, Network Rail, Coast Watch, the Maritime and Coastguard Agency and Scottish Fire and Rescue to implement the 'Safer Shores' programme over the summer. This partnership allows visitors and residents to enjoy our coastal locations safely.

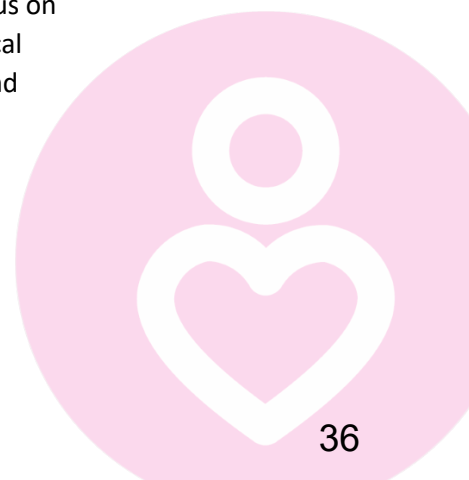
We are working in partnership with Strathclyde Partnership for Transport (SPT) on the Strathclyde Regional Bus Strategy. This will undertake a study into rural transport needs and an appraisal of bus operation models. We are also supporting their regional funding bid to Transport Scotland's Community Bus Fund to further develop the strategy. Access to effective transport is key in enabling our residents to work, access facilities and enjoy social opportunities.

In May 2023, Cabinet approved the next steps for a new Community Transport pathfinder. This includes plans for detailed engagement with local communities to understand their transport needs, as well as exploration of potential delivery models. We are working with the Garnock Valley Locality Partnership to develop a study that will identify what the travel challenges and barriers are within the area, providing an evidence base for intervention and offering practical and realistic recommendations to help address these challenges in the locality. A North Ayrshire survey will be undertaken to establish the demand for community transport and how this could be shaped to meet the needs of the community. A further update will be provided to Cabinet in December 2023.

We have identified improvements to bus stop infrastructure as part of the recent £146,000 capital award under the Community Bus Fund. The fund aims to enable local transport authorities to improve local public transport, with a focus on rural deprived areas where lower population density means bus services can be less commercially viable. These will be delivered alongside the bus corridor improvements funded under SPT's Capital Programme.

Our Streetscene Service has installed 41 wheelchair accessible picnic benches, 115 new benches and 51 large capacity Nexus bins. The picnic benches and benches are galvanised steel and come with a 15-year guarantee which helps futureproof our street assets. The larger capacity bins have been a key element in allowing Streetscene to review schedules for street cleaning, and this will help balance resources between coastal and residential areas to focus on achieving improved Local Environmental Audit and Management System (LEAMS) outcomes.

We continue to support the British



Legion to ensure our war memorials are presented in the best way possible. In particular this year, around the Ardrossan War Memorial and the Dasher Memorial gardens.

Cabinet approved the Regeneration Delivery Plan action programme for 2023/24 and 2024/25 alongside the 2023/24 funding proposals. This included over £4m funding under the Place Based Investment Programme, Cycling Walking and Safer Routes, Vacant and Derelict Land Fund and SPT's Capital Programme. Additionally, a report on the B714 Upgrade was approved by Cabinet on 29 August 2023 that approved the realignment of £5m to support the project.

The Department for Levelling Up Housing and Communities' (DLUHC), Head of Scotland Team and Regional Leads visited on 24th August. They viewed the projects funded from the Community Renewal Fund, Shared Prosperity Fund and Levelling Up Fund. New Area Leads are now in place from the Department of Levelling Up Housing and Communities with an introductory site visit programme planned for 17th November. The third round of Levelling Up Fund (LUF) is still expected this year, with date to be confirmed.

Ayrshire Growth Deal

We have reach significant milestones around the Ayrshire Growth Deal.

A contractor has been appointed to undertake remediation at the Ardrossan Coastal Quarter site of the future Ardrossan Campus. This is a key milestone in the wider regeneration proposals for the Ardrossan area, and critical to enabling the development of the Campus.

The i3 Ayrshire Growth Deal Flexible Space programme has broken ground and development is underway to provide the first phase of the commercial advanced manufacturing space. This is one of the leading projects in the Ayrshire Growth Deal to have reached physical development stage and will be important to local businesses

providing quality flexible space with low carbon sustainable design to support high value jobs in North Ayrshire. Work has now also commenced on the design for Phase 2, to accelerate the programme of delivery.

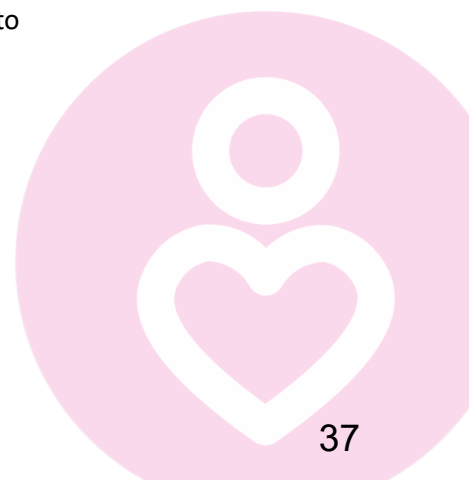
The Ayrshire Growth Deal programme at Irvine Harbourside has made significant progress with the consultation on a masterplan for the area complete and the appointment of designers to complete a technical design for the coastal hub playpark to start on site in 2024. This represents the programme moving towards delivery stage, which will ensure the location maximises its potential as a regional tourism destination, providing jobs, increased visitors and improved facilities.

The Ayrshire Skills Investment Fund has been approved by the Scottish Government and is now in the implementation stage. An employer grant scheme has been launched to support local businesses develop their workforce with skills for the future in key sectors.

A 2023 Visitor Management Plan was approved, collating the wider range of place-based services offered throughout our Council to support and enhance the visitor experience in North Ayrshire, while minimising the impact on communities. This provides an overall investment of over £2m in revenue and capital investment to support the sector.

A cross-party member/officer working group – the Tourism Forum – has been formed and now meets quarterly to oversee strategic development of programmes and initiatives to support the tourism sector in North Ayrshire.

Our Council renewed its partnership with the Crown Estate Scotland to support continued partnership working to support coastal communities and support the



advancement of Ayrshire Growth Deal marine tourism projects.

Attainment

Significant work has been undertaken to continue efforts to close the poverty related attainment gap through finalising plans to implement a new model for the Professional Learning Academy. This model commenced in August 2023 and initial feedback from school leadership teams highlighted how this is providing targeted support to raise attainment and achievement, with a specific focus on those most impacted by poverty.

We have gathered evidence on the impact of planned interventions and initiatives during the 2022-23 academic year. This is being used to inform future approaches. Full details are available in the Education Services [report](#).

Employability

We currently have 11 Modern Apprentices studying for their SVQ Level 3 in Youth Work, with on-the-job training being provided by our Modern Apprentice Co-ordinator. Our Youth Work Modern Apprentice programme is part of the regular HM Inspectors of Education (HMIE) Progress Review Visit of Community Learning and Development which took place in September. Results are due in October.

We have continued to expand the use of the Skills Development Scotland Data Hub, which is leading to further improvements. For example, the recently published Annual Participation Measure for 16-19 year olds is the highest on record for our Council and the 2nd highest increase across all 32 local authorities in Scotland. This is a result of increased partnership working with members of the Local Employability Partnership including Education, Employability, Self-Directed Support (SDS), Ayrshire College and Third Sector partners to ensure positive destinations for all school leavers.

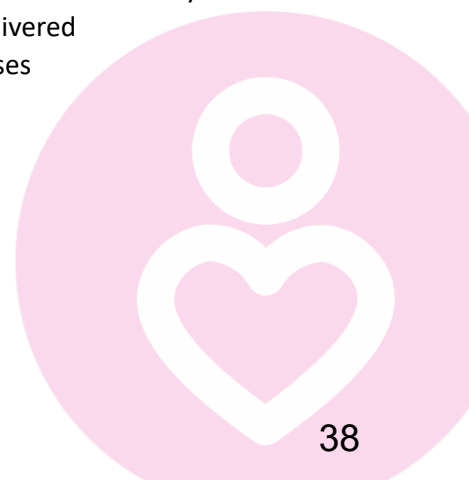
Employability week was held in May 2023 and the key highlights were:

- 1,000 people attended events across the week.
- Almost 140 young people attended the Modern Apprenticeship recruitment day. 90 applications for Modern Apprenticeships were received immediately after the event, with 249 applications to date (an increase from last year). CEIS also received 30 applications on the day for their youth employment support programme.
- The Department for Work and Pensions (DWP) job fair attracted almost 500 people and, of these, eight people found work, 34 interviews were arranged or conducted and 141 job applications were filled in within the two hours of the event.
- At the Parent Hub, more than 100 people attended and four new parents registered to get support in finding employment.

Community Wealth Building

We are developing a refreshed Community Wealth Building (CWB) Strategy that focuses on achieving a wellbeing economy. This reflects the significant change in the local, regional and national economy since the original strategy was launched, including the impacts of the Covid pandemic, war in Ukraine and the cost of living crisis, alongside a shift in the national policy environment towards a wellbeing economy. This will be considered by Cabinet in early 2024.

We have led on the development and approval of the [Ayrshire Regional Economic Strategy \(RES\) - Delivery Plan for Year One](#). This focuses on actions that can feasibly be commenced and/or delivered in Year One. It recognises the substantial level of activity already underway which aligns with the priorities of the RES



including projects delivered by the Ayrshire Growth Deal and the pioneering work of the Ayrshire Community Wealth Building Commission. It seeks to build on existing work, add value and align to the RES priority themes, in addition to identifying new activity targeted to achieving the strategy's long-term ambitious priorities. This will be led by the RES Delivery Group to be formed later in the year.

Care Experienced Children and Young People

Following a Council motion in March that agreed care experienced should be treated as a protected characteristic in North Ayrshire, work has been ongoing on the definition of care experienced for use within Equality Impact Assessments (EIA's) and Children's Rights Impact Assessments. An EIA on the proposed policy will be presented to Council later this year alongside an update on the definition and work required to include it within the EIA template for future policy changes (including budget proposals).

Our Education Service has increased the capacity of their Care Experienced Tutor by extending weekly contracted hours funded by the Scottish Government's Care Experienced Children and Young People Fund. Initial evidence of impact of this intervention is positive.

The work to review our Education Quality Improvement Framework and process for Establishment Reviews for session 2023/24 is complete. There is a renewed focus on identified target groups including care experienced learners. The framework supports effective improvement planning and evaluation and is used to support the quality improvement agenda in all educational establishments.

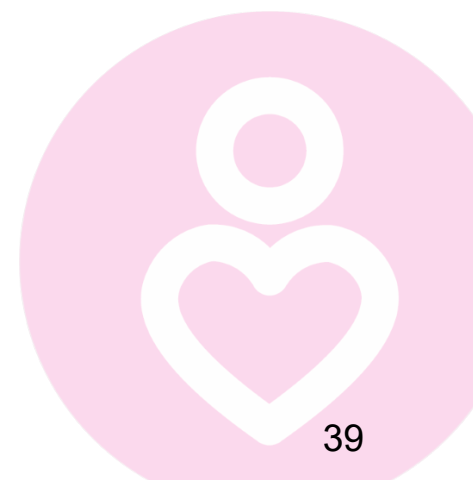
Additionally, we have increased opportunities to further develop mentoring relationships and have plans to increase the use of

Motivation, Commitment and Resilience (MCR) Pathways next session. We have developed a planning document to help target support and review and identify effective practice for care experienced learners.

Wellbeing

Next Steps

- We will increase the use of Motivation, Commitment and Resilience (MCR) Pathways next session.
- We will await the results of our Child Poverty and Cost of Living Board applications for funding from the Scottish Government Child Poverty Practice Accelerator Fund and Cash First Fund.
- We will meet with the Improvement Service to push forward our data sharing work following the outcome of our Scottish Government Child Poverty Practice Accelerator Fund and Cash First Fund application.
- We will continue drafting our new Community Wealth Building strategy following consideration by the Policy Advisory Panel and Cabinet
- We will present a paper on treating Care Experienced as a protected characteristic to Council later this year.
- We will support SPT with their funding bid to Transport Scotland to further develop the Strathclyde Regional Bus Strategy.
- We will update Cabinet on progress on the Community Transport pathfinder in December 2023.



Case Study – Townend Skills Hub

Greenwood Academy needed a space outside the school that could be used for learning activities for young people who find being in a school environment difficult. School staff approached our local Community Learning and Development team for support. They identified Townend Community Centre in Dreghorn as a potential venue for a community café. This would link community groups, the community association and the school.

In a pilot project before the summer holidays, our young people served around 40 customers. The young people involved were consulted on what their expectations would be of the project and how they would expect to benefit from it in terms of preparing them for the world of work.

At the end of the pilot an evaluation was undertaken with our young people who were involved. All of them valued the project and engaged really well – more so than if it had been delivered in the school.



Some preferred it to the school environment because it was quieter, more approachable and easier for them to engage with. Several teachers from Greenwood Academy have visited the space and there is excellent support from both them and the senior management team in the school to continue the project.

Future plans include expanding the project to include provision for parents to attend adult learning classes, provide volunteer opportunities for people of all ages and offer targeted support to 16 – 24 year olds who are not currently in work. Our Community, Learning and Development team continue to work with the school and community partners to progress this.



Communities and Local Democracy

Key Activities

Partnership Working

Our Officers have been engaging with The Ayrshire Community Trust (TACT), and their regional wider Ayrshire counterparts, to ensure Third Sector representation on the Regional Strategy Delivery Group which will promote opportunities for community organisations to achieve their goals.

We have been working alongside the Third and Voluntary Sector through the Child Poverty and Cost of Living Board and

associated mini enquiries. A Childcare Mini Enquiry took place on 25th May 2023. Approximately 50 people from a variety of community groups, Council services and partner organisations attended the event which shared ideas and information. Groups on the day held around the table discussions on what is going well, what can be improved and what gaps exist in provision. Areas discussed included:

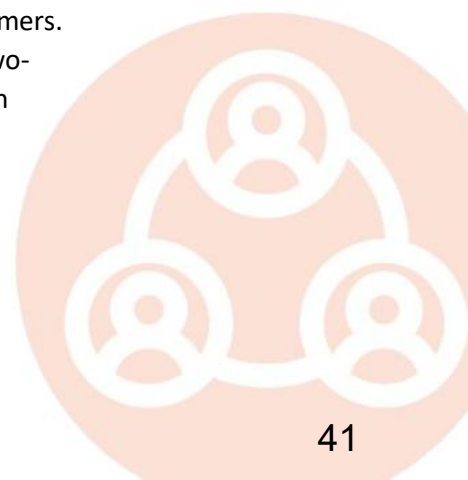
- A need to improve the registration process for Early Years services.
- A need to increase awareness of entitlement to early years provision.
- A requirement for more breakfast opportunities, ensuring they are affordable and available across North Ayrshire.
- A shortage of registered childminders.

Several links are in place with North Ayrshire's Third Sector Interfaces (TSI) across the Community Planning landscape. The TSI is currently Chair of the North Ayrshire Community Engagement Network. The Chief Executive of TACT has taken on the role of Chair for the Community Planning Partnership (CPP) Senior Officer's Group.

Active Involvement

We have recently relaunched our Housing Services' Customer Participation Strategy for 2023 – 2028. This will ensure that our communities are involved in decision making and are empowered to influence how we deliver our Housing Service. Three priorities have been identified to ensure this happens.

- 'Engage and Inform,' focuses on communicating with, consulting and including our customers. Ensuring there is two-way communication with our tenants and customers and providing opportunities for



customers to take part in ways that meet their needs.

- ‘Empower and Influence,’ focuses on building community capacity, encouraging and supporting customers to take part, and helping them to influence decision making.
- ‘Evolve and Innovate’ focuses on the continuous improvement and development of our service to best meet the needs of our customers.

We continue to work directly with island communities to develop and facilitate the implementation of the Ten Year Island Plans for [Arran and Cumbrae](#). This has included supporting Arran to develop three theme groups under an ‘Island in Balance’ approach of Economy, Community and Environment. On Cumbrae, we have worked with the Island Plan Steering Group to progress the ‘Carbon Neutral Islands’ project in addition to developing governance arrangements and creating a fortnightly island presence to support opportunities for direct engagement.

Community Planning Partnership

The second phase of Democracy Matters will give people across Scotland the opportunity to come together in their communities to imagine how new and inclusive democratic processes can best help their town, village or neighbourhood. Discussions on Democracy Matters Phase 2 have already taken place at the CPP Senior Officers Group and the North Ayrshire Joint Youth Forum, with a further session planned for the Community Engagement Network.

The June Community and Locality Planning training session received positive feedback from participants including community members, partner organisations and Elected Members. Several partner outreach sessions have taken place this year, including Police Scotland and Scottish Fire and Rescue colleagues, KA Leisure and Public Health.

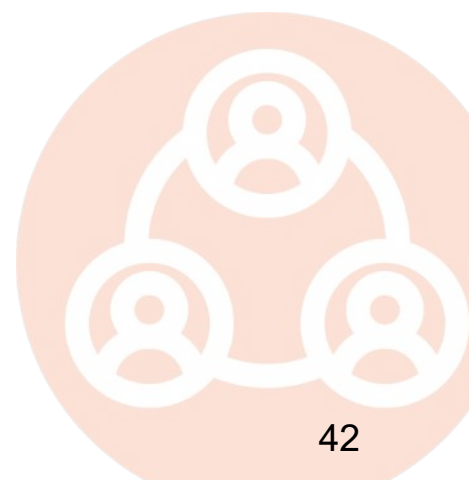
There continues to be significant development around the structure and content of our Locality Partnership agendas to ensure stronger links to partnership, reducing inequalities and addressing local priorities.

[The Community Plan \(LOIP\)](#) for 2022-30 has been refreshed to ensure it is clearer and more engaging for our communities and partners. This has included a redesign and update of data. Engagement with young people around the plan is in progress. The results of this will be used to inform our approach to including young people throughout the lifespan of the Community Plan as well as a ‘Plan on a Page’ aimed specifically at children and young people.

Locality Planning continues to develop across North Ayrshire with partners becoming even more embedded in the locality model. Six refreshed Locality Plans have been co-produced with Locality Teams and will be approved by the Locality Partnerships at their December 2023 meetings.

Our Community Planning Twitter account continues to grow with over 800 followers and more than 14,000 impressions since the last quarter.

28 Community “wishes” have been delivered in 2023 so far through the Community Benefits Wishlist. This links needs in communities with businesses delivering contracts and ensures community benefit is directed in the way which makes the most impact. In total, 61 “wishes” have been delivered since the Wishlist was launched in October 2021.



Communities and Local Democracy

Next Steps

- We will continue the development of the Participation Strategy and new Community Planning Partnership website and Community Directory.
- We will continue the development of the new Community Planning website, including a consultation list, events calendar and online resources and signposting for staff, partners and community members.
- We will continue to plan for our 2024 Community Planning Conference, which will focus on Democracy Matters Phase 2.
- We will hold meetings in October and November to provide feedback on our six refreshed Locality Plans and seek approval for the Plans at the December 2023 Partnership meetings.
- We will continue our engagement with young people around the Community Plan (LOIP).
- Will continue to develop our Performance Management and Quality Assurance Framework for our Advice Services.
- We will continue to develop our consultation budget tool for the 2024/25 budget.
- We will continue to develop the online Community Directory tool with a view to launching in Winter 2023 along with the new Community Planning website.



Case Study – Irvine Tennis Club

Irvine Tennis Club had a vision to revamp tennis courts in Thornhouse Avenue. Irvine Locality Partnership worked with the tennis club for the club to take on ownership through community asset transfer of the courts from our Council to the Club. We also provided help and support to access funding.

Our Irvine Locality Officer supported the organisation to submit an expression of interest to their Locality Partnership. Irvine Tennis Club was invited to progress to the next round to submit a full application and deliver a presentation to the Partnership of the proposals.

Support to access funding was made available to the club and they were successful in achieving a range of funding:

- Common Good Funding £25,000
- North Ayrshire Ventures Trust £30,000
- Community Investment Fund £100,000
- Sports Scotland £100,000



This funded the resurfacing and development of additional tennis courts, fencing and flood lights to allow access and continued use in winter months.

Irvine Tennis Club intend to build a new club house which will host a social area, toilets and changing area with showers.

The Club has reinvigorated the tennis courts in Irvine to enable the community to come together to enjoy playing tennis and other

games within the refurbished tennis courts. They are now of a standard to enable the club to compete as well as enable their community to use a safe year-round facility.

Irvine Tennis Club welcomed Judy Murray to open the courts on 11th September – video of the moment can be viewed online [here](#). The committee have all worked hard, coming together to take ownership of a community asset and turn old red ash pitches into state-of-the-art tennis facilities for the whole community.

The Club opened the courts up for community use at the end of summer and already have over 70 members. The Club has formed many partnerships with community groups who have all expressed an interest in a variety of activities on offer at Irvine Tennis Club.



Climate Change

Key Activities

Energy

Work continues on the installation of two new solar farms at former landfill sites in Irvine and Kilwinning. The projects both reached the final detailed design stages and are scheduled to commence construction in early 2024. The new solar farms will make a major contribution to renewable energy generation and carbon reduction, as well as bringing sterile land back into productive use.

A detailed feasibility study for further renewable energy at the i3 site in Irvine was also completed, and officers are working on developing a detailed business case for consideration, aligned to wider investment proposals at the site.

A new £350k Community Net Zero Carbon Fund was launched, enabling local community groups to bid for funding to help with feasibility and/or installation of renewable energy technologies on land or buildings they own. Officers are assessing the initial tranche of applications.

As part of our annual investment programme, residents from a total of 900 Council owned homes are expected to benefit from the adoption of various energy efficiency measures, including external wall insulation and solar panels, as we invest to meet the new Energy Efficiency Standard for Social Housing 2 (EESH2).

A study to understand the investment requirements for decarbonisation of Council buildings has been commissioned, and will help set out the measures, funding and timelines required to meet our own net zero targets and wider, national 2038 public sector building decarbonisation commitment. The high-level results of the study are expected in January 2024.

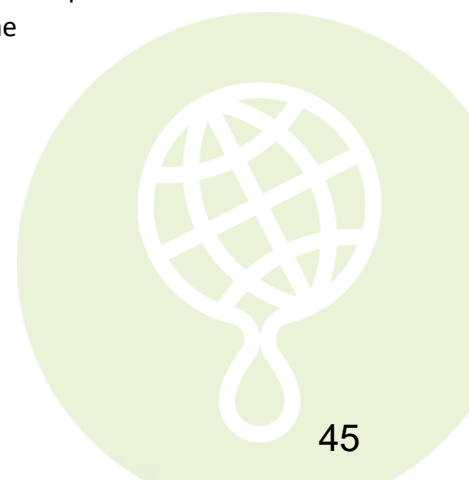
Finally, work to develop our Local Heat and Energy Efficiency Strategy and Delivery Plan (LHEES) is nearing finalisation, with the new LHEES due for publication in January 2024. The LHEES is designed to be at the heart of a place based, locally led and tailored approach to the heat transition. These local strategies will cover all of Scotland and underpin an area-based approach to heat and energy efficiency planning and delivery. Since April, Home Energy Scotland have supported 2,611 households with energy efficiency advice.

Transport

Officers continue to work in partnership with the Ayrshire Roads Alliance to develop the new Ayrshire Electric Vehicle Pathfinder which is set to bring £5m public electric vehicle charging investment into Ayrshire to deliver 300 new chargers, subject to external funding. This is an exciting next step in helping residents and businesses transition to electric vehicles, by providing a well-distributed, affordable and reliable public charging network.

A new route map for the decarbonisation of our Council vehicles has prioritised how we will reduce emissions across our fleet. This includes a commitment that we will not purchase any new fossil fuel powered passenger or Light Commercial Vehicles (LGVs), two years ahead of the 2025 target set out in the Programme for Government.

We are committed to improving knowledge and attitudes about sustainable transport choices through the Trinity Active Travel Hub and our Travel Smart programme. This includes working with organisations and volunteers to provide active travel activities across the area and our workplace engagement programme working with local employers. Activities delivered, included personalised travel planning, bike maintenance classes



and challenges such as 'Cycle to Work September'. We continue to update and promote our Active Travel Hub social media pages to raise awareness.

Regeneration projects that have commenced this year include:

- Construction of the North Crescent Coastal Path Phase 1, Ardrossan.
- An options appraisal study for the Valefield Bridge, Kilbirnie to help re-establish this important active travel link.
- Fairlie Coastal Path Phase 3 with construction expected to start in Q4.
- Detailed design stage for Largs Promenade Active Travel Study.
- Feasibility study for Cumbrae Active Travel Link.
- Design of Old Caledonian Railway Path Phase 2.

The following projects have been completed:

- Upgrade of the Harbour Path, Ardrossan linking between the town centre and ferry terminal.
- Design of the North Crescent Coastal Path Phase 2, Ardrossan with funding for construction secured from Sustrans.
- Improvements to five separate path links in Ardrossan, Saltcoats and Stevenston.
- Upgrade of Old Caledonian Railway Cutting, Saltcoats (Phase 1).
- Upgrades to bus stop shelters to promote walking to public transport.

Environment

Our Streetscene Service continues to support volunteering groups. Following nominations from volunteer groups, Elected Members and the general public, a recognition event was held at Saltcoats Town Hall to recognise the contribution of our volunteers, particularly young environmental ambassadors. There were 64 attendees with five awards presented to the young environmental ambassadors for various activities, such as litter picking and

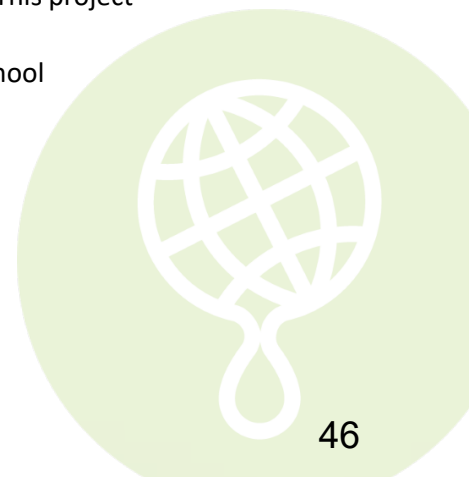
making horticultural enhancements in their local areas. Through working with volunteers, issues and solutions are identified, such as littering of disposable vapes. We worked with the Irvine Clean Up Crew to provide an appropriate disposal solution.

Our Environmental Enforcement Team are working on a 'Sea Starts Here' campaign to educate our residents and raise awareness of litter being placed into drains and waterways, which ultimately leads to pollution of our waterways and coastal locations.

Our 'Intermediate Labour Market' (ILM) initiative has provided extra capacity and enabled a focus on the ensuring paths are edged and encroachment is cut back on our cycle network to enable our residents to access zero carbon travel.

Successful bids for 'Food for Thought' grants were evaluated effectively by a number of North Ayrshire schools. They are individually investigating the adoption of low carbon behaviour change in their communities.

Our Climate Action Town Stevenston Project launched after successful funding from the Chartered Institute of Library and Information Professionals in Scotland (CILIPS). This will offer a series of climate and environmental themed activities for schools, families and the local community in the library and surrounding area, including climate cinema screenings, climate classroom, eco-learning activities and outdoor learning. Our Streetscene Service has been working with the friends of Kirkton Hall Glen to further enhance the biodiversity of the area and involved the local primary school in seeding of the wildflower meadow in preparation for the 2024 growing season. This project has helped to bring biodiversity into the school curriculum, supporting learning outcomes and the biodiversity of the local area.



Our North Ayrshire 2030 Woodland Project is progressing well with 35,627 new trees planted. The target is to plant 108,000 new trees by 2030.

Reuse and Recycling

Waste Services worked alongside our Economic Development team to outline options and recommendations for a potential 'remakery' project to increase re-use and repair across North Ayrshire. The study recommended options to be progressed in line with the new Shared Prosperity Fund programme.

Our Council's bulky waste reuse partner, Cunninghame Furniture Recycling Company (CFRC), collected 107 reusable mattresses (1.3 tonnes) from April to September 2023, as part of the initiative to promote opportunities for their reuse along with 97.6 tonnes of household furniture that would otherwise have been disposed of.

An Elected Members development session took place on 20th April 2023 to discuss some of the key drivers for increasing reuse and recycling performance. The Scottish Government has published a draft Circular Economy (CE) Bill, which is expected to become law by May 2024, with a further consultation expected on their Waste Route Map in the coming months. The draft CE Bill

and the Route Map consultation will be used to inform the development of a new Zero Waste Strategy. We will schedule further consultation sessions as part of the development process.

Adaptation

Our Council is undertaking Adaptation Scotland's Capability Framework in order to improve North Ayrshire's resilience to climate change. The framework identifies four capabilities needed for an organisation's adaptation journey. The first internal self-assessment was undertaken in a workshop environment, with representatives from services cross our Council and support from Adaptation Scotland. The group identified evidence for the benchmarking tool, creating a baseline assessment of the current status. A proposed list of actions was also identified which have been progressed over this period. The actions are:

- Create and maintain a Council wide library of climate change and adaptation case studies.
- Investigate potential of introducing a climate change (adaptation) risk assessment template for strategic organisational risks.
- Raise awareness via a staff eLearning module on climate change and adaptation.



- Build external capacity to share understanding on climate change and adaptation.
- Improve reporting by recording evidence and measure outcomes in relation to climate change and adaptation.
- Undertake annually the Adaptation Capability Framework and Benchmarking Tool assessment to review Council wide progress.

Supporting Local Businesses

The Corporate Procurement Unit (CPU) work closely with the Business Support and Development Team, to identify local suppliers to invite them to quick quote. We can now confirm local spend for 2022/23 was £57.7 million (26% of total spend) and £2.7 million worth of Quick Quotes were awarded locally.

Our Business Development Team has supported 83 businesses with a range of activities to reduce their environmental impact including awareness raising, consultancy support, green event hosting, grant support and referrals to partner organisations. We have also directly funded 17 businesses to participate on the Net Zero Accelerator programme. This will seek to provide the individual businesses with advice, support and information relating to reducing (and measuring) their environmental impact. It runs over a 12-month period and evaluation of the impacts will be undertaken during and at the conclusion of the programme.

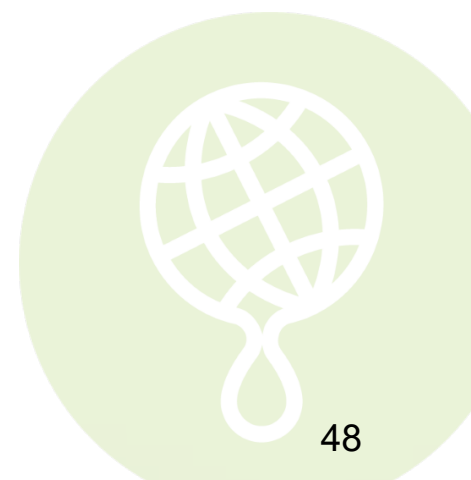
The [Communities and Place Fund](#) was approved by Cabinet on 30th May. The Fund was developed with input across services, the Ayrshire Community Trust and Arran Council for Voluntary Services and reviewed by the Policy Advisory Panel. It is comprised of a competitive grant fund and Participatory Budgeting (PB) fund. The competitive grant fund opened to applications on 21st June. Nine awards were made to projects across North Ayrshire, with a total value of £160,330. Unsuccessful applicants have been given

support and advice to better position their applications to reapply next year or pursue alternative funding sources. The PB fund is underway with awards being made later this year.

Climate Change

Next Steps

- We will publish our new 'Sustainable North Ayrshire' Strategy.
- We will publish our new Local Heat and Energy Efficiency Strategy.
- We will progress to construction stage for our new solar farm projects.
- We will launch new energy efficiency measures offer as part of our Energy Smart programme.
- We will continue the development of a new Zero Waste Strategy.
- We will progress the procurement exercise for the new Ayrshire Electric Vehicle Charging Infrastructure project.
- We will progress with our fleet decarbonisation route map, including exploration of a hydrogen production feasibility study.
- We will continue the construction of the North Crescent Coastal Path Phase 1, Ardrossan.
- We will present our Local Transport and Active Travel Strategy to Cabinet in October. It will provide a framework for investment and decision-making in transport for the benefit of our residents, visitors and businesses up to 2028.
- We will complete and submit our statutory Biodiversity Duty report to the Scottish Government in January.



Case Study – Active Travel

Several Active Travel projects took place during the summer months to encourage sustainable travel. Our Active Travel and Communications Teams worked closely together to promote the activities, generating significant interest from across our area.

Public Engagement on Active Travel Options on B777 between Beith and Kilbirnie

In May this consultation on proposed improvements to the B777 to provide walking, cycling and wheeling opportunities, gained a great deal of interest. 104 people took part in the survey and there were 57,400 views of the information and 2,556 interactions on social media.

Family Cycle Event at the Circuit

400 people attended this event at our newest sporting and leisure facility in June following significant promotion through social media, press releases, community radio, poster and leaflet distribution as well as internally to our own employees. Held as part of the nationwide ‘power of the bike’ campaign to promote the UCI Cycling World Championships in Glasgow, the event enabled residents to try-a-bike, access free safety checks and bike loans. As a result, 400 people attended the event and there were 22,000 views of the information on our social media channels.

Cycle Maintenance Drop-In Sessions

38 people attended the sessions during August and September to help our communities get their bikes ready for autumn. Held across North Ayrshire, the sessions empowered residents by teaching them how to care for and make minor repairs ‘on the go’ to their bicycles. In addition, accessible cycle routes and cycling sessions to build confidence were promoted. We received over 16,900 views of the information and 283 interactions on social media.

Ayrshire Walking Festival

This pan-Ayrshire event was organised and promoted by our Active Travel Team. 186 people attended events during the festival - an increase on the previous year despite a more compact schedule.

Through these activities we can see that there is a significant level of engagement with learning more about active travel in North Ayrshire. This is very positive in terms of working with our communities to deliver our Climate Change priority.



A Sustainable Council

Key Activities

Our Council Plan 2023-28

Our Council Plan 2023-28 was approved by Council in June 2023. Developed alongside our communities, our Council Plan vision remains 'A North Ayrshire that is fair for all'. Our mission is 'Working together to improve the lives of our people in North Ayrshire'. This shows how we view our plan as a contract with our communities, hence "our" plan. It aims to continue a culture of continuous improvement by ensuring everyone working in and alongside our Council is focussed on improving the lives of the people we serve.

The first annual Best Value Thematic Approach Audit is in progress. This approach replaces the previous five-yearly audits. The Best Value theme for this year is "Leadership of the development of new local strategic priorities", focussing on the development of our new Council Plan 2023-28. The Best Value report will be appended to the Annual Audit Report and will be presented to our Audit and Scrutiny Committee in November.

Tackling Digital Exclusion

Our Council secured an award of £242,000 from the UK Government's Department for Science, Innovation and Technology (DSIT). This funding comes as part of the commitment to advancing wireless infrastructure and 5G technology. We were one of six successful local authorities and the only one in Scotland.

A regional bid was submitted to DSIT's £40 million 5G Innovation Regions (5GIR) programme in September with South and East Ayrshire Councils, with a decision from the UK Government due at the end of October.

The Digital Economy Skills Group: a sub-group of the Ayrshire Skills Group continues to work with partners and have agreed three priority areas for 2024. These are to:

- 1) Develop a Digital Skills Collaboration Pilot with key stakeholders to help streamline support and collectively understand and address the challenges facing our digital economy and align with the new Skills Development Scotland Digital Economy Skills Action Plan (DESAP).
- 2) Undertake Digital Economy Industry/School engagement.
- 3) Undertake Digital Skills Mapping.

Effective Financial Management

The budget process for 2024/25 has commenced and includes a focus on the alignment of strategic investment opportunities linked to our Council's key priorities outlined in our new Council Plan 2023-28. For example, the Nethermains / Shewalton solar investment linked to our Council's focus on achieving Net Zero as well as significant capital investment across flood management and decarbonisation of our Council fleet.

There is ongoing discussions and progress around various areas of financial flexibility with the Scottish Government, including potential changes to Council Tax through the multiplier and second homes levy. Discussions continue on the feasibility of a tourist visitor levy and budget discussions on the Verity House agreement, and what this means within the context of budget conditions.

Further progress has been made with lease income generation from commercial properties and the non-commercial property portfolio will now focus initially on an Irvine locality office accommodation

review which is being managed through the Transformation Board.

In May 2023, Cabinet approved the submission of two applications to the Vacant and Derelict Land Investment Programme. Both applications, Kyle Road and 36 Bank Street were invited to submit Stage 2 applications, due 17th November 2023. Further feedback has been requested to strengthen the Stage 2 submission.

Our Workforce

The Modern Apprenticeship recruitment exercise has been undertaken and various departments have welcomed these new recruits to their teams. In September a cohort of Graduate Apprentices from various directorates across our Council started their courses at the University of the West of Scotland as part of our Council's workforce development commitment.

Craft Apprenticeships continue to be successful within our Council, with a new annual intake commencing earlier in the year.

Six-monthly Workforce planning meetings at a Service level have been completed and plans updated. Methodology and tools to aid analysis and review of data are embedded in this process to inform decisions. A PESTLE analysis approach is utilised to provide insight into factors that will impact on workforce planning.

We launched a programme to reshape our workforce in line with financial planning needs in early May. This will be concluded by March 2024.

A Sustainable Council

Next Steps

- We will review and implement any actions following our Best Value report due to be published in November.
- We will support our External Auditors in the audit of the next Best Value Thematic Approach early in 2024, focussing on workforce innovation.
- We will continue to engage with the Island Plan Delivery and Steering Groups to shape the annual action plans for the Island Plans.
- We will seek further feedback that has been requested to strengthen the Stage 2 submissions for Kyle Road and 36 Bank Street.
- We will await the third round of the Levelling Up Fund.
- We will await the decision from the UK Government on the regional bid submitted to DSIT's 5G Innovation Regions (5GIR) programme with South and East Ayrshire Councils.
- We will await the completion of The Digital Connectivity Maturity Assessment.

Case Study – Our Council Plan 2023-28

We developed [Our Council Plan 2023-28](#) together, it is our living contract with our communities, it is ‘our’ joint plan, ‘Our Council Plan’.

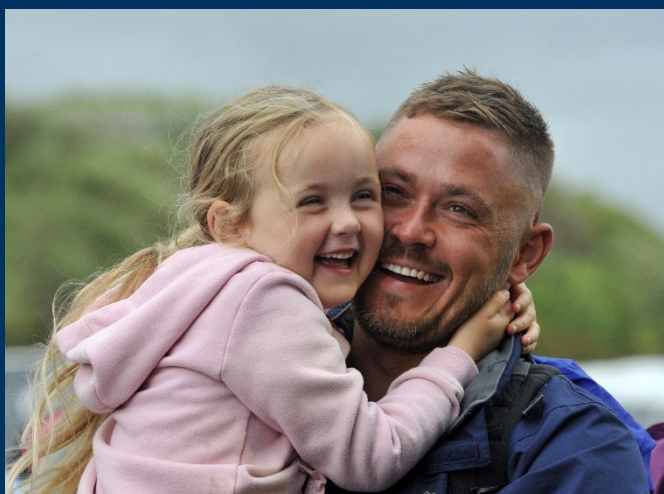
Many of the challenges North Ayrshire experiences are complex and longer-term solutions are required to address them sustainably. As a result, each Council Plan is designed to build on the progress of the previous plan, always with a focus on improving the lives of our residents.

Our aim remains to achieve ‘A North Ayrshire that is fair for all’ and our mission is ‘working together to improve the lives of our people in North Ayrshire’.

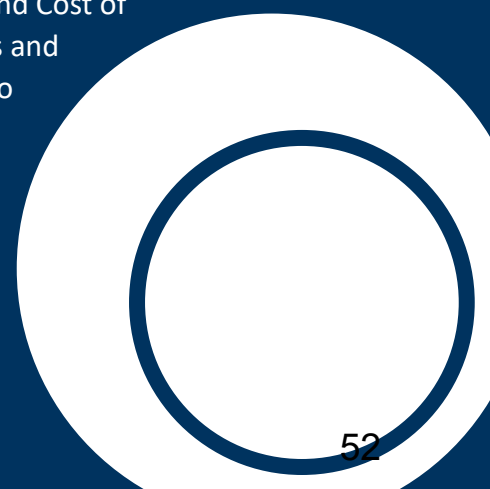


Consultation was at the heart of our developing our new Council Plan.

In January 2023 the Leader of the Council, the Chief Executive and Chief Officers held in-depth discussions with community group representatives across all six localities to ensure our Council Plan reflected the priorities of local residents. We also invited views through a joint Council Plan and Budget 2023/24 survey, attracting 1,400 responses. We worked with Communications, the Customer Contact Centre, the Community Learning and Development Team, the Education Service, Library Service and specialist Engagement Officers within the Council to ensure as many of our residents as possible had the opportunity to have their say. We offered British Sign Language interpreters on request at events, induction hearing loops and information in alternative languages.



Real lived experience is the best way to inform what we do. Since October 2022 we have held a series of mini enquiries directed by our Child Poverty and Cost of Living Board to discuss and inform our approach to addressing Child Poverty. These events have included public, private and



third sector partners, alongside representatives from our communities, enabling honest conversations about challenges and how they could be addressed. These directly informed both our recent Child Poverty Action Plan and the Council Plan, particularly within the 'Wellbeing' and 'Communities and Local Democracy' priorities.

Internal consultation included Chief Officer Development Workshops as well as discussion at the employee Leadership Conference and the Executive Leadership Team meetings.

All of this engagement was added to earlier consultations that took place for the Community Plan (Local Outcomes Improvement Plan), Health and Social Care Partnership Strategic Plan, Locality Partnership Plans and Island Plans. It was considered alongside the Strategic Needs Assessment undertaken for the Health and Social Care Partnership Strategic Plan and the People's Panel Survey 2022. This ensured we gathered as wide a range of views as possible while minimising duplication.

The views from the consultation exercises were used to shape our four priorities (see image below) which were thereafter shared with our Modern Apprentices (aged 16 to 24 years) in April 2023 for their comments. They confirmed that the draft priorities are "the most

important and crucial" to them and were satisfied that

the language and layout of the plan is clear,

straightforward and easy to read. They provided

very helpful guidance on providing effective

and relevant feedback on progress and we

will continue to work with them.

Our Council Plan has also been informed

by use of data including that relating to

population decrease and demographic

change, child poverty, the Scottish Index

of Multiple Deprivation as well as data

on climate change. The financial

sustainability of the Council is essential to

the future delivery of services and due

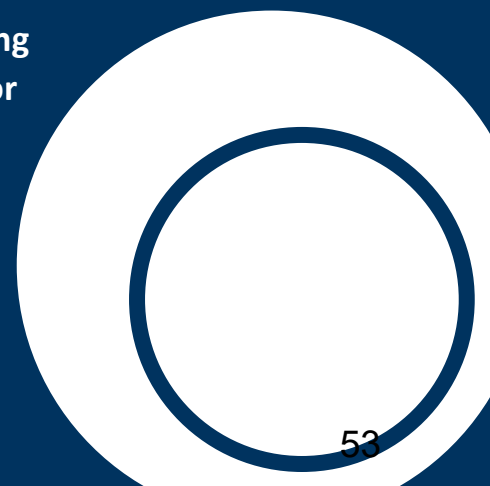
regard is therefore paid to that as a priority

so we can continue to work in partnership to

meet the needs of our communities.



Now Our Council Plan 2023-28 is approved, we are focussing on delivering on our priorities. If you have any questions or comments, please contact the Corporate Policy, Performance and Elections Team on 01294 310000 or email NorthAyrshirePerforms@north-ayrshire.gov.uk.



Audits, Inspections and Accreditations

Our Council's External Audit of the accounts and wider scope Audit is due to be presented at the Audit and Scrutiny Committee in November. This includes the first in the new Best Value Thematic Approach audits, replacing previous five yearly audits. Best Value is a statutory duty that ensures we are always striving to improve, have effective governance, strong leadership and work closely with partners (in particular our communities) to inform decision making.

In this new annual approach, each year the Accounts Commission will decide on a particular theme to form the basis of the Best Value Thematic Audit in all 32 Scottish local authorities that year. This will enable effective benchmarking and scrutiny of our performance by comparing our audit report to other councils. Previously audits were staggered, rather than synchronised, across local authorities.

The Best Value theme for this year is “Leadership of the development of new local strategic priorities”, focussing primarily on the development of our new Council Plan 2023-28 and the involvement of our communities in developing our priorities. Once published, we will consider any recommendations and develop an action plan.

The Corporate Procurement Team is currently undertaking a Procurement and Commercial Improvement Programme (PCIP) assessment with the outcome being determined later in the year.

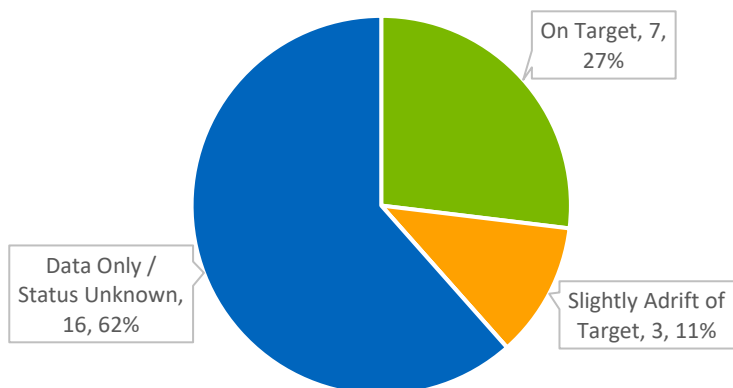
Our Community Learning and Development services are currently undertaking their regular [HM Inspectors of Education \(HMIE\) Progress Review Visit of Community Learning and Development](#). Results of the inspection are due to be published in October.

Schools are subject to periodic external evaluation by the national inspection agency, Education Scotland. Early Learning and Childcare settings are inspected by both Education Scotland and the Care Inspectorate. Recently eight educational establishments were inspected by Education Scotland and the Care Inspectorate, who found the very positive performance within our schools and Early Years centres. Action has been taken to celebrate strengths and address areas for improvement identified in the inspection reports. Reports have been published on the [Education Scotland](#) and [Care Inspectorate](#) websites.

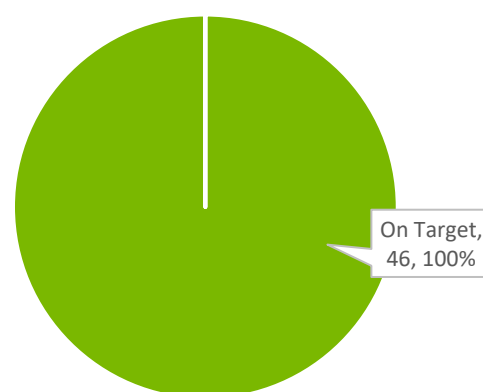
Our Council is undertaking Adaptation Scotland’s Capability Framework in order to improve North Ayrshire’s resilience to climate change. The framework identifies four capabilities needed for an organisation’s adaptation journey. The first internal self-assessment was undertaken in a workshop environment, with representatives from services cross our Council and support from Adaptation Scotland. Full details are included in our Climate Change section above.

Performance Summary

Performance Indicators



Actions



- On Target
- Slightly Adrift of Target
- On Target
- Slightly Adrift of Target
- Significantly Adrift of Target
- Data Only / Status Unknown

There is a high number of performance indicators (16 PIs) where the current status is unknown. This is due to the timing of the performance management framework in August following approval of the Council Plan meaning setting targets, particularly for newer PIs, with only a month left in the quarter would not have been best practice. However, targets where appropriate were set for year-end (see Performance Indicators section below).

Progress against the annual targets gives confidence that performance is on schedule, with some areas such as the number of unemployed people progressing into employment already exceeding their annual target at mid-year (652 against a target of 450). Our Street Cleanliness score shows we have performed better than expected at 90.1% against a target of 87%. Participatory Budgeting is currently sitting at 2.06% to date, ahead of the 1.5% target for Quarter two and year end.

Other areas include the number of empty properties brought back into use and number of new build properties (all tenures) which are progressing at over 50% of target at mid-year, though these may be subject to seasonal fluctuations later in the year.

Measures adrift of target

This section details the performance indicators adrift of target and the action being taken to address performance. Due to expected data lags the most recent data may relate to previous time periods but may only now be available to report. To avoid duplication, only data that has not previously been reported to our Cabinet is included in this section.

At mid-year, the statuses of all PIs within our new Council Plan are either on target (7) or have previously been reported under our previous Council Plan at Year-End 2022-23.

Performance Indicators

The Council Plan Performance Management Framework was approved by Cabinet on 29th August 2023. As a result, it wasn't feasible to set meaningful targets for Quarter 2 (end of September) for some indicators. The Annual 2023/24 target is included to help support scrutiny of performance.

PI Code and Description	2020/21 Value	2020/21 Target	2020/21 Status	2021/22 Value	2021/22 Target	2021/22 Status	2022/23 Value	2022/23 Target	2022/23 Status	Q2 2023/24 Value	Q2 2023/24 Target	Q2 2023/24 Status	2023/24 Target
CP_36 Number of residents participating in community learning and development activity including youth work*				17,269			17,804			16,503			18,700
CP_04 Proportion of children meeting developmental milestones (LGBF)**	82.2%			78.7%			Data Available February 2024			Measured Annually			79%
CP_37 Average total tariff score of pupils living in SIMD 20% most deprived areas	724			711			Data Available March 2024			Measured Annually			714
CP_06 Average tariff score: All Leavers	912	900		905.6	880		Data Available March 2024			Measured Annually			908
CP_38 Average total tariff for Care Experienced Young People	448			457			Data Available June 2024			Measured Annually			465
CP_07 Percentage of school leavers entering positive destinations (LGBF)	95.2%	96.2%		96%	93.5%		Data Available February 2024			Measured Annually			96.4%
CP_39 Number of unemployed people progressing into employment	285	200		524	450		437			652			450
CP_10a Percentage of procurement spent on local enterprises	21.39%	23.5%		22.93%	24%		26.04%	25%		Measured Annually			26%

PI Code and Description	2020/21 Value	2020/21 Target	2020/21 Status	2021/22 Value	2021/22 Target	2021/22 Status	2022/23 Value	2022/23 Target	2022/23 Status	Q2 2023/24 Value	Q2 2023/24 Target	Q2 2023/24 Status	2023/24 Target
CP_40 Number of new build housing units reaching completion (all tenures) (Actual not cumulative)*							562			223			295
CP_41 Number of empty homes brought back into use (Actual)***	122			335			120			180			200
CP_28 Hectares of vacant & derelict land in North Ayrshire	1,204	1,194		1,198	1,144		Data pending	1,094		Measured Annually			1,094
CP_27 Street Cleanliness Index – Percentage Clean (LGBF)	91.34	94		86.7	94		84.6	90		90.1%			87%
CP_20 Overall percentage of road network that should be considered for maintenance treatment	37.1%	38.1%		33.9%	37.5%		34.8%	33.8%		Measured Annually			34.8%
CP_42 Provided floor space of commercial/industrial space within our Council portfolio (sq ft)*							400,991			Measured Annually			404,755
CP_02 Percentage of Council budget directed via participatory methods	1.13%	1.2%		2.32%	1.1%		2.74%	1%		2.06%	1.5%		1.5%
CP_43 Number of Council assets under community management (cumulative)*							49			51			54
CP_30 Total installed capacity of low carbon heat and electricity generation across the Council's estate	10,720	9,800		11,680	11,000		12,104	11,800		Measured Annually			12,000
CP_29 Overall carbon emissions (tonnes) (Non-domestic Council estate)	22,846	35,127		21,791	21,247		20,896	21,000		4,060			19,500
CP_44 Percentage of council dwellings that are energy efficient	97.6%			97.7%			Data Available February 2024			Measured Annually			98.1%

PI Code and Description	2020/21 Value	2020/21 Target	2020/21 Status	2021/22 Value	2021/22 Target	2021/22 Status	2022/23 Value	2022/23 Target	2022/23 Status	Q2 2023/24 Value	Q2 2023/24 Target	Q2 2023/24 Status	2023/24 Target
CP_45 Length of new or improved active travel routes per annum (Metres)*							1,090			Measured Annually			2,000
CP_46 Number of trees planted under the North Ayrshire 2030 Tree Planting Strategy*							35,627			Measured Annually			40,000
CP_19 Proportion of operational buildings that are suitable for their current use (LGBF)	91.05%	93%		91.1%	93%		91.5%	93%		Measured Annually			92.1%
CP_31 Percentage of total household waste that is recycled (calendar year as per SEPA) (LGBF)	52.1%	52.1%		56.3%	53.1%		55.3%	56.9%		61.3%	51%		57%
CP_25 Percentage of Council dwellings that meet the Scottish Housing Quality Standard (LGBF)	98.83%	99.5%		49.3%	99.5%		63.2%			Measured Annually			72.5%
CP_47 Gross rent arrears (all tenants) as at 31 March each year as a percentage of rent due for the reporting year (LGBF)	5.5%			6.6%			7.1%			Measured Annually			6.5%
CP_48 Percentage of income due from Council Tax received by the end of the year (LGBF)	92.1%			93.3%			94.7%			Measured Annually			94%

*These indicators have been newly introduced for the Council Plan 2023-28, historical data isn't currently available for the greyed-out time periods.

**CP_04 Proportion of children meeting developmental milestones (LGBF) – This indicator has been renamed from 'Percentage of children achieving their developmental milestones at the time the child starts primary (LGBF)' to fully align wording with the LGBF. The measure is unchanged.

** CP_41 Number of empty homes brought back into use (Actual) – Due to a system issue the historical data for this PI has changed slightly. 2020/21 has been amended from 121 to 122. 2021/22 has been amended from 334 to 335 and 2022/23 has been amended from 123 to 120. This has been rectified for future reporting.

Action Tracker

Priority	Ref #	Existing Overall Action	2023-24	2023-24	2023-24	2024/25	2024/25	2024/25	2024/25	2025/26	2025/26	2025/26	2025/26	2026/27	2026/27	2026/27	2026/27	2027/28	2027/28	2027/28	2027/28
			Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	CP01	Ensuring that wellbeing is at the heart of local life and opportunities, with a focus on tackling inequalities.	✓																		
	CP02	Developing a Community Wealth Building approach to a wellbeing economy.	✓																		
	CP03	Improving educational attainment and achievement and closing the attainment gap.	✓																		
	CP04	Improving outcomes for care experienced young people including implementation of The Promise.	✓																		
	CP05	Developing the Young Workforce and ensuring positive destinations for school leavers.	✓																		
	CP06	Providing lifelong learning opportunities for individuals and organisations, including digital literacy.	✓																		
	CP07	Maximising access to and uptake of benefits, entitlements and financial advice.	✓																		
	CP08	Ensuring that supports are available in communities to alleviate cost-of-living pressures through community hubs and networks.	✓																		
	CP09	Through our housebuilding programme and wider Housing Investment provide homes for life that meet the needs of our residents.	✓																		

Priority	Ref #	Existing Overall Action	2023-24	2023-24	2023-24	2024/25	2024/25	2024/25	2024/25	2025/26	2025/26	2025/26	2025/26	2026/27	2026/27	2026/27	2026/27	2027/28	2027/28	2027/28	2027/28	
			Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Priority	CP10	Increase the number of homes in the area through a mix of private and social developments and bringing empty buildings back in to use.	✓																			
	CP11	Exploration of models and the development of pilot schemes to increase access to and use of public/community transport.	✓																			
	CP12	Ensure our places and spaces where we live, work and visit are well maintained and accessible.	✓																			
	CP13	Developing infrastructure to support business growth.	✓																			
	CP14	Support KA Leisure’s leadership of North Ayrshire’s Health and Wellbeing Alliance.	✓																			
	CP15	Through the Health and Social Care Partnership Strategic Plan we will protect and provide care and support for those in need.***																				
Priority	CP16	Developing strong relationships with communities and partners based on trust and shared aspirations using their experiences to inform service provision.	✓																			
	CP17	Providing support for community organisations in achieving their goals, including as Community Wealth Building anchor organisations.	✓																			
	CP18	Creating a participation and engagement framework which ensures opportunities and support for all residents to take part in influencing local democracy and Council and partner strategies.	✓																			

Priority	Ref #	Existing Overall Action	2023-24	2023-24	2023-24	2024/25	2024/25	2024/25	2024/25	2025/26	2025/26	2025/26	2025/26	2026/27	2026/27	2026/27	2026/27	2027/28	2027/28	2027/28	2027/28
			Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
High	CP19	Supporting participatory budgeting.	✓																		
	CP20	Supporting community asset transfer and community owned and operated/managed assets.	✓																		
	CP21	Supporting the Community Planning Partnership and the Community Plan (LOIP).	✓																		
	CP22	Developing partnerships with the third and voluntary sector.	✓																		
	CP23	Placemaking, including creation of locality action plans based on the Community Plan (LOIP) priorities and support the delivery of Islands Plans.	✓																		
	CP24	Ensuring an inclusive, fair, rights-based and asset-based approach in our work.	✓																		
	CP25	Accessible public services, both digitally and locally, ensuring a 'No Wrong Door' approach.	✓																		
	CP26	Embedding our net-zero ambition in all democratic decision-making.	✓																		
Medium	CP27	Reducing the carbon footprint of our estate through rationalisation utilising a locality-based approach, and taking a fabric first and low carbon energy generation approach to homes and buildings.	✓																		
	CP28	Improving resilience and reducing carbon by developing and supporting supply chains where materials and goods are sourced locally.	✓																		

Priority	Ref #	Existing Overall Action	2023-24	2023-24	2023-24	2024/25	2024/25	2024/25	2024/25	2025/26	2025/26	2025/26	2025/26	2026/27	2026/27	2026/27	2026/27	2027/28	2027/28	2027/28	2027/28
			Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	CP29	Promoting new woodland creation and protecting our green spaces to provide a natural resource for carbon sequestration.	✓																		
	CP30	Supporting local businesses as they meet their climate change obligations.	✓																		
	CP31	Promoting a circular economy in North Ayrshire to reduce consumption of raw materials and promote reuse, repair and recycling, and generating energy from residual waste.	✓																		
	CP32	Developing local Low Carbon energy generation schemes and networks.	✓																		
	CP33	Unlocking the potential of community owned energy generation to bring new income streams into communities and help them take direct action to combat climate change.	✓																		
	CP34	Learning for Sustainability, and work with communities to adopt low carbon behaviour change and encourage climate-based volunteering activities.	✓																		
	CP35	Improving communities' preparedness to deal with the impacts of climate change already locked-in.	✓																		
	CP36	Working with communities to adopt low carbon behaviour change and encourage climate-based volunteering activities.	✓																		
	CP37	Taking a nature-based approach to protect our habitats and species.	✓																		
	CP38	Developing and promoting active travel infrastructure.	✓																		

Priority	Ref #	Existing Overall Action	2023-24	2023-24	2023-24	2024/25	2024/25	2024/25	2024/25	2025/26	2025/26	2025/26	2025/26	2026/27	2026/27	2026/27	2026/27	2027/28	2027/28	2027/28	2027/28
			Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	CP39	Transitioning to low and zero carbon travel.	✓																		
	CP40	Ensuring robust governance arrangements are in place to fulfil the Council’s statutory duties, manage risk and support delivery of key priorities.	✓																		
	CP41	Using dynamic data and lived experiences to inform decision-making.	✓																		
	CP42	Working with partners nationally, regionally and locally to secure investment and target resources towards our priorities.	✓																		
	CP43	Driving change and transformation, using technology where appropriate, to deliver efficient and effective services and support delivery of priorities.	✓																		
	CP44	Maximising financial flexibilities to help support delivery of priorities.	✓																		
	CP45	Maximising value from the use of our assets.	✓																		
	CP46	Focusing our investment on priorities.	✓																		
	CP47	Effective workforce planning ensuring that we have the right skills/resources to deliver priorities.	✓																		

***Delivery of this action is managed through the Health and Social Care Partnership Strategic Plan.

We strive to make our reporting as accessible as possible. If you have any questions or require further information on our Council's performance please contact:

The Corporate Policy, Performance and Elections Team

Tel: 01294 310000 Email: NorthAyrshirePerforms@north-ayrshire.gov.uk

Reports can be viewed at www.north-ayrshire.gov.uk/performance

NORTH AYRSHIRE COUNCIL

21 March 2024

Audit and Scrutiny Committee

Title: **2023/2024 Half Yearly Complaint Report**

Purpose: To inform the Audit and Scrutiny Committee of the Council's complaint performance and the volumes and trends of complaints received in the first six months of Financial Year 2023/24.

Recommendation: That the Committee notes the report and the information provided.

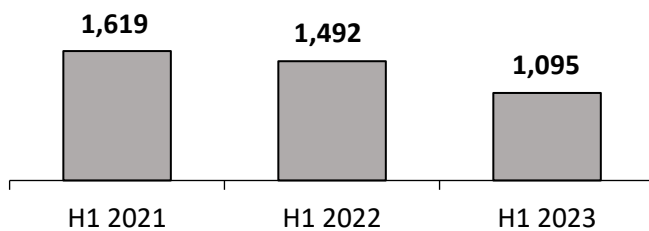
1. Executive Summary

- 1.1 This report details complaint handling performance relating to North Ayrshire Council covering the period 1 April 2023 to 30 September 2023 and is referred to in the report as H1 2023.
- 1.2 To allow comparisons to be made, the report also details some complaint data relating to previous years' half yearly reports (H1 2021 and H1 2022).
- 1.3 Performance is measured through a number of Scottish Public Services Ombudsman (SPSO) performance indicators, some of which have national targets.

2. Background

2.1 This section contains statistical information and commentary on some of the key complaint performance indicators. More information relating to the indicators can be found in the detailed half yearly report attached at Appendix 1.

2.2 *Volume of complaints received and closed*



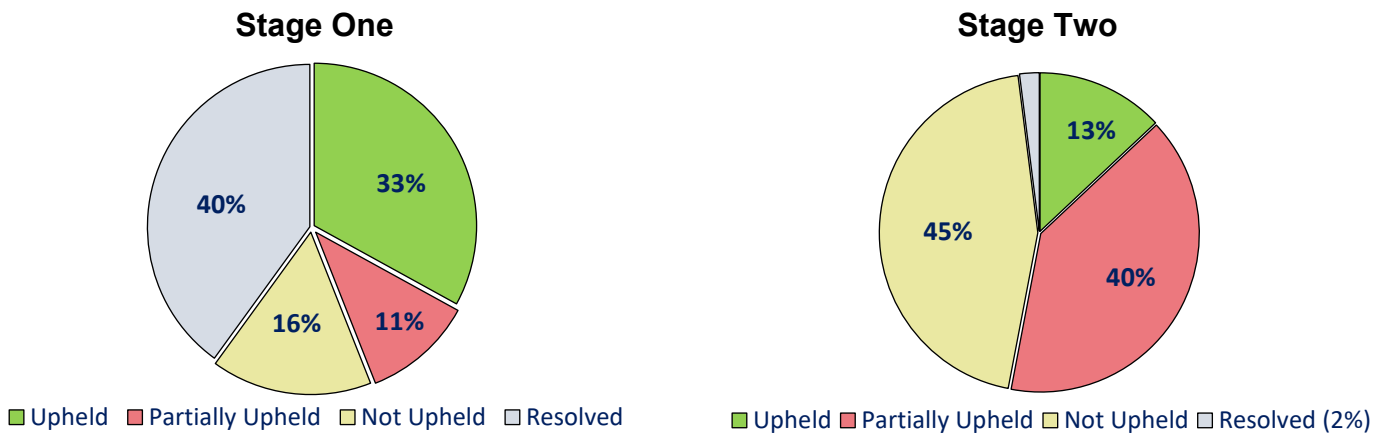
2.2.1 A 27% decrease has been noted in complaints received/closed when compared to the same period last year.

2.3 Complaints closed at each Stage

	H1 2023
Stage One	1012
Stage Two	83

2.3.1 Whilst there is no national target for the number of complaints to be closed under each Stage, the Council always seeks to maximise closure at Stage One as complainants receive a quicker resolution compared to Stage Two, which reduces the impact on complaint handler time and the possibility of SPSO referrals.

2.4 Complaint outcomes

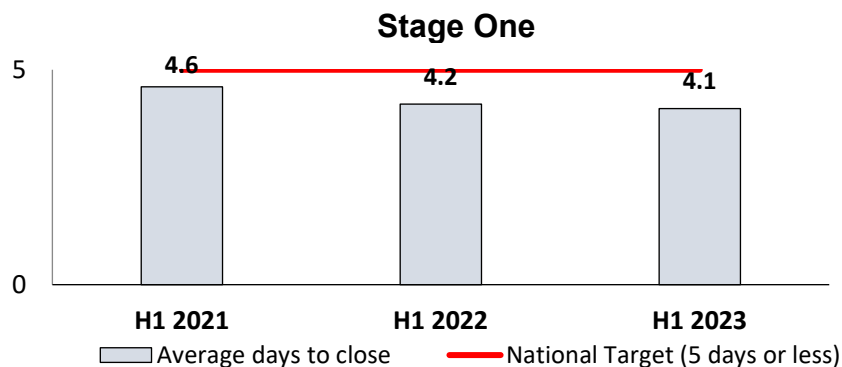


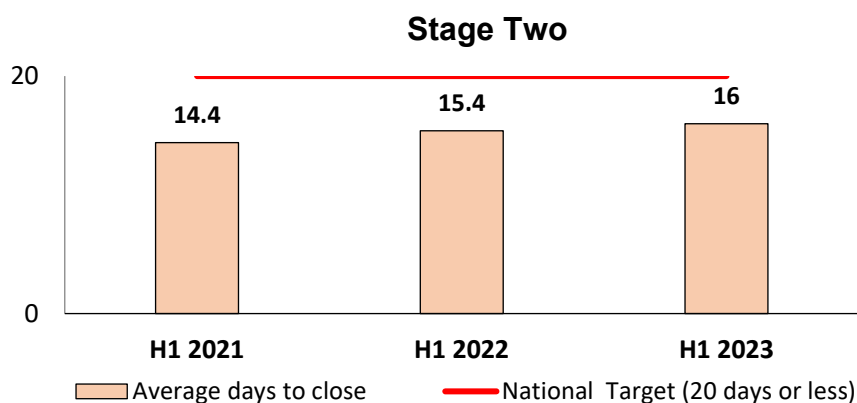
2.4.1 Up to 31 March 2021, a complaint that meets our complaint criteria could be upheld, partially upheld or not upheld. From 1 April 2021 a fourth outcome became available to use called 'Resolved'. Resolved complaints are where the Council has taken action to address a problem or issue without making a decision on whether there were any failings (this would happen where we agree a solution with the complainant at the outset without needing to actually investigate the complaint).

2.4.2 Analysis shows the majority of Resolved complaints related to missed bin collections, where complainants simply wanted their bins collected.

2.4.3 Many complaints not upheld related to policies, regulations or complaints that were unfounded.

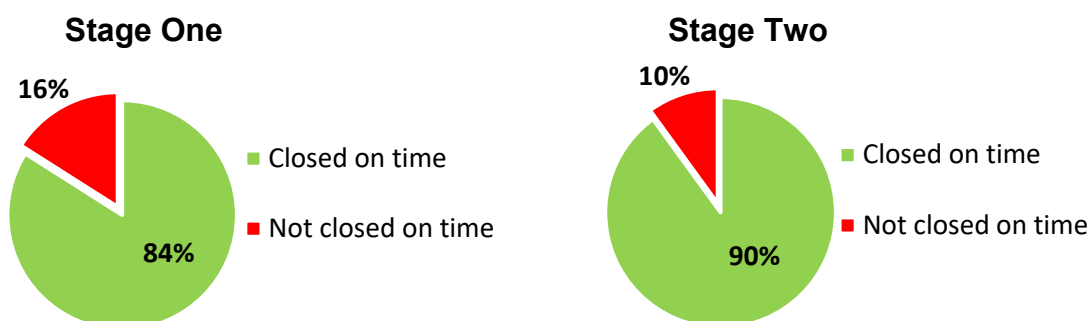
2.5 Average time in working days for a full response at each Stage





2.5.1 The average time in working days for a response under both Stages is better than the SPSO target response timescales for the last three years.

2.6 *Complaints closed within timescale*



2.6.1 The national target for complaints closed under Stage One is 80% or above. The Council's response was better than the national target set. The national target for complaints closed under Stage Two is 85% or above and again the Council's response was better than the set target.

2.6.2 Further details of complaints not closed on time are contained in the attached report.

2.7 *Trends identified from upheld/partially upheld complaints*

2.7.1 Key complaint topics for upheld or partially upheld complaints are detailed on pages 9 and 10 of the attached report.

2.8 *Changes or Improvements made as a result of complaints*

2.8.1 Not all Services can implement improvements as a result of complaints due to a number of factors, including the feasibility of making changes and resource/budget considerations. That said, improvements were made in some Services as a result of complaints received during the period and a selection are noted in page 14 of the attached report.

2.9 *Compliments*

2.9.1 The Council received and recorded over 100 compliments during the period. Some praised specific individuals or teams, some related to more than one Service and some

were raised by employees complimenting other employees. A selection can be found in page 15 of the attached report.

3. Proposals

- 3.1 It is proposed the Committee approves the report and recognises the Council's complaint handling performance for the first six months of Financial Year 2023/2024.

4. Implications/Socio-economic Duty

Financial

- 4.1 None.

Human Resources

- 4.2 None.

Legal

- 4.3 None.

Equality/Socio-economic

- 4.4 None.

Climate Change and Carbon

- 4.5 None.

Key Priorities

- 4.6 The Two Stage Complaint Handling Procedure supports the Council's key priority of delivering more effective and efficient service provision. It demonstrates commitment by identifying trends and focussing on service improvements whenever possible for North Ayrshire residents, customers and visitors.

Community Wealth Building

- 4.7 None.

5. Consultation

- 5.1 None.

Aileen Craig
Head of Service for Democratic Services

For further information please contact **Darren Miller, Complaint Manager**, on **(01294) 322988**.

Background Papers
2023/24 Half Year Complaint Report



2023/24 Half Year Complaint Report



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Introduction

North Ayrshire Council always seeks to deliver the best services possible to its customers and residents but it is recognised that dissatisfaction will sometimes occur. When it does, we want to know what went wrong, why it went wrong and what we can do to make things right.

The Council recognises valuable lessons can be learnt from complaints which are defined as being expressions of dissatisfaction from members of the public about actions, or lack of actions, or about the standard of service provided by or on behalf of the Council.

The Council's complaint handling procedure (CHP) has two stages for handling complaints from members of the public:-

1

Stage One complaints (also known as *Frontline Resolution*) are straightforward, non-complex complaints the Council can address at the initial point of contact or as close to the point of service delivery as possible. The Council has up to 5 working days to handle these.

2

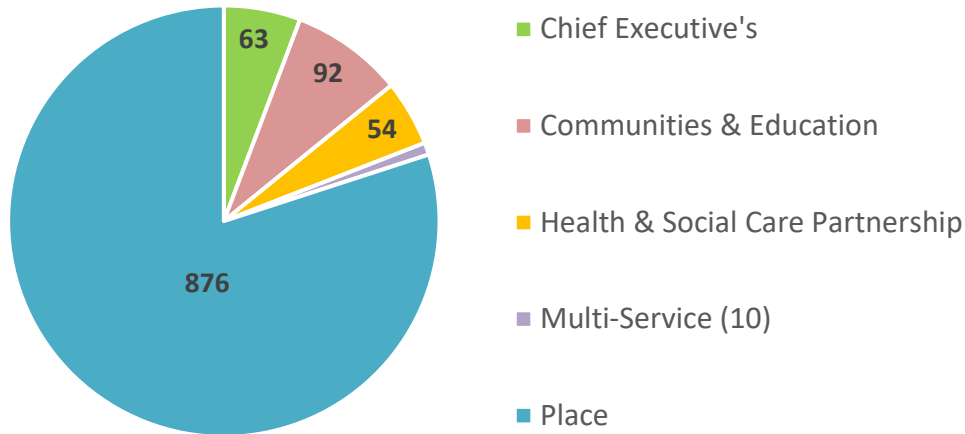
Stage Two complaints (also known as *Investigations*) are complaints the Council are typically unable to address at Stage One and require more time to carry out further investigation. This may be because the complaint is complex, serious or high risk. The Council has up to 20 working days to address these.

This report details the Council's complaint handling performance covering the first six months of financial year 2023 (1 April to 30 September 2023) and is referred to in the report as **H1 2023**. Performance is measured via several Scottish Public Services Ombudsman indicators (some of which have national targets) and complaint data relating to previous years has been included in certain sections to allow comparisons to be made.

Reporting complaints is a statutory requirement and is monitored by Audit Scotland.

1 Volume of complaints closed

1,117 complaints were received during the period and 1,095 closed. The chart below provides a breakdown of the closed complaints per Directorate:



The following tables highlight complaint volumes per Directorate under each Stage:

Place	Stage One	Stage Two
Building Services	136	6
Community Wealth Building	-	1
Housing	59	8
Planning	1	2
Property Management & Investment	44	3
Protective Services	9	1
Regeneration	-	1
Roads	24	2
Streetscene	68	1
Sustainability	1	2
Waste Services	503	4
Total	845	31

Multi-Service	Stage One	Stage Two
Complaints involving more than one service	1	9
Total	1	9

Health & Social Care Partnership	Stage One	Stage Two
Children, Families & Criminal Justice	12	2
Health & Community Care	22	6
Mental Health	3	5
Support Services	3	1
Total	40	14

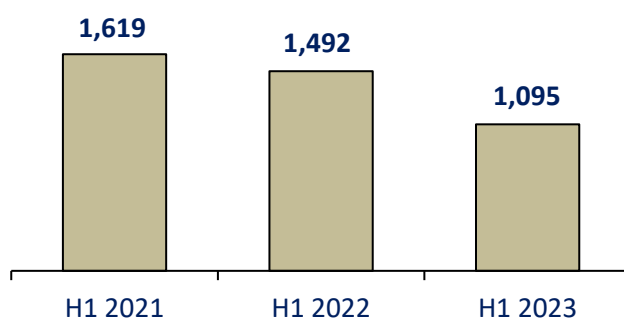
Communities & Education	Stage One	Stage Two
Community Learning & Development	1	-
Education (HQ)	4	3
Education (Schools)	50	19
Facilities Management	9	-
Information & Culture	4	2
Total	68	24

Chief Executive's	Stage One	Stage Two
Chief Executive Office	1	-
Customer Services	49	4
Finance	1	-
IT	1	-
Legal	6	1
Total	58	5

- Although there is no target for the volume of complaints handled under each Stage, the Council seeks to maximise closure at Stage One wherever possible and 92% were handled at this Stage during the period.
- Some Services handled all their complaints at Stage One.
- Whilst 46% of all complaints closed related to Waste Services (the majority relating to missed collections), the Service empty over 102,000 household waste bins each week. As this equates to approximately 2.5 million collections during the period, 0.02% of these collections resulted in complaints being raised. More information regarding the Waste Services complaints can be found later in this report.
- Multi-Service complaints have a table of their own as they are not attributed to one Service.

Year on Year comparison

The graph below shows a comparison of the volume of complaints closed over the half year period in the last three years:



The table below shows the volume breakdown for each Directorate over the last three years:

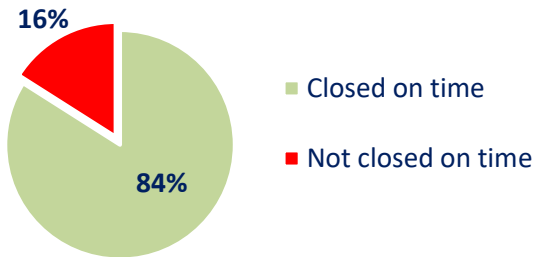
Directorate	H1 2021	H1 2022	H1 2023	Variance (2022 – 2023)
Chief Executive's	172	103	63	-39%
Communities & Education	46	65	92	+41%
HSCP (Social Work complaints)	83	60	54	-10%
Place	1,306	1,259	876	-30%
Total	1,607*	1,487*	1,085*	-27%

*Multi-service complaints have been excluded to allow true Directorate comparisons

- There has been a significant decrease (27%) in complaints received/closed when comparing H1 2023 with the previous year.

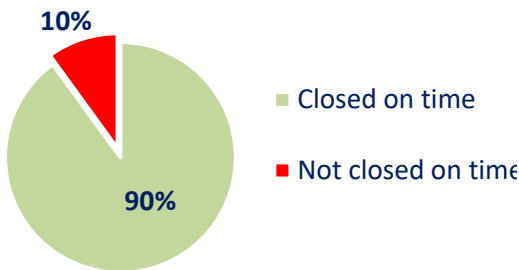
2 Volume of complaints closed on time at both Stages

Stage One



- The national target for closing Stage One complaints on time is 80% and above.
- The volume closed on time includes extended complaints that met their new due dates.

Stage Two



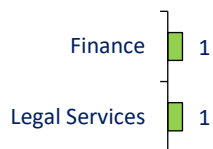
- The national target for closing Stage Two complaints on time is 85% and above.
- The volume closed on time includes extended complaints that met their new due dates.

3 Volume of complaints not closed on time per Directorate

This section provides details of complaints not closed on time under each Stage and includes extended complaints that did not meet their new timescales.

Stage One

Chief Executive's

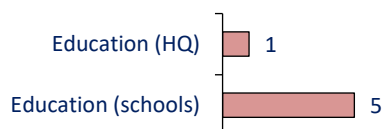


Notes

One Finance complaint did not meet timescale due to a communication breakdown because an employee crucial to the investigation was unavailable.

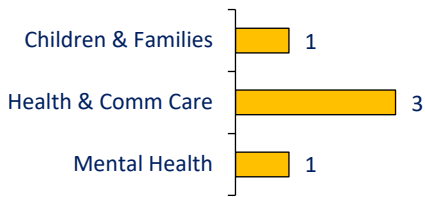
The Legal Services complaint that did not meet timescale was due to workload pressures.

Communities & Education



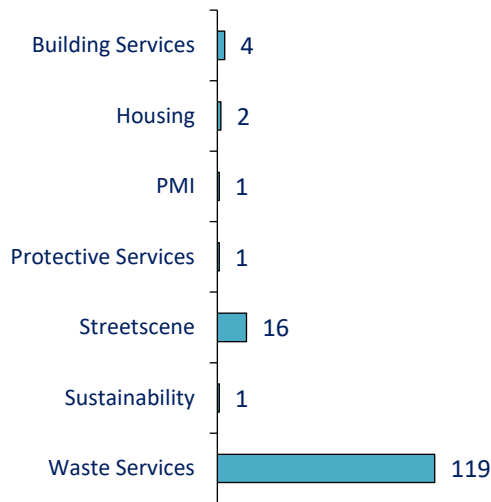
These 6 complaints breached because complainants were unavailable to assist with investigations and some were received during the summer break. Such complaints should have been escalated to Stage Two and the due dates extended appropriately.

HSCP (Social Work complaints)



There were various reasons these complaints did not meet timescale, including complaint handlers, employees and complainants not being available to progress or assist with investigations.

Place



Complaints in Place that did not meet timescale was due to a variety of reasons, including complaint handlers, complainants and 3rd parties being unavailable to assist with investigations, reduced resources and employee availability.

Regarding Waste Services complaints that did not meet timescale, additional information is below.

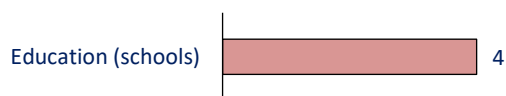
Waste Services complaints

The first six months of Financial Year 2023 were challenging due to increased sickness absence levels in Waste collections, which resulted in operational difficulties. Absence rates during the summer period were particularly high and the service robustly managed this, resulting in absence rates improving.

A manufacturing issue affecting purple bins led to a high number of complaints during the period. This is an ongoing contractual issue and while the service have endeavoured to meet purple bin lid replacement requests, this has unfortunately led to an increase in complaints.

Stage Two

Communities & Education



No reasons were provided as to why these 4 complaints breached their response due dates.

HSCP (Social Work complaints)



Whilst this complaint breached the 20-working day timescale by a couple of days, no reason was provided as to why it was not closed within timescale.

Place



The Planning complaint breached timescale due to employee availability.

No reasons were provided as to why the 2 Building Services complaints breached their response due dates.

4 Key complaint topics

Key topics for upheld and partially upheld complaints for Services are listed below. Services will not be listed if there were low complaint volumes that did not allow meaningful analysis.

Chief Executives

Service	Key complaint topic(s)
Customer Services	<ul style="list-style-type: none"> • Council tax issues • Employee actions (alleged or perceived)

Communities & Education

Service	Key complaint topic(s)
Education (HQ and Schools)	<ul style="list-style-type: none"> • Sensitive issues relating to teachers and/or pupils • Service delivery/provision • Employee actions (alleged or perceived)

HSCP (Social Work complaints)

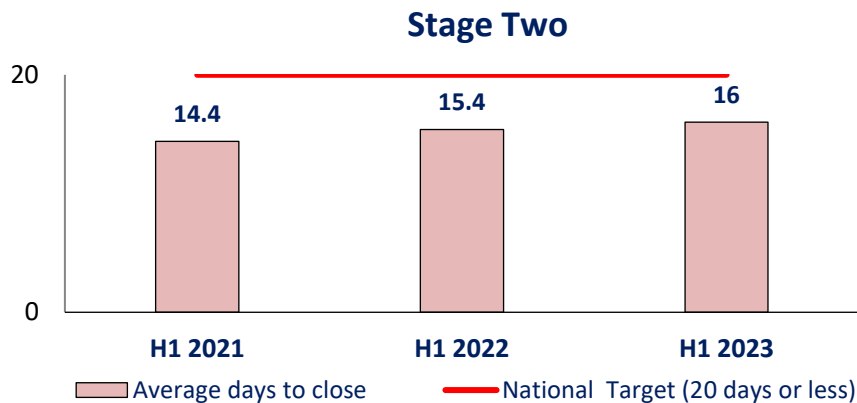
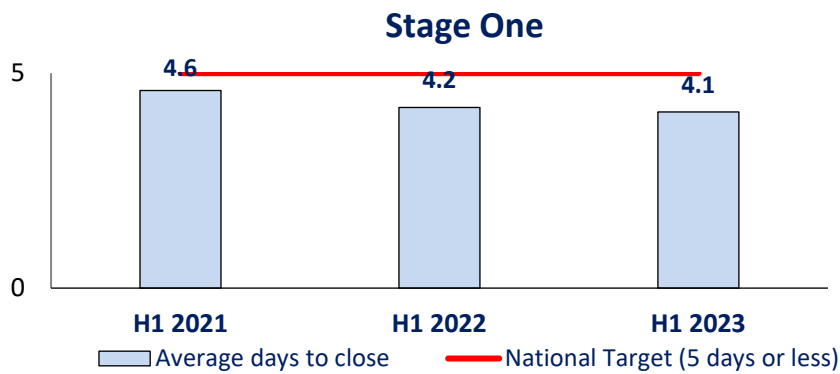
Service	Key complaint topic(s)
All Services (Children & Families, Health & Community Care, Mental Health)	<ul style="list-style-type: none"> • Service delivery/provision • Employee actions (alleged or perceived)

Place

Service	Key complaint topic(s)
Building Services	<ul style="list-style-type: none"> • Follow Up appointments • Quality of work issues
Housing	<ul style="list-style-type: none"> • Estate Management
PMI	<ul style="list-style-type: none"> • Planned works for tenants • Gas Central Heating issues
Streetscene	<ul style="list-style-type: none"> • Grass/verge/hedge cutting issues • Employee actions (alleged or perceived)
Waste Services	<ul style="list-style-type: none"> • Employee actions (alleged or perceived) • Issues with new bin deliveries • Missed waste bin collections (all colours) • Missed assisted bin collections (all colours) • Recycle scheme issues (shortage of food waste bags etc.)

5 Average time in working days for a full response

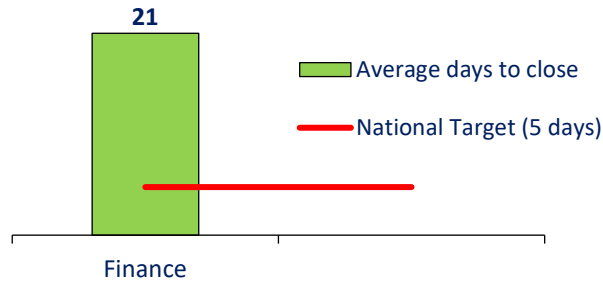
The average time in working days to close complaints under both Stages during the period is noted below. Values for previous years have been included to allow comparisons to be made and any complaints that had their timescales extended have been excluded from the calculations.



The bar charts below detail Services that did not meet the average time in working days for a response under either Stage. Services that met the target are not listed and any complaints that had their timescales extended have been excluded from the calculations.

Chief Executive's

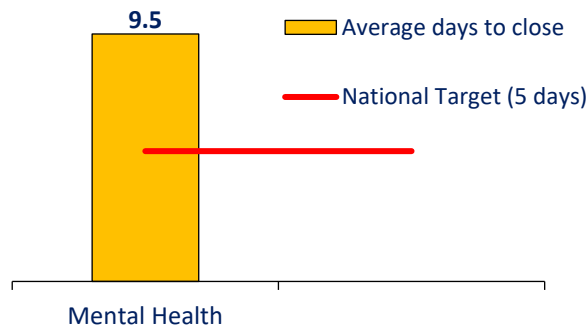
Stage One



Finance received and closed one complaint on working day 21. The complaint breached due to a communication breakdown because an employee crucial to the investigation was unavailable.

Health & Social Care Partnership

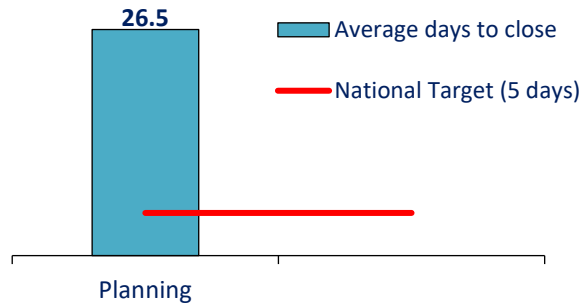
Stage One



A Mental Health complaint was closed on working day 15 due to the complainant and an employee relevant to the investigation both being unavailable.

Place

Stage Two



A Planning complaint was closed on working day 47 due to a key employee instrumental in the complaint not being available.

6 Extended complaints

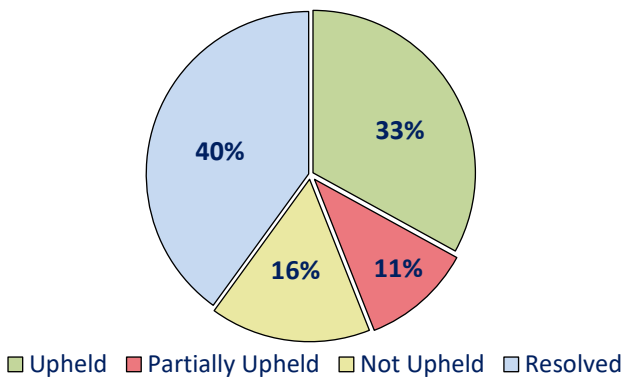
- 39 complaints had their timescales extended during the period (28 at Stage One and 11 at Stage Two). The complaints related to multiple services across all Directorates.
- There were numerous reasons for extending, including complainants and employees being unavailable to assist with investigations and additional information having to be sought to support investigation decisions.
- Of the 39 complaints that had their timescales extended, 77% were closed within their new timescales.

7 Complaint Outcomes

Up until 31 March 2021, a complaint that meets our complaint criteria could be upheld, partially upheld or not upheld. From 1 April 2021, a fourth outcome became available to use called 'Resolved'. Resolved complaints are where the Council has taken action to address the problem/issue without making a decision on whether there were any failings (this would happen where we agree a solution with a complainant at the outset without needing to actually investigate the complaint).

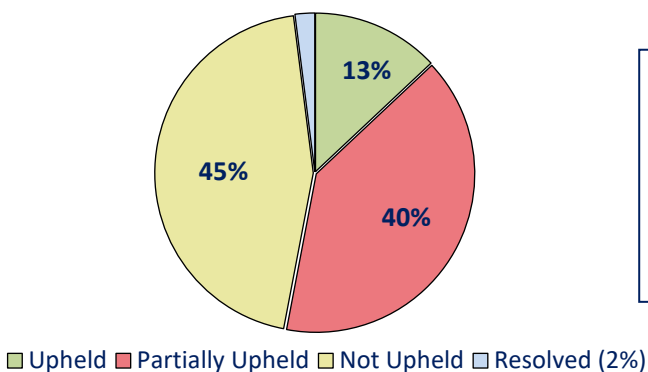
The charts below detail the number of complaints upheld, partially upheld, not upheld or resolved under both Stages.

Stage One



- Of all complaints upheld and partially upheld* at Stage One, just over half related to Waste Services and in particular waste bin collections.
- Complaints closed as Resolved related to multiple services across all Directorates, with over half relating to Waste Services (again mainly missed waste bin collections). This indicates those complainants simply wanted their bins collected without the need for any investigation.
- Complaints that were not upheld related to policies, regulations or complaints that were poor quality or unfounded.

Stage Two



- Complaints that were upheld or partially upheld* related to numerous services across all Directorates.
- Complaints that were not upheld related to policies, regulations or complaints that were poor quality/unfounded.

*Partially Upheld complaints are complaints that contain more than one complaint element and at least one of them is upheld

8 Improvements made as a result of complaints

Some improvements were made as a result of complaints received during the period and a small selection is noted below.

What happened?	What we did
A trader encountered problems when completing and return a paper application to obtain a licence, including the incorrect fee being paid as the fees listed on the Council's website were out of date.	An apology was offered for the inconvenience caused, the application processed and licence granted. The Council is investigating placing the application form online to help speed up the process and the appropriate webpage has been updated with the correct fees.
A visitor to a Recycle Centre encountered problems in terms of parking at the site due to excessive public use of the site that day.	An apology was offered to the visitor for the problems encountered. The site has been upgraded to accommodate a larger volume of people wanting to recycle and a daily update was placed on the internet regarding footfall at the site to reduce disruption.
A tenant encountered problems when radiators were incorrectly fitted and applying for a disturbance allowance payment for the inconvenience.	An apology was offered and the matters addressed. Discussions then took place between the Council and the contractor regarding the importance of replacing fixtures like for like as far as is practical and to rectify errors in a timeous manner. The processing of disturbance allowance payments are also being monitored more closely to minimise inconvenience to tenants.
A resident changed their bank details and experienced problems trying to change their Council Tax Direct Debit details to the new account.	An apology was offered to the complainant and the Direct Debt set up. The complainant asked if there could be an online option to amend the bank details for Council Tax rather than just an option to set up a new one each time. The service is currently considering this feedback.
A complaint was received about grass cutting where litter was not being removed prior to cutting, which resulted in the litter being shredded and distributed across the park.	A refresher with the team responsible was arranged to ensure they are aware of their obligations in terms of litter removal and every effort will be made in the future to ensure litter is removed prior to any grass cutting activities.

9 Compliments

Over 100 compliments were recorded cross-Council during the period and whilst they cannot all be highlighted in this report, a selection is noted below.

*"My family and I like (are fond of?) everything your **Refugee Team** does for us Ukrainians. Just want to say big thank you for everything. Incredible attitude towards us and everything is easy and simple"*

*"I recently wrote to you regarding the little garden area outside Largs station. I was absolutely delighted to see that the area has been cleared of weeds and litter and bedding plants have been planted. It all looks really pretty so thank you to **Streetscene** who carried out the planting. What a difference it makes"*

*"To the staff at **Bartonholm Recycling Centre**, every time I go there I see them out helping folk get their discarded stuff away safely. And it's always done with a smile. It must be a tough job in all weathers but they're still so cheery and polite! Good on you, guys. You could deliver lessons in customer care!"*

*"I've had an issue regarding arranging a special uplift and made a number of calls to your **Contact Centre**. Every time I called your operators were very helpful and considerate. They've to be commended because every time they answer a call they don't know what that call is going to be about and have to rely on their considerable knowledge to try and answer or resolve it"*

*"I recently made a complaint to your **Property Management** department about some issues with scaffolding. Just wanted to say it got fixed immediately and you even fixed up the gate. Thank you to whoever came out to fix it. Absolute brilliant job"*

Exceptional feedback received for the **Universal Early Years service** which has resulted in an employee being invited to present at a European Conference on infant feeding.

*"Thank you to **Waste Services** for following up on a complaint I made about my waste bins being missed. They have not been missed since so thank you!"*

*"I just wanted to let you know how impressed I am with the **Recovery Development Worker**. Yesterday was the first time I spoke with him and I was really struck by his high level of motivation, honesty and very obviously genuine desire to help and support people. He is like a breath of fresh air. We don't give positive feedback often enough so wanted to let you know"*

A number of people have complimented the **Licensing Team** regarding their help and support regarding a short term let process for a number of hosts

*"I just want to highlight how fantastic the team at **Ardrossan Library** are. They go out of their way to show a welcoming, friendly environment. The time and effort they put in with kids (and adults alike) at the Monday toddler club is just brilliant. The kids look forward to it all week long"*

A resident was very happy with the service provided by **Roads** in relation to addressing a lighting fault

10 Glossary

Term	Explanation
Stage One	Stage One (aka <i>Frontline Resolution</i>) aims to resolve straightforward customer complaints that require little or no investigation. Any employee may deal with complaints at this stage and they can be resolved via any channel. The main principle is to seek resolution at the earliest opportunity and as close to the point of service delivery as possible. Stage One complaints must be responded to within 5 working days unless an extension (a maximum of 5 additional working days or 10 if the complaint relates to Social Work) is requested and approved by a senior manager. The Council should, however, always aim to resolve these types of complaints within 5 working days.
Stage Two	Not all complaints are suitable for Frontline Resolution and not all complaints will be satisfactorily resolved at that stage. Complaints therefore handled at Stage Two (aka <i>Investigation</i>) typically require a detailed examination before the Council can state its position. These complaints may already have been considered at Stage One, or they may have been identified from the outset as being complex, serious or high risk and needing immediate investigation. The investigation under a Stage Two should establish all the facts relevant to the points made in the complaint and give the customer a full, objective and proportionate response that represents our final position. Stage Two complaints must be responded to within 20 working days unless an extension is approved by senior manager in conjunction with the customer. Stage Two complaints require a written response, signed by a senior manager.

Complaint criteria

When an expression of dissatisfaction is received the Council determines if the issue falls into one of six complaint categories:

- A service the Council should be providing is not being provided (or is not available)
- A request for a service was provided but not to an appropriate standard
- A request for service has not been answered or actioned within the agreed timescale
- A Council employee was rude, unhelpful or unprofessional
- A Council employee did not attend an appointment or call-out on a date/time agreed
- The complaint relates to a policy (internal or external)

If the issue being raised relates to one or more of the above, the matter is considered a complaint and will be recorded and handled as such. If not, the matter will be considered something else and actioned accordingly.

END OF REPORT

NORTH AYRSHIRE COUNCIL

21 March 2024

Audit and Scrutiny Committee

Title:	External Audit Plan 2023/24
Purpose:	To inform the Committee of the External Audit Plan for 2023/24.
Recommendation:	That Committee notes the External Audit Plan for 2023/24.

1. Executive Summary

- 1.1 Audit Scotland are the Council's external auditors for the period 2022/23 to 2027/28, with 2023/24 being the second year of this appointment.
- 1.2 This report provides the Audit and Scrutiny Committee with details of Audit Scotland's Annual Audit Plan for the 2023/24 audit.
- 1.3 Following completion of the audit, Audit Scotland will present their annual audit report to the Audit and Scrutiny Committee during Autumn 2024.

2. Background

- 2.1 Audit Scotland have been appointed as the Council's external auditors for the period 2022/23 to 2027/28 with 2023/24 being the second year of this appointment. In addition, Audit Scotland are the appointed auditors for the North Ayrshire Integration Joint Board for the same period.
- 2.2 Audit Scotland's Annual Audit Plan for the 2023/24 audit is attached at Appendix 1. A representative of Audit Scotland will be in attendance to present the plan to the Committee.
- 2.3 In planning the audit work, Audit Scotland have identified a number of key risks and these will form the basis of their audit plans for the year.
- 2.4 The Code of Audit Practice sets out four audit dimensions which set a common framework for all public sector audits in Scotland. Audit Scotland will consider the adequacy of the arrangements in place in relation to each of these, including:
 - Financial Management – consideration of the arrangements to secure sound financial management;
 - Financial Sustainability – consideration of the appropriateness of the use of the going concern basis;

- Vision, Leadership and Governance – review of the arrangements in place to deliver the vision, strategy and priorities adopted by the Council; and
- Use of Resources to Improve Outcomes – consideration of how the Council demonstrates economy, efficiency and effectiveness.

2.5 Other responsibilities will include:

- Financial Sustainability – identified as an area of audit focus due to the challenging financial environment in which the council is operating; and
- Best Value – assessment over the period of the audit appointment.

3. Proposals

3.1 That Committee notes the External Audit Plan for 2023/24.

4. Implications/Socio-economic Duty

Financial

4.1 The fee which will be charged by Audit Scotland for the 2023/24 audit work will be £377,760. This represents an increase of £21,370 (6.0%) against the 2022/23 fee.

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 and focussing our investment on priorities.

Community Wealth Building

4.7 None.

5. Consultation

- 5.1 Audit Scotland consulted with the Head of Service (Finance) in preparing their audit plan.

Mark Boyd
Head of Service (Finance)

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

Background Papers

None

North Ayrshire Council

Annual Audit Plan 2023/24



 AUDIT SCOTLAND

Prepared for North Ayrshire Council
March 2024

Contents

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Reporting arrangements, timetable, and audit fee	15
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Introduction

Audit Appointment

1. Fiona Mitchell-Knight, Audit Scotland, has been appointed by the Accounts Commission as external auditor of North Ayrshire Council for the period from 2022/23 until 2026/27. The 2023/24 financial year is therefore the second year of the five-year audit appointment.

Summary of planned audit work

2. This document summarises the work plan for our 2023/24 external audit of North Ayrshire Council (the council). The main elements of our work include:

- evaluation of the design and implementation of the key controls within the main accounting systems
- an audit of the annual accounts, and provision of an independent auditor's report
- an audit opinion on other statutory information published within the annual accounts including the management commentary, the governance statement, and the remuneration report
- consideration of arrangements in relation to wider scope areas: financial management; financial sustainability; vision, leadership, and governance; and use of resources to improve outcomes
- consideration of Best Value arrangements
- providing assurance on the Housing Benefit Subsidy Claim, Non-Domestic Rates Return and the Whole of Government Accounts (WGA) return
- review the council's arrangements for preparing and publishing statutory performance information.

Respective responsibilities of the auditor and the council

3. The [Code of Audit Practice 2021](#) sets out in detail the respective responsibilities of the auditor and the council. Key responsibilities are summarised below.

Auditor responsibilities

4. Our responsibilities as independent auditors are established by the Local Government (Scotland) Act 1973 and the [Code of Audit Practice](#) (including [supplementary guidance](#)) and guided by the Financial Reporting Council's Ethical Standard.

5. Auditors in the public sector give an independent opinion on the financial statements and other information within the annual accounts. We also review and report on the arrangements within the council to manage its performance and use of resources. In doing this, we aim to support improvement and accountability.

The council's responsibilities

6. The council is responsible for maintaining accounting records and preparing annual accounts that give a true and fair view. They are also required to produce other reports in the annual accounts in accordance with statutory requirements.

7. The council has the primary responsibility for ensuring the proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety and regularity that enables it to successfully deliver its objectives.

Communication of fraud or suspected fraud

8. In line with ISA (UK) 240 (*The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*), in presenting this plan to the Audit and Scrutiny Committee we seek confirmation from those charged with governance of any instances of actual, suspected, or alleged fraud that should be brought to our attention. During our audit, should members of the council have any such knowledge or concerns relating to the risk of fraud within it, we invite them to communicate this to us for our consideration.

Adding value

9. We aim to add value to the council through our external audit work by being constructive and forward looking, by identifying areas for improvement and by recommending and encouraging good practice. In so doing, we will help the council promote improved standards of governance, better management and decision making and more effective use of resources. Additionally, we attend meetings of the Audit and Scrutiny Committee and actively participate in discussions.

Annual Accounts audit planning

Introduction

10. The annual accounts are an essential part of demonstrating the council's stewardship of resources and its performance in the use of those resources.

11. As appointed auditors we are required to perform an audit of the financial statements, consider other information within the Annual Accounts, and express a number of audit opinions in an Independent Auditor's Report in accordance with International Standards on Auditing (ISAs) in the UK, Practice Note 10 from the Public Audit Forum which interprets the ISAs for the public sector, and guidance from Audit Scotland.

12. We focus our work on the areas of highest risk. As part of our planning process we prepare a risk assessment highlighting the audit risks relating to each of the main financial systems relevant to the production of the financial statements in the annual accounts.

Materiality

13. Materiality is an expression of the relative significance of a matter in the context of the annual accounts. The concept of materiality is applied by auditors in planning and performing the audit, and in evaluating the effect of any uncorrected misstatements on the financial statements. We are required to plan our audit to determine with reasonable confidence whether the annual accounts are free from material misstatement. The assessment of what is material is a matter of professional judgement over both the amount and the nature of the misstatement.

Materiality levels for the 2023/24 audit of the council and its group

14. The materiality levels for the council and its group are set out in [Exhibit 1](#).

Exhibit 1

2023/24 materiality levels for the council and its group

Materiality	Council	Group
Planning materiality: This is the figure we calculate to assess the overall impact of audit adjustments on the financial statements. Materiality has been set based on our assessment of the needs of the users of the financial statements and the nature of the council's	£16.2 million	£19.8 million

operations. It has been set at 2% of gross expenditure based on the audited annual accounts for 2022/23.

Performance materiality: This acts as a trigger point. If the aggregate of errors identified during the annual accounts audit exceeds performance materiality, this would indicate that further audit procedures should be considered. Using our professional judgement, we have assessed performance materiality at 70% of planning materiality.	£11.3 million	£13.9 million
Reporting threshold: We are required to report to those charged with governance on all unadjusted misstatements more than the 'reporting threshold' amount. We assessed the reporting threshold at 5% of planning materiality, "capped" at £0.5 million using our professional judgement.	£0.5 million	£0.5 million

Source: Audit Scotland

Significant risks of material misstatement to the annual accounts

15. Our risk assessment draws on our knowledge of the council, its major transaction streams, key systems of internal control and risk management processes. It is informed by our discussions with management and internal audit, attendance at committees and a review of supporting information.

16. Audit risk assessment is an iterative and dynamic process. Our assessment of risks set out in this plan may change as more information and evidence becomes available during the progress of the audit. Where such changes occur, we will advise management and where relevant, report them to those charged with governance.

17. Based on our risk assessment process, we identified the following significant risks of material misstatement to the annual accounts. These risks have the greatest impact on our planned audit procedures. [Exhibit 2](#) summarises the nature of the risks, the sources of assurance from management arrangements and the further audit procedures we plan to perform to gain assurance over the risk.

Exhibit 2

2022/23 significant risks of material misstatement to the annual accounts

Significant risk of material misstatement	Sources of management assurance	Planned audit response
<p>1. Risk of material misstatement due to fraud caused by management override of controls</p> <p>As stated in ISA (UK) 240 (<i>The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements</i>), management is in a unique position to perpetrate fraud because of their ability to override controls that otherwise appear to be operating effectively.</p>	<ul style="list-style-type: none"> Owing to the nature of this risk, assurances from management are not applicable in this instance. 	<ul style="list-style-type: none"> Assess the adequacy of controls in place for identifying and disclosing related party relationships and transactions in the financial statements. Assess the design and implementation of controls over journal entry processing. Make inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. Test journals at the year-end and post-closing entries and focus on significant risk areas. Evaluate significant transactions outside the normal course of business. We will assess any changes to the methods and underlying assumptions used to prepare accounting estimates compared to the prior year. Substantive testing of income and expenditure transactions around the year-end to confirm they are accounted for in the correct financial year. Focussed testing of accounting accruals and prepayments.
<p>2. Significant estimation and judgment: other land and buildings, council dwellings and schools PPP valuations</p> <p>The council held other land and buildings, including its council dwellings and schools PPP estate, with a</p>	<ul style="list-style-type: none"> Revaluations completed by Royal Institute of Chartered Surveyors (RICS) qualified surveyors. Revaluations carried out for all 	<ul style="list-style-type: none"> Review the information provided to the valuer to assess for completeness. Evaluate the competence, capabilities, and objectivity of the professional valuer. Obtain an understanding of management's involvement in the

Significant risk of material misstatement	Sources of management assurance	Planned audit response
<p>net book value of £1,042 million as at 31 March 2023.</p> <p>There is a significant degree of subjectivity in the valuation of land and buildings. Valuations are based on specialist and management assumptions and changes in these can result in material changes to valuations.</p> <p>The assets are revalued on a five-year rolling basis. Values may also change year on year, and it is important that the council ensures the financial statements accurately reflect the value of the assets.</p> <p>Risk: Valuations of these assets are materially misstated.</p>	<p>assets as part of rolling revaluation programme.</p> <ul style="list-style-type: none"> • Detailed working papers retained to support asset reviews and impairments. • An annual impairment review is undertaken by the registered valuer and reviewed by management. • Documentation of the s95 officer's consideration of the processes in place to confirm that the year-end valuations are free from material misstatement. 	<p>valuation process to assess if appropriate oversight has occurred.</p> <ul style="list-style-type: none"> • Test the reconciliation between the financial ledger and the asset register. • Evaluate management's assessment of why it considers that the land and buildings not revalued in 2023/24 are not materially misstated. We will critically assess the appropriateness of any assumptions. • Critically assess the adequacy of the council's disclosures regarding the assumptions in relation to the valuation of other land and buildings and council dwellings.

Source: Audit Scotland

Other area of audit focus

18. As part of our assessment of audit risks, we have identified two other areas where we consider there is also a risk of material misstatement to the financial statements. Based on our assessment of the likelihood and magnitude of the risks, we do not consider these to represent significant risks. We will keep these areas under review as our audit progresses.

19. Other areas of specific audit focus are:

- **Pension balance:** This is an area of audit focus due to the material value and significant assumptions used in the calculation of the asset or liability balance. We will utilise the work of PwC as auditor expert in assessing the reasonableness of the methodologies used and assumptions made by the

Council's actuary, Hymans Robertson LLP, in arriving at the IAS 19 pension valuation as at 31 March 2024.

- **Group consolidation adjustments:** This is an area of audit focus due to issues identified in our testing of group consolidation adjustments in the 2022/23 accounts. We will carry out focussed substantive testing of group transactions and consolidation adjustments, including assessing the completeness of adjustments for intra-group balances.

Consideration of the risks of fraud in the recognition of revenue and expenditure

20. As set out in ISA (UK) 240 (*The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*), there is a presumed risk of fraud over the recognition of revenue. There is a risk that revenue income may be misstated resulting in a material misstatement in the financial statements. We have rebutted this presumed risk in 2023/24 as, while the possibility of fraud exists, we do not judge it to be a significant risk due to the nature of the majority of the council's income streams, namely government funding and grants.

21. In line with Practice Note 10 (*Audit of financial statements and regularity of public sector bodies in the United Kingdom*), as most public-sector bodies are net spending bodies, the risk of material misstatement due to fraud related to expenditure recognition may in some cases be greater than the risk relating to revenue recognition. We have considered each of the council's expenditure streams, and based on our knowledge of the council, prior year considerations and our risk assessment to date, we do not consider these to be susceptible to material misstatement due to fraud. We also consider there to be limited incentive and opportunity for the manipulation of expenditure recognition in the financial statements. We have therefore rebutted the risk of material misstatement due to fraud in expenditure recognition for 2023/24.

22. We have not, therefore, incorporated specific work into our audit plan in these areas over and above our standard audit procedures.

Audit of the management commentary, annual governance statement and remuneration report

23. In addition to the appointed auditor's opinion of the financial statements, the Accounts Commission prescribes that the appointed auditor should provide opinions as to whether the management commentary, annual governance statement, and the audited part of the remuneration report, have been compiled in accordance with the appropriate regulations and frameworks and are consistent with the financial statements.

24. To inform these opinions we will consider whether the disclosures within each statement comply with the requirements of the applicable guidance, and confirm that relevant information reflects the contents of the financial statements and other supporting documentation, including:

- **Management commentary:** Consideration of performance information reported to council committees and published during the year.

- **Annual governance statement:** Reviewing the Local Code of Corporate Governance, considering the annual assurance statements completed, and prepared by Senior Officers to provide assurances to the Chief Executive, and Internal Audit's annual assurance statement.
- **Remuneration report:** Obtaining and reviewing payroll data and HR reports.

25. Based on our knowledge of the audit, and the established procedures in place to produce these statements, we have not identified any specific risks to be communicated to those charged with governance in relation to the audit of the management commentary, annual governance statement, and audited part of the remuneration report.

Group Consideration

26. As group auditors, we are required under ISA (UK) 600 (*Audits of group financial statements (including the work of component auditors)*) to obtain sufficient appropriate audit evidence on which to base our audit opinion on the group accounts.

27. The council has a group which comprises component entities including subsidiaries, associates, and joint ventures. The audits of the financial information of some of the components are performed by other auditors. We plan to place reliance on the work of the component auditors. We will obtain sufficient appropriate audit evidence in relation to the consolidation process and the financial information of the components on which to base our group audit opinion.

28. At this stage, it has been assessed that there are no other significant group components, other than the council and Integration Joint Board (IJB). All non-significant group components will be covered by an analytical review at the group level.

29. We will obtain sufficient appropriate audit evidence in relation to the consolidation process and the financial information of the components on which to base our group audit opinion.

Audit of the trusts registered as Scottish charities

30. The 2006 Regulations require charities to prepare annual accounts and require an accompanying auditor's report where any legislation requires an audit. The Local Government (Scotland) Act 1973 specifies the audit requirements for any trust fund where some or all members of a council are the sole trustees. Therefore, a full and separate audit and independent auditor's report is required for each registered charity where members of the council are sole trustees, irrespective of the size of the charity.

31. North Ayrshire Council administers eight such registered charities, disclosed in a single set of annual accounts, with total assets of some £0.662 million. This is in accordance with the connected charities rules. The preparation and audit of annual accounts of registered charities is regulated by the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

32. Other than a risk of management override of controls which has also been identified as risks in respect of the council's annual accounts, no specific planning risks were identified in respect of the charity's annual accounts.

Materiality levels for the 2022/23 audit of trusts registered as Scottish charities

33. Materiality levels for the various trusts are set out in [exhibit 3](#).

Exhibit 3

2022/23 materiality levels for trusts registered as Scottish charities

Charitable trust	Planning Materiality	Performance Materiality	Reporting Threshold
Anderson Park Trust (SC042136)	£1 (Based on 2% of audited 2022/23 net asset value; £1 minimum)	£1 (Based on 75% of planning materiality; £1 minimum)	£1 (Based on 5% of overall materiality; £1 minimum)
Douglas Sellers Trust (SC042101)	£6 (Based on 2% of audited 2022/23 net asset value)	£5 (Based on 75% of planning materiality)	£1 (Based on 5% of overall materiality; £1 minimum)
Margaret Archibald Bequest (SC042117)	£5,622 (Based on 2% of audited 2022/23 net asset value)	£4,216 (Based on 75% of planning materiality)	£281 (Based on 5% of overall materiality)
North Ayrshire Council Charitable Trust (SC025083)	£6,697 (Based on 2% of audited 2022/23 net asset value)	£5,023 (Based on 75% of planning materiality)	£335 (Based on 5% of overall materiality)
North Ayrshire Council (Dalry) Charitable Trust (SC043644)	£38 (Based on 2% of audited 2022/23 net asset value)	£29 (Based on 75% of planning materiality)	£2 (Based on 5% of overall materiality)
North Ayrshire Council (Kilbirnie & Glengarnock) Charitable Trust (SC043600)	£60 (Based on 2% of audited 2022/23 net asset value)	£45 (Based on 75% of planning materiality)	£3 (Based on 5% of overall materiality)

North Ayrshire Council (Kilwinning) Charitable Trust (SC043374)	£752 (Based on 2% of audited 2022/23 net asset value)	£564 (Based on 75% of planning materiality)	£38 (Based on 5% of overall materiality)
North Ayrshire Council (Largs) Charitable Trust (SC043494)	£67 (Based on 2% of audited 2022/23 net asset value)	£50 (Based on 75% of planning materiality)	£3 (Based on 5% of overall materiality)

Source: Audit Scotland

Wider Scope and Best Value Audit

Introduction

34. The [Code of Audit Practice](#) sets out the four areas that frame the wider scope of public sector audit. The Code of Audit Practice requires auditors to consider the adequacy of the arrangements in place for the wider scope areas in audited bodies.

35. In summary, the four wider scope areas cover the following:

- **Financial management:** means having sound budgetary processes. We will consider the arrangements to secure sound financial management including the strength of the financial management culture, accountability, and arrangements to prevent and detect fraud, error, and other irregularities. This will include reviewing the council's progress with investigating the matches identified by the National Fraud Initiative exercise.
- **Financial sustainability:** as auditors, we consider the appropriateness of the use of the going concern basis of accounting as part of the annual audit. We will also comment on financial sustainability in the longer term. We define this as medium-term (two to five years) and longer-term (longer than five years).
- **Vision, leadership, and governance:** we conclude on the arrangements in place to deliver the vision, strategy and priorities adopted by the council. We also consider the effectiveness of the governance arrangements to support delivery.
- **Use of resources to improve outcomes:** we will consider how the council demonstrates economy, efficiency, and effectiveness through the use of financial and other resources.

Significant wider scope risks

36. Our planned work on the wider scope areas is risk based and proportionate. Our risk assessment has not identified any significant risks in respect of the above wider scope areas.

Financial sustainability

37. Whilst not a significant audit risk, the challenging financial environment in which the council, along with other public sector bodies, is operating in, financial sustainability has been identified as an area of audit focus. There are challenges to the medium and longer-term financial sustainability due to the uncertainty over future Scottish Government funding allocations, the rising cost of inflation and the cost of implementing future pay settlements. Our annual audit report will include

comment on the council's 2023/24 financial outturn, 2024/25 budget, medium-term financial plan and monitoring and reporting of financial resilience indicators.

Best Value

38. Under the 2021 [Code of Audit Practice](#), the audit of Best Value in councils is fully integrated within our annual audit work. Auditors are required to evaluate and report on the performance of councils in meeting their Best Value duties.

39. The arrangements to secure Best Value at North Ayrshire Council will be assessed over the period of the audit appointment and will include an annual evaluation of risks and improvement areas and public performance reporting. We will also follow up findings reported previously on Best Value, including last year's work on leadership, to assess the pace and depth of improvement. This work will be integrated with the wider scope audit areas discussed above.

40. As part of our annual work on Best Value, we conduct thematic reviews as directed by the Accounts Commission. In 2023/24, the thematic review across the sector will be on workforce innovation and will consider how councils are responding to the current workforce challenge through building capacity, increasing productivity, and innovation. Our conclusions and judgements will be reported in a separate report to management and summarised in our Annual Audit Report.

41. At least once every five years, the Controller of Audit will report to the Accounts Commission on the council's performance in meeting its Best Value duties. The second year of the programme is from October 2023 to August 2024. North Ayrshire Council is not included in the second year of the programme.

Reporting arrangements, timetable, and audit fee

Reporting arrangements

42. Audit reporting is the visible output for the annual audit. All annual audit plans and the outputs, as detailed in [exhibit 4](#), and any other outputs on matters of public interest will be published on our website: www.audit-scotland.gov.uk.

43. Matters arising from our audit will be reported on a timely basis and will include agreed action plans. Draft reports will be issued to the relevant officers to confirm factual accuracy.

44. We will provide an independent auditor's report to North Ayrshire Council (the council) and the Accounts Commission setting out our opinions on the annual accounts. We will provide the council and Accounts Commission with an annual report on the audit containing observations and recommendations on significant matters which have arisen during the audit.

45. [Exhibit 5](#) outlines the target dates for our audit outputs.

Exhibit 5

2023/24 Audit outputs

Audit Output	Latest date
Annual Audit Plan	31 March 2023
Best Value Thematic Report	30 September 2023
Independent Auditor's Report	30 September 2023
Annual Audit Report	30 September 2023

Source: Audit Scotland

Timetable



46. To support an efficient audit, it is critical that the timetable for producing the annual accounts for audit is achieved. We have included a proposed timetable for the audit at [Exhibit 6](#) that has been discussed and agreed with management.

47. We recognise that it is in the best interests of public accountability to get the reporting of audited annual accounts back to pre-pandemic timelines. We are identifying ways to work more efficiently to expedite the 2023/24 audits whilst at the same time maintaining high standards of quality. In 2023/24 we may not meet the target of concluding the audit and signing the accounts by 30 September, but we hope to be as close to this as possible. We are currently planning for an October completion.

48. We intend to take a hybrid approach to the 2023/24 audit with a blend of onsite and remote working. We will continue to work closely with management to identify the most efficient approach and will keep timeframes for the completion of the audit under review. Progress will be discussed with management over the course of the audit.

Exhibit 6

Proposed annual accounts timetable

 Key stage	 Provisional Date
Consideration of the unaudited annual accounts by those charged with governance (Audit and Scrutiny Committee)	30 June 2023
Latest submission date for the receipt of the unaudited accounts with complete working papers package.	30 June 2023
Latest date for final clearance meeting with the Head of Service (Finance), agreement of the audited and unsigned annual accounts and the proposed annual audit report.	To be confirmed
Issue of proposed annual audit report, letter of management representation and proposed independent auditor's report to those charged with governance.	To be confirmed
Presentation of proposed annual audit report to those charged with governance. Approval of the North Ayrshire Council annual accounts by those charged with governance, independent auditor's report signed electronically following this approval and the final annual audit report issued.	To be confirmed
Certified Non-Domestic Rates Return, Housing Benefit subsidy claim and WGA assurance.	To be confirmed

Source: Audit Scotland

Audit fee

49. In setting the fee for 2023/24 we have assumed that the council has effective governance arrangements and will prepare comprehensive and accurate annual accounts for audit in line with the agreed timetable for the audit. The audit fee assumes there will be no major change in respect of the scope of the audit during the year and where our audit cannot proceed as planned, a supplementary fee may be levied. The audit fee for 2023/24 is £377,760 (£356,390 in 2022/23). There is a separate audit fee of £1,100 for the audit of the registered charities administered by the council (£1,100 in 2022/23).

Other matters

Internal audit

50. It is the responsibility of the council to establish adequate internal audit arrangements. The council's internal audit function is provided by its internal audit section led by the Senior Manager (Audit, Fraud, Safety & Risk).

51. While we are not planning to place formal reliance on the work of internal audit in 2023/24, we will review internal audit reports and assess the impact of the findings on our annual accounts and wider scope audit responsibilities.

Independence and objectivity

52. Auditors appointed by the Accounts Commission must comply with the [Code of Audit Practice](#) and relevant supporting guidance. When auditing the annual accounts, auditors must also comply with professional standards issued by the Financial Reporting Council and those of the professional accountancy bodies. These standards impose stringent rules to ensure the independence and objectivity of auditors.

53. Audit Scotland has robust arrangements in place to ensure compliance with these standards including an annual *'fit and proper'* declaration for all members of staff. The arrangements are overseen by the Executive Director of Innovation and Quality, who serves as Audit Scotland's Ethics Partner.

54. The appointed auditor for North Ayrshire Council is Fiona Mitchell-Knight, Audit Director. David Jamieson, Senior Audit Manager is the appointed auditor of the registered charities administered by the council. Auditing and ethical standards require the appointed auditor to communicate any relationships that may affect the independence and objectivity of audit staff. We are not aware of any such relationships pertaining to the audit of the council or charitable trusts.

Audit Quality

55. Quality is at the core of public audit in Scotland and is the foundation for building consistency and confidence across all audit work. High quality audits provide assurance, add value, and can support public bodies to achieve their objectives.

56. Audit Scotland are committed to delivering high quality audits. The foundation of our quality framework is our Audit Guide, which incorporates the application of professional auditing, quality and ethical standards and the [Code of Audit Practice](#) (and supplementary guidance) issued by Audit Scotland and approved by the Auditor General for Scotland. To ensure that we achieve the required quality standards, Audit Scotland conducts peer reviews and internal quality reviews. Additionally, the Institute of Chartered Accountants of England

and Wales (ICAEW) have been commissioned to carry out external quality reviews.

57. As part of our commitment to quality and continuous improvement, Audit Scotland will periodically seek your views on the quality of our service provision. We welcome feedback at any time, and this may be directed to the engagement lead.

North Ayrshire Council

Annual Audit Plan 2023/24

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NORTH AYRSHIRE COUNCIL

21 March 2024

Audit and Scrutiny Committee

Title: Internal Audit Plan 2024/25

Purpose: To inform the Committee of the proposed internal audit plan for 2024/25.

Recommendation: That the Committee approves the internal audit plan for 2024/25.

1. Executive Summary

- 1.1 Internal Audit provides an independent and objective opinion on the Council's risk management, governance and control environment by evaluating its effectiveness. This report presents the proposed internal audit plan for 2024/25.
- 1.2 Prior to the start of each financial year, internal audit in conjunction with senior management, put together a proposed plan of audit work. The objective of our planning process and subsequent plan is to put us in a position to provide a well-informed and comprehensive annual audit opinion, based on sufficient and appropriate coverage of key business objectives, associated risks, and risk management processes.

2. Background

Internal Audit Plan 2024/25

- 2.1 The outcomes of each of the audits in our planned programme of work will provide senior management and Members with assurance that the current risks faced by the Council in these areas are adequately controlled and managed.
- 2.2 A number of factors are considered when putting together the risk based internal audit plan for 2024/25, including:
 - Consultation with senior management;
 - Review of the Council's key objectives and Council Plan 2023-2028;
 - Review of the Council's fundamental business processes and key services;
 - Review of the Council's current risk management framework, processes and risk management maturity;
 - Review of the key risks featuring in the Council's risk registers;
 - Internal Audit's own risk assessment based on knowledge of the business and incorporating findings from previous internal audit work; and

- Internal Audit's awareness of emerging regional and national risk factors.

- 2.3 The approach to the delivery of the internal audit plan will be for it to remain flexible throughout the year to respond to new and emerging risks. 2024/25 will be the first year of the adoption of a new 'rolling' internal audit plan which will remain agile and can be reviewed and updated on a continual basis. To meet this need for increased flexibility, confirmed work will cover a maximum of a six month period with a rolling forward plan of possible areas for future consideration. Changes to the internal audit plan will be presented to the Committee for information through newly established quarterly progress reports. This approach is fully in line with the new global internal audit standards which require the audit plan to be risk-based and dynamic, reflecting timely adjustments in response to changes affecting the organisation.
- 2.4 Internal Audit has strong working relationships with all Council services, with services regularly requesting advice and insight from Internal Audit. It is important that the plan also continues to flex to allow for this work, which ensures Internal Audit advice is offered to services in a timely manner, when it will add the most significant value to the business needs.
- 2.5 The documented risk assessment is based on a risk universe which is maintained by internal audit but used to document the consultation which takes place between internal audit and senior management. Management are welcome to feed into the risk universe to help ensure it is updated on a continuous basis. The risk universe documents risk factors such as:
- Links to the strategic priorities within the Council Plan for 2023-2028;
 - Links to strategic, corporate and operational risk registers;
 - Whether the auditable area is a source of significant risk;
 - Whether there is significant value to the Council in the audit being carried out;
 - known risk factors arising from local and national issues; and
 - risk factors arising from previous internal audit work and knowledge of the Council.
- 2.6 An overall conclusion is reached from an assessment of each risk area, which categorises audits into the following priorities:
- Priority A – a 'must do' audit based on risk (very high risk);
 - Priority B – a 'should do' audit, time permitting (high risk);
 - Priority C – a 'may do' audit, time permitting (moderate risk); and
 - Priority D – an audit where the result would not be of sufficient value to the Council (low risk).
- 2.7 Examples of the key risk factors which have influenced the early part of the 2024/25 internal audit plan are as follows:
- Transformation and change management is identified as a strategic risk for the Council. Internal audit will focus on the governance arrangements in place to take forward a programme of transformational change.
 - Climate change is highlighted not only as a strategic risk for the Council, but also recognised as a global risk. Internal audit will continue to be involved in work in this area in a consultancy capacity while the service develops appropriate measurements to demonstrate and track the route to net zero.

- Cyber resilience is identified as a strategic risk for the Council. Added to this, most global risk literature continues to identify cyber security as the number one global risk. The Scottish Government's cyber resilience framework is intended to support public sector organisations to develop and improve their cyber security arrangements. Internal audit will continue to base the next phase of cyber resilience audits on aspects of this framework.
- Aids & Adaptations were subject to a detailed review in 2020/21. The service have implemented a number of new controls in response to the audit action plan, and a full review will be carried out to assess the effectiveness of the new controls.
- Pupil Equity Funding (PEF) was originally scheduled for late 2023/24 but has been deferred to early 2024/25. This is a result of changes that the service has made to the year end reporting arrangements for PEF and a request to include that within the audit scope.
- Agency staff and workers remains a high risk for the Council. There are financial risks of non-compliance with IR35 legislation.
- Revised national guidance for child protection was updated in 2023 and sets out the responsibilities and expectations for all involved in protecting children. The guidance aims to support the care and protection of children, and therefore a review of compliance with the updated guidance is timely and of significant value.

2.8 The aim is to produce an agile, dynamic, risk-based internal audit plan containing key areas of coverage. The overall objective of the work of internal audit is to enable the Senior Manager to form an evidence based independent opinion at the end of the year on the adequacy of the Council's internal control, risk and governance arrangements. This opinion forms part of the Annual Governance Statement for the year which is included within the Council's financial statements.

2.9 The benefit of a rolling internal audit plan is to be able to continually update this as new areas of work are agreed. New audits are risk assessed and added to the rolling plan which may mean lower risk audits are delivered at a later date. If a new audit area arises which is of such significant risk, this could lead to previously agreed work being deferred. As noted above, any such changes will be presented back to the Committee for information through newly established quarterly reports.

2.10 Internal audit coverage can never be absolute, and responsibility for risk management, governance and internal control arrangements will always remain fully with management. As such, internal audit cannot provide complete assurance over any area, and equally cannot provide any guarantee against material errors, loss or fraud.

2.11 Appendix A contains the internal audit plan for quarters one and two of 2024/25. The plan will be added to throughout the year, with a list of potential audit areas provided at Appendix B. Audit titles and high level scopes are indicative at this stage for planning our resources. At the start of each audit, detailed planning will be carried out to agree the objectives and the scope of the work. The plan will therefore be subject to change throughout the year, depending on a number of factors such as available resources, time required to complete reviews, and unplanned work arising throughout the year.

2.12 The Senior Manager is required to ensure that internal audit resources are appropriate, sufficient and effectively deployed to achieve the approved plan. The Internal Audit Team currently comprises a Senior Manager, an Internal Audit Manager, two Internal Auditors and a Computer Auditor. All members of the team hold

professional accountancy or audit qualifications and are suitably experienced. A known vacancy will arise in 2024/25 which may impact on the internal audit activity for the year.

2.13 In addition to the programme of audit work to be carried out, time is also required to be set aside throughout 2024/25 to support the following areas:

- Consultancy – both ad hoc advice and project work
- Follow up of prior year internal audit action points
- Audit planning and monitoring
- Committee attendance and reporting
- Development of the internal audit service
- Self-assessments and external quality assessments against PSIAS
- Review of governance documents such as Codes of Financial Practice and the Annual Governance Statement.

2.14 A further fundamental development taking place during 2024/25 is the new global internal audit standards. These were released in January 2024, with full implementation due from January 2025. The changes to the global standards will have a knock-on effect on the PSIAS. The Internal Audit Standards Advisory Board (IASAB) will meet soon to discuss the impact on the PSIAS, with the aim of refreshing the standards for implementation at the same time as the global standards in January 2025. This will potentially mean changes to processes, procedures and working practices which will need to take priority during the year to ensure ongoing compliance with the PSIAS. The volume of work this may entail is currently unknown.

Internal Audit Performance

2.15 As part of the new progress reporting regime, we will report on internal audit performance. The following targets will be used to measure the performance of the internal audit activity:

Performance Measure	Performance Target
Delivery of internal audit plan – percentage completed at year end	>85%
Quality of audit work – overall client satisfaction	>90%
Outcomes from audit work – value to the organisation	>90%

Conformance with the Public Sector Internal Audit Standards (PSIAS)

2.16 The work of Internal Audit is governed by the requirements of the Public Sector Internal Audit Standards (PSIAS) 2017. The standards, issued jointly by the Chartered Institute of Public Finance & Accountancy (CIPFA) and the Chartered Institute of Internal Auditors (IIA), require the Senior Manager (Audit, Fraud, Safety & Risk) to establish a risk-based internal audit plan to determine the priorities of the internal audit activity, consistent with the Council’s goals and objectives.

2.17 Every five years, Internal Audit is subject to an External Quality Assessment (EQA) covering the activity of the service. The last of these was carried out in July 2022, and reported to the Committee in September 2022. The assessment confirmed conformance with the PSIAS. A regular self-assessment process confirms ongoing compliance.

2.18 The Internal Audit Charter is a formal document which defines the internal audit activity's purpose, authority and position. The Senior Manager reviews the Internal Audit Charter on an annual basis and presents any changes to the Audit and Scrutiny Committee for approval. The Internal Audit Charter has been reviewed and there are no material changes identified at this time. It is likely that a refreshed Internal Audit Charter will be required in March 2025, to take account of the new internal audit standards.

3. Proposals

3.1 It is proposed that the Committee approves the Internal Audit plan for 2024/25.

4. Implications/Socio-economic Duty

Financial

4.1 None.

Human Resources

4.2 None.

Legal

4.3 None.

Equality/Socio-economic

4.4 None.

Climate Change and Carbon

4.5 None.

Key Priorities

4.6 The work of Internal Audit helps to support the efficient delivery of the strategic priorities within the Council Plan 2023-2028.

Community Wealth Building

4.7 None.

5. Consultation

5.1 Consultation has taken place on an individual basis with the Executive Leadership Team during the preparation of the Internal Audit plan.

Mark Boyd
Head of Service (Finance)

For further information please contact **Laura Miller, Senior Manager (Audit, Fraud, Safety and Risk)**, on **01294 324524**.

Background Papers

None.

Audit Area to Deliver in Plan	Directorate/Service	Planned Quarter	Priority	Link to Council Plan	Link to Risk Registers
Transformation and Change Management	Corporate	Q1	A	A Sustainable Council – a Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities	Strategic Risk
ICT - Environmental and Physical Security	People & ICT	Q1	A	A Sustainable Council – a Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities	Strategic Risk
ICT - Access Control	People & ICT	Q1	A	A Sustainable Council – a Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities	Strategic Risk
Aids & Adaptations	HSCP	Q1	B	Wellbeing – to transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people	Operational Risk
Pupil Equity Funding	Education	Q1	A	Wellbeing – to transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people	Operational Risk
Accounts Payable Transaction Testing	Finance	Q1/Q2	A	A Sustainable Council – a Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities	N/A
ICT - Information Security Management	People & ICT	Q2	A	A Sustainable Council – a Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities	Strategic Risk
Locality Planning	Communities & Housing	Q2	B	Communities and Local Democracy – we will have active, inclusive and resilient communities	Operational Risk
Community Care store	HSCP	Q2	A	Wellbeing – to transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people	N/A
Agency Staff & Workers	People & ICT	Q2	A	N/A	N/A
Child Protection	HSCP	Q2	A	Wellbeing – to transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people	Operational Risk
Tenants & Residents Associations	Communities & Housing	Ongoing	D	Communities and Local Democracy – we will have active, inclusive and resilient communities	N/A
Consultancy - Sustainability & Climate Change	Place	Ongoing	A	Climate Change – achieving net-zero by 2030	Strategic Risk
Consultancy - Waste Review	Place	Ongoing	B	Climate Change – achieving net-zero by 2030	N/A

Rolling Internal Audit Plan

Appendix B

These reviews will form part of the rolling plan for 2024/25. The plan will continue to be adjusted as the year progresses to reflect current organisational risks and issues. Ongoing risk assessments will be undertaken to determine the priority areas to include in the plan.

Potential Future Audit Areas	Directorate/Service	Priority	Link to Council Plan	Link to Risk Registers
Corporate Performance	All	B	All	N/A
Advisory - Equalities	Democratic	B	N/A	Strategic Risk
Freedom of Information	Democratic	A	A Sustainable Council – a Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities	Corporate Risk and Operational Risk
Capital Monitoring	Finance	B	A Sustainable Council – a Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities	Strategic Risk
Health & Safety	Finance	C	N/A	N/A
Absence Management	People & ICT	A	N/A	N/A
Community Based Support - Young People	HSCP	B	Communities and Local Democracy – we will have active, inclusive and resilient communities	Operational Risk
Procurement	Finance	B	A Sustainable Council – a Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities	N/A
Payroll Transaction Testing	People & ICT	A	N/A	N/A
Income Collection	Finance	A	A Sustainable Council – a Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities	N/A
Care Homes - sustainability	HSCP	B	Wellbeing – to transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people	Operational Risk
ICT - Asset Management	People & ICT	A	A Sustainable Council – a Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities	Strategic Risk
Fuel Controls	Place	B	N/A	N/A
Overtime Controls in Streetscene	Place	B	Wellbeing – to transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people	Operational Risk
Flood Programme	Place	B	Climate Change – achieving net-zero by 2030	Strategic Risk and Operational Risk
Advisory - Decriminalised Parking Arrangements	Place	C	N/A	N/A
Ayrshire Growth Deal	Place	A	A Sustainable Council – a Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities	Operational Risk
Homelessness	Communities & Housing	A	Wellbeing – to transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people	Operational Risk
Financial Assessments - non-residential	HSCP	C	Wellbeing – to transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people	N/A
Overtime controls in HSCP	HSCP	B	N/A	N/A
Social Care Establishments	HSCP	C	Wellbeing – to transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people	N/A
Integration Joint Board Audit Days	IJB	A	N/A	N/A
Shared Prosperity Fund	Place	C	Wellbeing – to transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people	Operational Risk
Community Associations	Communities & Housing	B	Communities and Local Democracy – we will have active, inclusive and resilient communities	Operational Risk
Stores Controls	Communities & Housing	C	N/A	N/A

NORTH AYRSHIRE COUNCIL

21 March 2024

Audit and Scrutiny Committee

Title: Internal Audit Reports Issued

Purpose: To inform the Committee of the findings of Internal Audit work completed between January and February 2024.

Recommendation: That the Committee considers the outcomes from the Internal Audit work completed.

1. Executive Summary

- 1.1 The Council's local Code of Corporate Governance requires effective arrangements to be put in place for the objective review of risk management and internal control. Internal Audit is an important element in this framework as it reviews internal controls and offers Elected Members and officers an objective and independent appraisal of how effectively resources are being managed.
- 1.2 The remit of the Audit and Scrutiny Committee includes the monitoring of Internal Audit activity. The submission and consideration of regular reports assists the Committee in fulfilling this remit.

2. Background

- 2.1 This report provides information on Internal Audit work completed between January and February 2024. Internal control reviews have been completed in respect of the areas detailed in Appendix 1 to this report. The aim of these reviews is to provide assurance that the internal control framework within the areas examined is appropriate and operating effectively.
- 2.2 The findings from each audit assignment have been notified in writing to the Chief Executive, the Section 95 Officer and the relevant Executive Director and Head of Service on the completion of each assignment. Where appropriate, this has included an action plan with recommendations for improving internal control. Appendix 1 includes the report and action plan from each audit.
- 2.3 The findings from four separate audit assignments are detailed at Appendix 1 to this report and the levels of assurance for each are noted in the table below:

Audit Title	Assurance Level
IJB Workforce Planning	Substantial
Workforce Planning	Substantial
Standalone Early Years Centres	Reasonable
Community Resources Keyholding	Substantial

3. Proposals

- 3.1 It is proposed that the Committee considers the outcomes from the Internal Audit work completed between January and February 2024.

4. Implications/Socio-economic Duty

Financial

- 4.1 None.

Human Resources

- 4.2 None.

Legal

- 4.3 None.

Equality/Socio-economic

- 4.4 None.

Climate Change and Carbon

- 4.5 None.

Key Priorities

- 4.6 The work of Internal Audit helps to support the efficient delivery of the strategic priorities within the Council Plan 2023-2028.

Community Wealth Building

- 4.7 None.

5. Consultation

- 5.1 The relevant Services are consulted on Internal Audit findings during each audit assignment.

Mark Boyd
Head of Service (Finance)

For further information please contact **Laura Miller, Senior Manager (Audit, Fraud, Safety and Risk)**, on **01294 324524**.

Background Papers

None.

IJB WORKFORCE PLANNING

1 Background

- 1.1 In March 2022 the Scottish Government (SG) published its 'National Workforce Strategy for Health and Social Care in Scotland' strategy. The aim was to support the 'recovery, growth and transformation' of the Health and Social Care workforce.
- 1.2 As part of this strategy the SG required HSCPs to produce a 3 year workforce plan. These plans were intended to support HSCPs, but also the SG, in shaping future workforces.
- 1.3 In accordance with SG timescales, the HSCP's Workforce Plan was submitted to the SG in October 2022.

2 Objectives and Scope

- 2.1 The scope of this Audit was to ensure that:-
 - The Workforce Plan addresses the key questions set by the SG
 - Consideration has been given to the workforce available via third party and voluntary organisations
 - The Plan aligns with local financial Plans and highlights any issues with achieving the required future workforce
 - There is robust evidence to support the information included within the Plan

3 Findings

- 3.1 The key questions the SG requires to be addressed by the Workforce Plan are:-
 - What are your current service demands (including recovery requirements and projected Board/HSCP population health needs), and the workforce requirements associated with these?
 - What is your current staffing profile (including quantitative detail)?
 - What is the establishment gap between projected service demand and your current staffing profile?
 - What actions are you taking at a local level, in accordance with the 5 pillars of workforce set out in the Strategy, to support service growth and transformation, in line with your gap analysis?

Question - What are your current service demands (including recovery requirements and projected Board/HSCP population health needs), and the workforce requirements associated with these?

- 3.2 The HSCP's Workforce Plan recognises the global and national pressures currently affecting the HSCP. Statistics highlighting:-
 - the current, and projected future demographics of North Ayrshire
 - the current, and projected levels of health concerns for North Ayrshire residents

have been included in the Plan.

- 3.3** Audit has agreed these statistics to robust sources.
- 3.4** The Plan also details the workforce pressures facing services. These pressures were identified by issuing questionnaires to Senior Managers.
- 3.5** Managers were asked to detail:-
- The key workforce challenges facing their service/team at that moment
 - Current service gaps (including vacancies and newly required posts) within their service/team at that moment
- 3.6** Manager responses were made available to Audit.
- 3.7** Manager responses were summarised for inclusion within the Plan. Prior to the Plan being submitted to the SG it was reviewed by both the PSMT and IJB. Audit has placed reliance on this review process providing assurance that no key points have been lost during the summary process.

Question - What is your current staffing profile (including quantitative detail)?

- 3.8** The Workforce Plan report contains statistics on the current workforce. This includes:-
- Employee numbers, FTE and contract type
 - Employee composition – eg gender, age, disability, ethnicity
 - Employee turnover and absence rates
- 3.9** Audit was able to agree the above statistics to source documents.

Question - What is the establishment gap between projected service demand and your current staffing profile?

- 3.10** Projections for the additional Social Workers, Social Work Assistants, Nursing and Midwifery posts that will be required have been calculated and included in the Workforce Plan report.
- 3.11** At present there is no universal method of projection prescribed by the SG, therefore HSCPs must apply the method they feel most appropriate. The report therefore details the method of calculation used for each post.
- 3.12** Audit has confirmed the accuracy of the calculation – based on the method chosen by the Project Team.
- 3.13** In addition to the above projections, Senior Managers were asked to consider the future establishment gaps within their service by responding to the following questions within the Workforce Plan questionnaire:-
- goals/developments for service within the next 12-18 months
 - staff required to achieve this
 - risk if these developments are not achieved
 - goals/developments for service within the next 3 years

- staff required to achieve this
- risk if these developments are not achieved.

3.14 Manager responses were made available to Audit.

3.15 The responses were summarised for the Plan and used to set out the direction each service team hopes to take over the next 12 months and the next 3 years. In addition, a table showing the breakdown of current staff shortages, staff required by 31 March 2023 and staff required by 31 March 2025 has been included as an appendix.

3.16 The report makes clear that the above projections and intentions are aspirational as funding from the SG had not been confirmed for future years.

Question - What actions are you taking at a local level, in accordance with the 5 pillars of workforce set out in the Strategy, to support service growth and transformation, in line with your gap analysis?

3.17 The Workforce Plan report includes a detailed action plan which sets out the HSCPs approach to building the workforce it needs over the next 3 years.

3.18 The action plan contains 31 actions and is structured into 5 sections which align with the '5 pillars of the workforce journey' as defined by the SG (Plan, Attract, Train, Employ, Nurture).

3.19 The SG required a refresh of the action plan to be submitted by 31 October 23.

3.20 To facilitate this refresh, Services were asked to:-

- Confirm the status of the action – eg Ongoing, Complete or to be Removed (if it is no longer appropriate)
- Confirm if the action is being delivered as expected – with a traffic light system used (red, amber, green) to measure the extent of delivery.
- A brief narrative update on the action, identifying progress to date and any future developments to be undertaken.

3.21 The HSCP missed the submission deadline due to issues with identifying responsible officers for 5 of the actions (as of 6th November 23). The Project Team intends to take this issue to the Partnership Senior Management Team for guidance. **(action point a)**

3.22 The Project Team intend to submit the updated Action Plan to the IJB in due course.

Third Party and Voluntary Organisations

3.23 These bodies have an important role in the overall provision of care in North Ayrshire.

3.24 To gain an understanding of the anticipated workforce of these parties in the next 3 years, questionnaires were sent out via TSI (Third Sector Interface North Ayrshire).

- 3.25 The questionnaire asked the same key questions that were asked of HSCP managers (as noted in 3.5 and 3.13 above).
- 3.26 Responses were summarised by ACVS. A detailed section highlighting the key pressures and risks facing this sector was included within the report.

Alignment with local financial plans

- 3.27 Within the HSCP’s 2023-2026 MTFO (Medium Term Financial Outlook) there is a section dedicated to recognising ‘Workforce Challenges’. This references the 3 year Workforce Plan and Action Plan.
- 3.28 The MTFO highlights there is uncertainty over SG settlements for 2024/25 onwards. This uncertainty makes future recruitment plans aspirational.
- 3.29 The HSCPs Strategic Commissioning Plan 2022-30 also makes reference to the importance of workforce development and acknowledges that a Workforce Plan was due to be prepared which would assist with this.

4 Internal Audit Opinion

- 4.1 Overall, substantial assurance was obtained with regard the details presented within the IJB Workforce Plan.
- 4.2 The ability to deliver is dependent on a number of factors, not all of which are within the control of the HSCP.

Definitions of Assurance Levels:

Substantial	A sound system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
None	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

NB The level of assurance given is at the discretion of Internal Audit.

KEY FINDINGS AND ACTION PLAN IJB WORKFORCE PLAN

Action	a
Finding	Responsible Officers have not been appointed for some Plan Actions.
Action Description	Responsible Officers should be identified as soon as possible. Action updates should be sought in order to allow the Action Plan refresh to be completed and submitted to the SG.
Risk	Lack of ownership for Actions may result in them being overlooked
Priority (1, 2, 3)	2
Paragraph Reference	3.21
Managed by	Paul Doak, Head of Service (Finance and Transformation)
Assigned to	Seony Ross, Team Manager (Strategic Planning and Equalities)
Due Date	29/02/2024
Management Comment	Responsible officers will be identified for the 5 outstanding actions to ensure that delivery of these is progressed.

Priority Key used in Action Plan

1 (High)	Control weakness where there is a material impact on the achievement of the control objectives, generally requiring prompt attention.
2 (Medium)	Control weakness which needs to be rectified, but where there is no material impact on the achievement of the control objectives.
3 (Low)	Minor weakness or points for improvement.

WORKFORCE PLANNING

1 Background

- 1.1** Workforce planning is a tool that allows the Council to plan now for the workforce that it requires in the future.
- 1.2** The composition and key skills of the workforce are likely to change going forward as the Council continues to adapt to factors such as the changing demographic of residents, changes in technology, external pressures and financial shortfalls.

2 Objectives and Scope

- 2.1** The objective of this audit was to ensure that:-
- the Council has guidance and procedures available to support services
 - workforce plans are sufficiently detailed and reviewed regularly
 - steps are being taken to maximise current staff retention
 - current workforce decisions are being made with a view to future workforce requirements

3 Findings

- 3.1** The responsibility for workforce planning lies with services.

Guidance and Procedures

- 3.2** The Council has a Workforce Strategy. This sets out the Council's approach to workforce planning including the methodology, tools and processes to be used by services.
- 3.3** In addition, a number of documents are available to give services practical information on how to tackle workforce planning. These documents include case studies, detailed examples, checklists and questions to consider during planning.
- 3.4** Power BI reports are available to services. These give data on workforce composition such as headcount, contract types, age split of staff, grade, leavers, new starts and grade progression.

Service Plans

- 3.5** A Workforce Plan template is used by all services. This template is designed to help services consider all factors, both internal and external to the Council, that are likely to impact their ability to deliver services going forward.
- 3.6** This template includes the following:-
- PESTLE analysis (Political, Economic, Social, Technological, Legal and Environmental). The likely impact of each of these on the Service must be considered and documented.
 - People Implications analysis. This requires services to consider succession planning, talent pipeline, composition of workforce/demographics, areas of growth, areas of decline.

- Change Planner. This records the anticipated benefit of changes as well as the impact these will have on existing posts – including creations, deletions and re-gradings.
- Action Plan. This requires services to allocate ‘short’, ‘medium’ or ‘long-term’ timescales to the key actions required to implement change.

3.7 The Council’s Workforce Strategy requires services to update their workforce plans 6 monthly. HR play an active role in supporting services with these updates.

3.8 Audit reviewed the current plans for all services and confirmed that all had been updated approximately 6 months after the previous version.

3.9 ELT receive an annual summary of all workforce plans, at a Directorate level.

Current Staff Retention

3.10 The ability to retain skilled staff is key for workforce planning.

3.11 Employees are more likely to stay with an employer if they feel that their needs are being considered, and that they are valued. The Council aims to create such an environment by:-

- Providing opportunities for employees to upskill or retrain
- Offering work/life balance opportunities
- Providing wellbeing services

3.12 Upskilling and retraining opportunities include:-

- The Council’s Leadership Academy - which upskills employees for management roles
- Current employees having the opportunity to apply for modern, trade and graduate apprenticeships
- retraining opportunities – these are targeted at areas where recruitment has been historically difficult – such as teachers and social care
- Creation of career paths – which provide employees with a clear career progression route

3.13 The Council’s Work Life Balance policy gives employees the opportunity to amend their work patterns to give a better balance between their work and home life requirements.

3.14 A number of policies are in place to support employee wellbeing. These include:-

- Staff benefits/perks
- Buying Annual Leave scheme
- Maternity, Adoption, Paternity and shared parental leave
- Special Leave
- Occupational Health
- Stress management/support (counselling)
- Wellbeing Warriors
- Bereavement leave
- Endometriosis support
- Livewell (health and wellbeing programme run by council staff)

- Employee welfare guidance (on topics such as needlestick injuries, addictions, domestic abuse etc)
- Travel Smart

Future Workforce

- 3.15** Vacancy management plays a key role in allowing the Council to realign its workforce, whilst minimising the need for compulsory redundancies.
- 3.16** The Council's Vacancy Scrutiny Panel ensures that only vacancies in alignment with workforce plans are filled. A post cannot be advertised without the pre-approval of this Panel (with the exception of posts on the exemption list).
- 3.17** In addition to standard recruitment methods, the Council is looking to attract talent by offering alternative routes into employment, using schemes such as:-
- Modern Apprenticeships
 - Graduate Apprenticeships
 - Skills for Life
 - Streetscene Environment Skills Training Academy
 - Developing the Young Workforce
 - Care at Home Pilot

4 Internal Audit Opinion

- 4.1** Overall, substantial assurance was obtained with regard the Council's approach to Workforce Planning.
- 4.2** The Council is taking steps now to ensure its workforce is equipped to deliver future services.

Definitions of Assurance Levels:

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None	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

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STANDALONE EARLY YEARS CENTRES

1 Background

- 1.1 The Council has 4 standalone early years centres (EYCs) – Castlepark, Dalry, Largs and Springvale.
- 1.2 Prior to August 2023 Kilwinning Early Years was also classed as a standalone Centre. In August the status of this Centre was changed to 'early years class' and is now under the leadership of Pennyburn Primary School. Despite the recent change of status, this location has been included within the scope of the audit due to it being excluded from the primary school audit in 2022/23.
- 1.3 This audit was performed by requiring all standalone centres to complete a self-assessment questionnaire and provide supporting documentation. Each response was reviewed in detail and followed up as necessary. In addition, a sample of centres were visited to allow more detailed audit testing to be performed.

2 Objectives and Scope

- 2.1 The questionnaire and detailed testing were designed to gain assurance that:-
 - Staff are aware of all relevant Council governance procedures.
 - All cash is being held securely and is being properly managed.
 - Cash withdrawals made via the Procurement Card are being used for appropriate types of expenditure, and all transactions are being properly recorded.
 - A full audit trail exists for all toy fund (equivalent of school fund) income and expenditure transactions.
 - Detailed Inventory records are being maintained.

3 Findings

Governance

- 3.1 Each Head of Centre was asked to confirm they were aware of a number of key Council policies and had completed a number of key training courses. 2 Heads were able to give full assurance. Audit has requested the remaining 3 Heads familiarise themselves with the policies and complete any outstanding training as soon as possible.
- 3.2 All Centres confirmed that the relevant staff have completed cash holding and fire warden training.
- 3.3 The Council's Risk Assessment Guidance states that 'if there are no accidents or near misses relating to the work activity, no changes to personnel, environment, procedures, equipment etc, then it is acceptable for a Low rated Risk Assessment to be reviewed every 2 years. However, an annual risk assessment review is best practice'.

- 3.4 Audit reviewed all Centres' risk assessment registers, on the basis that no assessments should exceed 2 years old. Only 1 Centre has assessments exceeding the 2-year maximum timescale. This Centre has agreed to review all assessments as a matter of urgency.

Cash Holding

- 3.5 All Centres have keyholder registers in place to formally record who has access to cash storage locations.
- 3.6 All Centres are aware of the maximum level of cash they are insured to store on site.
- 3.7 The only cash being held on site at all Centres relates to their Toy Fund.

GPC cash

- 3.8 Centres do not use GPC cash.
- 3.9 Audit has confirmed with eProcurement that the cash withdrawal facility is deactivated on all cards.

Toy Fund

- 3.10 The Kilwinning Centre Toy Fund was amalgamated with Pennyburn Primary's School Fund in August 2023. School staff manage this Fund with no input from Centre staff.
- 3.11 The remaining 4 Centres all hold fund cash income on site and 2 hold petty cash for small purchases.
- 3.12 Audit has requested that Education give consideration to stopping the use of petty cash in Centres. The Centres not using petty cash provide an example of how this can be achieved. **(action point a)**
- 3.13 All Centres provided examples of the documentation used to record and authorise Fund expenditure, however detailed testing did highlight instances where verbal authorisation has been used. Audit has raised this issue directly with the relevant Centres.
- 3.14 Instances of reconciliations not being formally documented were also identified during testing. Audit raised this directly with the relevant Centres.
- 3.15 At the time of the Audit, Education was in the process of updating its procedure for managing School Funds. Education has confirmed this will be circulated to all officers involved in the administration of the School and Toy Funds as soon as it is finalised.

Inventory

- 3.16 Audit requested copies of inventory records from all Centres.

3.17 Detailed testing highlighted that not all records are up to date. Audit has raised this issue directly with the relevant Centre. The Centre has agreed to review and update its inventory records.

4 Internal Audit Opinion

4.1 Overall, reasonable assurance was obtained with regard to the areas covered by this Audit.

Definitions of Assurance Levels:

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KEY FINDINGS AND ACTION PLAN STANDALONE EARLY YEARS CENTRES

Action	a
Finding	Some Centres are using petty cash for Toy fund expenditure.
Action Description	Centres should stop using petty cash for making payments.
Risk	Increased risk of theft or loss associated with holding cash
Priority (1, 2, 3)	2
Paragraph Reference	3.12
Managed by	Andrew McClelland, Head of Service (Education)
Assigned to	Lynn Taylor, Senior Manager Resources and Infrastructure
Due Date	28 June 2024
Management Comment	Engagement with EBOs will take place to make arrangements to stop using petty cash and transfer to on-line banking by the end of this academic session.

Priority Key used in Action Plan

1 (High)	Control weakness where there is a material impact on the achievement of the control objectives, generally requiring prompt attention.
2 (Medium)	Control weakness which needs to be rectified, but where there is no material impact on the achievement of the control objectives.
3 (Low)	Minor weakness or points for improvement.

COMMUNITY RESOURCES KEY HOLDING

1 Background

- 1.1 There is a requirement for local authorities to ensure:
- efficient use of buildings
 - creative operations
 - reducing costs
 - encouraging community organisations
- 1.2 The Community Resources Council Team's mission statement is "To make available safe, clean, comfortable and fit for purpose accommodation in which a range of learning, recreation and wellbeing activities and events can take place. Thus, enhancing the lives of the people living or visiting North Ayrshire."
- 1.3 There are 155 groups with 212 keyholders, 179 of whom are external keyholders. These arrangements apply to the majority of the Community Facilities that the Council operates.
- 1.4 This audit is reviewing the current key holding processes in Community Halls.

2 Objectives and Scope

- 2.1 The objective of this audit was to assess the process surrounding the management of keyholding of community halls transferred to Community Groups within North Ayrshire to ensure:-
- the client meets the requirements of NAC to make use of the community asset.
 - the process is open and transparent.
 - maximising the assets use potential efficiently and producing savings.
 - the asset remains secure,

3 Findings

Community Benefit

- 3.1 The 2023 Community Risk Register identified 14 keys areas. Of these 8 directly impacted on the running of community halls. Risks identified include budgetary, asset sustainability, health and safety, inability to meet expectations due to reduced staffing, reduction of external grant funding and reduced building maintenance leading to buildings becoming unusable.
- 3.2 Mitigations for these risks have been identified and the Council's Community Resource Team are working with community groups to achieve these. The Council's policy is to assist local community to take over the running of centres through security awareness, key training and basic site management.
- 3.4 The role of the team is to make the most cost-efficient use of the community assets by creating opportunities for Community Associations, by establishing confidence

and empowering the community to take on the responsibility for running the lets and achieving efficiency savings.

- 3.5** The process for assessing, preparing, and guiding community groups to achieve this is established and each request is reviewed on an individual basis. There are a wide range of groups including community associations, health support groups, arts and crafts, exercise clubs, music and pupil support, all meeting the needs of the local community.

Support

- 3.6** The Community Resource Team have been using Microsoft Forms to efficiently collate and record responses from their clients. In the case that the client doesn't have access to IT, the form is printed and manually completed. This document is the basis of the Keyholding register and completion of client documentation and training needs. The register also tracks actions by the team to ensure completion, reducing replication of actions.
- 3.7** Comprehensive risk assessments and fire evacuation plans have been completed for each of the community halls. Every group are required to complete the associated training. Surveys are issued every six months to keyholders, to ensure they remain confident in building operations and safe systems of work, and to allow for any potential improvements to be identified. These are reinforced by regular site visits.
- 3.8** All sites visited had current Liability Insurance certificates publicly displayed as well as fire and maintenance records. Physical security of buildings is managed through key safes controls which are updated annually. Risk assessment guidance relating to potential security issues are documented and provided to the keyholders.
- 3.9** A visit to Irvine Library identified the role of libraries in helping fill community gaps. Examples included clubs, study groups and commercial access support for banking services that are disappearing from the communities.

Efficiencies

- 3.10** Cost centre budget statements are reviewed regularly by the Team Manager. This statement provides an overview spend for the year to date, previous year and forecast over or under.

4 Internal Audit Opinion

- 4.1** Overall, substantial assurance was obtained with regard to keyholding management of community halls.
- 4.2** The proactive use of available IT for collating and recording and supporting community is commendable.

Definitions of Assurance Levels:

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21 March 2024**Audit and Scrutiny Committee**

Title: **Internal Audit and Corporate Fraud Action Plans:
Quarter 3 update**

Purpose: To advise the Audit and Scrutiny Committee on the progress made by Council Services in implementing the agreed actions from Internal Audit and Corporate Fraud reports as at 31 December 2023.

Recommendation: That the Committee notes the current position with the implementation of Internal Audit and Corporate Fraud actions.

1. Executive Summary

- 1.1 The CIPFA document 'Audit Committee Principles in Local Authorities in Scotland' highlights that Audit Committees should monitor and review the progress made in implementing audit recommendations.
- 1.2 Service managers are responsible for ensuring that agreed actions arising from Internal Audit and Corporate Fraud reviews are implemented. This provides assurance that identified control weaknesses have been addressed and are being managed effectively.
- 1.3 All actions are monitored on the Pentana system and service managers are responsible for updating Pentana as they progress each action. This enables Internal Audit to monitor progress on a 'real-time' basis and address any delays in implementation.
- 1.4 This report details the position as at 31 December 2023.

2. Background

- 2.1 The last report to the Audit and Scrutiny Committee on 14 November 2023 highlighted that there were 11 actions outstanding at the end of September 2023: three that had not been started or were partially implemented, and eight where the due date had not yet passed.
- 2.2 In addition to these 11 carried forward actions, there have been 10 new actions agreed, giving a total of 21 action points for review.

2.3 Services have completed 12 actions since the last report. All Council Services are required to retain evidence of work carried out in completing their actions and Internal Audit carries out 'spot-checks' on a sample of completed actions on an ongoing basis.

2.4 Of the remaining 9 actions, none of these are noted as overdue as they are all due for completion after 31 December 2023.

3. Proposals

3.1 It is proposed that the Committee notes the current position with the implementation of Internal Audit and Corporate Fraud actions.

4. Implications/Socio-economic Duty

Financial

4.1 None.

Human Resources

4.2 None.

Legal

4.3 None.

Equality/Socio-economic

4.4 None.

Climate Change and Carbon

4.5 None.

Key Priorities

4.6 The effective implementation of agreed Internal Audit and Corporate Fraud actions helps to support the efficient delivery of the strategic priorities within the Council Plan 2023-2028.

Community Wealth Building

4.7 None.

5. Consultation

5.1 Council Services are consulted during the completion of each Internal Audit and Corporate Fraud review and have also provided updates on progress made in implementing action points.

Mark Boyd
Head of Service (Finance)

For further information please contact **Laura Miller, Senior Manager (Audit, Fraud, Safety and Risk)**, on **01294 324524**.

Background Papers

None.

