



North Ayrshire Council  
Comhairle Siorrachd Àir a Tuath

## Cabinet

A Meeting of the **Cabinet** of North Ayrshire Council will be held in the **Council Chambers, Ground Floor, Cunninghame House, Irvine, KA12 8EE** on **Tuesday, 21 March 2023** at **14:30** to consider the undernoted business.

### Meeting Arrangements - Hybrid Meetings

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

#### 1 **Declarations of Interest**

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

#### 2 **Minutes**

The accuracy of the minutes of meeting of the Cabinet held on 21 February 2023 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).

### EDUCATION ITEMS FOR DECISION

#### 3 **Proposal to close Kilwinning Early Years Centre and incorporate the provision as a new early years' class at Pennyburn Primary School**

Submit a report by the Executive Director (Communities and Education) providing feedback on the outcome of the statutory public consultation and seeking approval to close Kilwinning Early Years Centre and incorporating the provision as a new early years class at Pennyburn Primary School (copy enclosed).

- 4 Future Holiday Meals Provision**  
Submit a report by the Executive Director (Communities and Education) on the future provision of the school holiday meals provision and the use of the Scottish Government funding (copy enclosed).

## **GENERAL BUSINESS FOR DECISION**

### **Reports by the Chief Executive**

- 5 Access to Information rights in Scotland: a consultation**  
Submit a report by the Head of Service (Democratic Services) seeking approval for the proposed North Ayrshire Council submission to the Scottish Government's Consultation on access to information rights in Scotland (copy enclosed).
- 6 Revenue Budget 2022/23: Financial Performance to 31 January 2023**  
Submit a report by the Head of Service (Finance) on the financial performance for the Council at 31 January 2023 (copy enclosed).
- 7 Capital Programme Performance to 31 March 2023**  
Submit a report by the Head of Service (Finance) on progress in delivering the Capital Investment Programme for 2022/23 (copy enclosed).
- 8 Strategic Risk Register 2023/24**  
Submit a report by the Head of Service (Finance) seeking approval of the Strategic Risk Register for 2023/24 (copy enclosed).

### **Report by the Director (Health and Social Care Partnership)**

- 9 Financial Inclusion Strategy 2023-28**  
Submit a report by the Director (Health & Social Care Partnership) providing an update on progress with the Financial Inclusion Project and the development of a Strategy for North Ayrshire (copy enclosed).

### **Reports by the Executive Director (Communities and Education)**

- 10 Islands Emergency Cost Crisis Fund**  
Submit a report by the Executive Director (Communities and Education) seeking approval for the allocation of the Scottish Government Islands Emergency Cost Crisis Fund (copy enclosed).
- 11 Community Asset Transfer of the Toilet Block and adjacent land at Ardrossan South Beach**  
Submit a report by the Executive Director (Communities and Education) providing an update on progress relating to the Community Asset Transfer of the toilet block and adjacent land at Ardrossan South Beach and seeking approval for the revised rent for the asset being transferred to Ardrossan Community Development Trust (copy enclosed).

## **Reports by the Executive Director (Place)**

- 12 Home Office Asylum Dispersal**  
Submit a report by the Executive Director (Place) on the Home Office's plans for asylum dispersal across the United Kingdom and highlighting the potential impact for North Ayrshire, taking into consideration the humanitarian resettlement schemes already being supported (copy enclosed).
- 13 Roads Structures & Street Lighting Maintenance Programme 2023/24**  
Submit a report by the Executive Director (Place) seeking approval of the proposed Roads, Structures and Street Lighting Maintenance Programme for 2023/24 (copy enclosed).
- 14 Consultation on Scottish Government draft Energy Strategy and Just Transition Plan**  
Submit a report by the Executive Director (Place) seeking approval for the proposed response to the consultation on the Scottish Government's draft Energy Strategy and Just Transition Plan (copy enclosed).
- 15 Advertising and Sponsorship Framework**  
Submit a report by the Executive Director (Place) seeking approval of the proposed Advertising and Sponsorship Framework for council assets (copy enclosed).
- 16 Urgent Items**  
Any other items which the Chair considers to be urgent.
- 17 Exclusion of the Public - Para 9**  
Resolve in terms of Section 50(A)4 of the Local Government (Scotland) Act 1973, to exclude from the Meeting the press and the public for the following item of business on the grounds indicated in terms of Paragraph 9 of Part 1 of Schedule 7A of the Act.  
**Non Disclosure of Information**  
In terms of Standing Order 21 (Disclosure of Information), the information contained within the following report is confidential information within the meaning of Section 50A of the 1973 Act and shall not be disclosed to any person by any Member or Officer.
- 18 Montgomerie Park – Proposed Sale of Phase One Rental Site**  
Submit a report by the Executive Director (Place) advising of the Heads of Terms which have been negotiated for the sale of the Phase 1 Retail Site prior to entering missives for the sale of the site (copy enclosed).

## **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](mailto:dataprotectionofficer@north-ayrshire.gov.uk).



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## Cabinet Sederunt

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### **Elected Members**

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

### **Church Representatives**

Mr Andrew Bruce  
Ms Elizabeth Turbet  
Rev Mark Goodman

### **Teaching Representative**

Ms Jacqui MacKenzie

### **Youth Council Representatives**

Chair:

Apologies:

Attending:



**IRVINE, 21 February 2023** - At a Meeting of the Cabinet of North Ayrshire Council at 2.30 p.m.

**Present**

Marie Burns, Tony Gurney, Alan Hill, Margaret Johnson, Christina Larsen and Shaun Macaulay; Elizabeth Turbet, Rev Mark Goodman (Church Representatives); and Jackie MacKenzie (Teaching Representative) (Agenda Item 3).

**Also Present**

Cameron Inglis, Matthew McLean, Chloé Robertson and Davina McTiernan.

**In Attendance**

C. Hatton, Chief Executive and M. Boyd, Head of Service (Finance) (Chief Executive's Service); R. McCutcheon, Executive Director, D. Hammond, Head of Service (Sustainability, Corporate Property and Transport), N. McIlvanney, Interim Head of Service (Growth, Investment and Employability) and L. Neill, Senior Manager (Employability) and (Place); A. Sutton, Executive Director and R. Leith, Head of Service (Connected Communities) (Communities and Education); C. Cameron, Director (Health and Social Care Partnership); R. Lynch, Senior Manager and C. Cochrane, Solicitor (Legal Services), J. Hutcheson, Senior Communications Officer, and C. Stewart, D. McCaw and S. Wilson, Committee Services Officers (Democratic Services).

**Also In Attendance**

M. McPhail, L. Barrie and C. Glencorse (North Ayrshire Leisure Limited).

**Chair**

Marie Burns in the Chair.

**1. Minutes**

The Minutes of the Meeting of the Cabinet held on 24 January 2023 were confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

**2. Declarations of Interest**

In terms of Standing Order 11 and Section 5 of the Code of Conduct for Councillors, Councillor Gurney, as an employee of UWS, made a declaration during consideration of Agenda Item 6 (Apprenticeship Proposal). Having applied the objective test, the nature of the interest was such that Councillor Gurney did not require to leave the meeting for this item of business.

### **3. Educational Trust Funds**

Submitted a report by the Executive Director (Communities and Education) on the anticipated annual income and expenditure of the Charitable Trusts administered by the Education Service and seeking approval for the level of funding to be made available for disbursement during 2022/23 academic session.

The Cabinet agreed to (a) approve the 2022/23 revenue estimates for the Charitable Trusts detailed in section 2.3 of the report; (b) approve the amounts available for disbursement noted at section 2.3 of the report; and (c) the capital spend from the dormant and low value Trusts.

### **4. Consultation on a Proposed Freedom of Information Reform (Scotland) Bill**

Submitted a report by the Head of Service (Democratic Services) seeking approval for the proposed formal consultation response to the Katy Clark MSP's Consultation on the proposal for a bill to reform Freedom of Information legislation in Scotland. The Consultation paper and proposed response were set out at Appendices 1 and 2, respectively, to the report.

The Cabinet agreed to approve the submission of the proposed consultation response as set out at Appendix 2 to the report.

### **5. North Ayrshire Leisure Limited (NALL) Performance and Impact Report incorporating the 2023-24 Budget**

Submitted a report by the Executive Director (Communities and Education) seeking approval for the North Ayrshire Leisure Limited (NALL) Performance and Impact Report incorporating the 2023-24 Budget. The NALL Performance and Impact Report incorporating the 2023/24 Budget was attached at Appendix 1 to the report.

The Cabinet also received a presentation from KA Leisure detailing the performance and impact work undertaken by the organisation to date to take the organisation forward and bring about recovery and improvements.

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

- the significant work and effort that had been put in with regard to achieving a balanced budget position given the scale of challenge in terms of post-Covid recovery, together with collaborative working in order to achieve this;
- the measures that had been taken, or were proposed to be taken, in relation to energy management and efficiency, to reduce cost thresholds as much as possible; and
- the impact of various initiatives, such as the health and wellbeing service, were making in terms of bringing forward improvements and positive differences in promoting health and wellbeing, etc. to the community of North Ayrshire.

The Cabinet agreed to (a) note (i) the North Ayrshire Leisure Limited (NALL) Performance and Impact Report incorporating the 2023-24 budget as set out at Appendix 1 to the report and (ii) the projected balanced budget position in 2022-23; and (b) authorise officers to continue to progress the recovery of the business, including the Recovery and Renewal Plan.

## **6. North Ayrshire Council's Apprenticeship Proposals**

Submitted a report by the Executive Director (Place) providing an update on the North Ayrshire Council's Modern Apprenticeship Programme and seeking approval to develop the Council's apprenticeship offer and deliver an enhanced programme from April 2023 to include new entrants and support for existing employees. Feedback received from current and previous apprentices was sought to assist in the review, together with a refresh of the current apprenticeship offering, and this was set out in Appendix 1 to the report.

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

- the range of apprenticeships on offer including partnerships with Ayrshire College and the University of the West of Scotland (UWS); and
- partnership working to deliver on community wealth building opportunities in terms of good practice as well as being part of the Fair Work offer for employees.

The Cabinet agreed (a) to note the contents of the report and (b) the Council's apprenticeship programme on the basis set out in the report.

## **7. Lease Acquisition – Seabed at the Ardrossan Strategic Regeneration Site**

Submitted a report by the Executive Director (Place) seeking approval to lease 1,478m<sup>2</sup> of seabed from Crown Estate Scotland to enable the development of the proposed revetment works at the Ardrossan Strategic Regeneration Site. The Site Plan was attached at Appendix 1 to the report.

On behalf of Members, Councillor Burns, Chair, thanked officers for bringing this report forward and noted that it was encouraging to see the pace of progress with the new campus development in accordance with the updated programme.

The Cabinet agreed to approve the lease acquisition of the seabed from Crown Estate Scotland for a period of 99 years at a grassum rent of £38,850, exclusive of VAT.

## **8. Electric Vehicle Charging Infrastructure Investment in Ayrshire**

Submitted a report by the Executive Director (Place) on the findings from the Ayrshire Public Electric Vehicle Charging Business Case and the proposed next steps. Potential locations for North Ayrshire proposed EVCI and a Commercial Model Assessment were set out at Appendices 1 and 2, respectively, to the report.

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

- the anticipated tariff for the use of Electric Vehicle (EV) charge points, including confirmation that there would be a universal tariff across Ayrshire to assure consistency; and
- any influence which could be pursued by the Council in terms of the proposals, notwithstanding the preferred delivery mechanism for expansion of the public vehicle charging network.

The Cabinet agreed to (a) note the findings from the Ayrshire Public Electric Vehicle Charging Business Case including the identification of a new concession contract as the preferred delivery mechanism for expansion of the public vehicle charging network; (b) provide delegated authority to the Executive Director (Place) to develop and enter into an Inter Authority Agreement with East and South Ayrshire (represented by the Ayrshire Roads Alliance) to govern the specification, procurement, implementation and operation of the proposed concession contract; and (c) receive a further update report on completion of (b) above, prior to the procurement of the proposed concession contract.

The meeting ended at 3.40 p.m.

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## NORTH AYRSHIRE COUNCIL

21 March 2023

### Cabinet

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**Title:** **Proposal to close Kilwinning Early Years Centre and incorporate the provision as a new early years' class at Pennyburn Primary School**

**Purpose:**

- To provide feedback to Cabinet on the outcome of the statutory public consultation.
- To seek approval to close Kilwinning Early Years Centre and incorporate the provision as a new early years class at Pennyburn Primary School.

**Recommendation:** That Cabinet agrees to:

- Note the content of the Consultation Report at Appendix 1.
- Close Kilwinning Early Years Centre and incorporate the provision as a new early years class at Pennyburn Primary School from August 2023.

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### 1. Executive Summary

- 1.1 On 27 September 2022, Cabinet agreed to commence a Statutory Public Consultation on the proposal to close Kilwinning Early Years Centre and incorporate the provision as a new early years class at Pennyburn Primary School.
- 1.2 The consultation opened on Tuesday 25 October (due to the additional in-service day on Monday 24 October) and closed on Friday 16 December 2022. Thereafter, Education Scotland provided their report, which is included as Appendix 3 of the Council's Consultation Report. The Council's Consultation Report was made available to the public from 6 to 27 February 2023.
- 1.3 Only 2 formal online responses were received, with a further 84 from Pennyburn Primary School pupils. Taking into account all responses received, 93% agreed with the proposal.
- 1.4 Cabinet is asked to approve the report recommendation. If the proposal is approved, the Council is required, in terms of the Schools (Consultation) (Scotland) Act 2010, to notify Scottish Ministers within 6 days of making this decision. The Council is also required to place a notice on its website of the decision and of the opportunity and method for making representations to Scottish Ministers. Scottish Ministers then have a period of 8 weeks following an authority's decision in which to decide to call-in the decision or not. Until the Council has been notified of the outcome, the proposal cannot be implemented.

- 1.5 Taking into account the process outlined above, if approved by NAC Cabinet and Scottish Ministers, the change will come into effect from the start of the new session, August 2023.

## 2. Background

- 2.1 On 27 September 2022, Cabinet agreed to commence a Statutory Public Consultation on the proposal to close Kilwinning Early Years Centre and incorporate the provision as a new early years class at Pennyburn Primary School.

- 2.2 The Proposal Document was emailed to all statutory consultees by 25 October 2022. The link to the document was also made available to all parents/carers of Kilwinning Early Years Centre and Pennyburn Primary School via email and a hard copy as made available at Cunninghame House.

- 2.3 A total of 2 formal online responses were received, both agreeing with the proposal, with one providing their reason:

*“Easier transitions for kids going from the nursery to the school. Also easier for families who have kids in both the nursery and the school when communicating for absences.”.*

- 2.4 Children in P4-7 at Pennyburn Primary School were asked to complete an online form to share their thoughts and views on the proposal. In consultation with the Head Teacher, the following questions were asked:

- Do you think it is a good idea that Kilwinning Early Years Centre should be part of our school?
- Why?

A total of 84 responses were received from pupils and the table below provides a breakdown of the answers to question (i):

Yes	78
No	6

- 2.5 Key themes from the primary school pupils who agreed with the proposal can be summarised as follows:

- Working together on joint activities, assemblies and shows;
- Closer contact will help with the move from early years to primary school;
- Sharing a Head Teacher means not too much change for P1;
- Contact with siblings, e.g., for photographs together; and
- One school/early years drop off will make it easier for parents, especially those who work.

- 2.6 The reasons given by the children who did not agree are noted below:

- Consideration of how younger children will feel about being part of a larger provision; and
- Perception that staff may lose their jobs.



- 2.7 The detail on all issues raised and the Council's response to these is contained within the published report at Appendix 1.
- 2.8 The consultation closed on 16 December 2022 and all documents were sent to Education Scotland. The Schools (Consultation) (Scotland) Act 2010 requires that Education Scotland provides an independent and impartial consideration of this proposal.
- 2.9 In preparing that report, HM Inspectors undertook the following activities:
- Consideration of all relevant documentation provided by the Council in relation to the proposal, specifically the educational benefits statement and related consultation documents, written and oral submissions from parents/carers and others; and
  - Visits to the Kilwinning Early Years Centre and Pennyburn Primary School, including discussion with relevant consultees.
- 2.10 Education Scotland agrees with the potential educational benefits of this proposal. Clear opportunities to enhance the provision through improved transitions and joint working were identified. The physical layout of the building was seen to lend itself to this approach and good existing staff relationships were recognised. Implementation of the proposal would provide an opportunity to improve both the relationships with parents and communication across all stages to better support children and families. Education Scotland asked the Council to ensure that stakeholders are kept informed as decisions are made.
- 2.11 Taking all responses into account, 93% were in favour of the proposal to close Kilwinning Early Years Centre and incorporate the provision as a new early years class at Pennyburn Primary School.
- 2.12 If the proposal is approved, the Council is required, in terms of the Schools (Consultation) (Scotland) Act 2010, to notify Scottish Ministers within 6 days of making the decision. The Council is also required to place a notice on its website of the decision and of the opportunity to make representation to Scottish Ministers.
- 2.13 Scottish Ministers then have a period of 8 weeks following an authority's decision in which to decide to call-in the decision or not. The first 3 weeks of this period is to allow stakeholders to make representations either against or in support of the decision. These can be made by emailing [schoolclosure@gov.scot](mailto:schoolclosure@gov.scot), or in writing to:

**Scottish Government St Andrew's House Regent Road Edinburgh EH1 3DG**

- 2.14 Scottish Ministers then have a further 5 weeks to consider all documents and representations. Until the Council has been notified of the outcome, the proposal document cannot be implemented.

### **3. Proposals**

- 3.1 That Cabinet agrees to:

- Note the content of the Consultation Report at Appendix 1; and
- Close Kilwinning Early Years Centre and incorporate the provision as a new early years class at Pennyburn Primary School from August 2023.

## **4. Implications/Socio-economic Duty**

### **Financial**

- 4.1 If approved following the Statutory Public Consultation, there will be recurring financial savings of £63,286 arising from the deletion of the Head of Centre post. A provisional job sizing review of the leadership team at Pennyburn Primary School has been undertaken to understand the impact of this proposal on the salary levels of this team. If this proposal is approved, it is anticipated there will be additional salary costs in the region of £2,300 leading to an estimated net cost saving of £60,000.

### **Human Resources**

- 4.2 A new Early Years Manager post would be created within existing budgets. Relevant Trade Unions will be engaged in this process.

### **Legal**

- 4.3 Under the terms of the Schools (Consultation) (Scotland) Act 2010 (as amended), statutory public consultation is required where there is a proposal to permanently discontinue a 'school'. The consultation was carried out in accordance with the Schools (Consultation) (Scotland) Act 2010.

### **Equality/Socio-economic**

- 4.4 There will be no negative impacts on the staff or children and families who attend KEYC through this proposal.

### **Climate Change and Carbon**

- 4.5 None.

### **Key Priorities**

- 4.6 This proposal contributes to North Ayrshire Council's Key Priority to ensure children and young people have the best start in life.

### **Community Wealth Building**

- 4.7 None as a direct result of this report.

## **5. Consultation**

- 5.1 In line with the Schools (Consultation) (Scotland) Act 2010, all interested parties have been given the opportunity to express their views on the proposal.

Audrey Sutton  
Executive Director (Communities & Education)

For further information please contact **Andrew McClelland, Head of Service (Education)**, on **01294 324413**.

## **Background Papers**

Appendix 1 – Consultation Report



## NORTH AYRSHIRE COUNCIL

21 March 2023

### Cabinet

<b>Title:</b>	<b>Future Holiday Meals Provision</b>
<b>Purpose:</b>	To provide proposals for the future provision of the school holiday meals provision and the use of the Scottish Government funding.
<b>Recommendation:</b>	<p>It is recommended that Cabinet:</p> <ul style="list-style-type: none"> <li>a) Approves the approach to the future use of the Scottish Government holiday meals funding as proposed in this report;</li> <li>b) Approves a summer programme of activities and food in localities to be designed with community partners; and</li> <li>c) Approves the replacement of shopping vouchers with a cash first approach for families with an assessed entitlement to free school meals.</li> </ul>

### 1. Executive Summary

- 1.1 Funding has been made available by Scottish Government to enable the delivery of alternative free school meal provision to all children and young people, eligible for free school meals based on low income, during the school holidays.
- 1.2 2022 saw the return of face-to-face activities through co-producing a holiday meals programme with our community partners. This paper sets out proposals including a continuation of this partnership to deliver a programme of summer activities in the heart of our communities which is sustainable and impactful.
- 1.3 Shopping vouchers have been in use since July 2020 as part of the emergency Covid response and subsequently to deliver support during school holiday periods. This report sets out a proposal to align the holiday meals support with other council payments and supports via a cash first approach. This approach is not only supported by child poverty groups as it supports a more dignified approach, but it would also provide a more efficient and accessible support for the eligible families.
- 1.4 The holiday meals provision is one aspect of the support available to families, who have also benefited from the recent increase in the Scottish Child Payment and other benefits.

## **2. Background**

- 2.1 North Ayrshire Council (NAC) has been running programmes of school holiday activities for primary age children, including meals, during school holidays since 2013. Over the years the NAC programme has developed, with partners joining the group of staff delivering activities. During the more challenging lockdown periods of the Covid-19 pandemic, the Council adapted the delivery to a voucher scheme to ensure that low-income households and individuals could still access food.
- 2.2 April 2022 saw the return of activities and meals being provided in localities and this was supported by our community partners. From April 2022, the holiday programme was also expanded to include young people attending secondary school. To increase uptake and remove any stigma and reluctance to visit schools during holidays, community halls, centres and libraries were used instead of schools. This ensured that support was offered in the heart of our communities.
- 2.3 The activity and meal programme ran for the Easter break and most of the summer break in 2022. The number of meals provided for Easter and Summer was 4,622 and 16,213 respectively. A voucher was also issued to all families with an assessed entitlement for free school meals. This ensured that those who did not attend a local holiday programme still had provision to purchase food during the holiday period.

### **Funding**

- 2.4 In 2021/22, the Scottish Government provided £0.712m funding to the Council to enable the provision of alternative free school meal provision to all children and young people, eligible for free school meals based on low income, in primary and secondary age groups, during the school holidays. This provision covered the 2022 summer holidays; the Christmas and Easter holidays during the 2022-23 school year; and the mid-term holidays in October and February. The same level of funding has been confirmed for 2023/24. Holiday meals provision is one aspect of the support available to families, who have also benefited from the recent increase in the Scottish Child Payment and other benefits. The guidance indicates that this provision can again be delivered through a flexible approach, for example through direct cash payments to eligible families; supermarket vouchers; or the delivery of food packages.
- 2.5 In North Ayrshire, vouchers have been provided to eligible families since July 2020 and introduced as part of the emergency response to the pandemic and this has continued as the method of support to families.
- 2.6 Vouchers are procured from a supplier and do have some limitations both in terms of administration and use for the families. The vouchers are not available for redemption at all retailers thus restricting to some extent where families can use them. Voucher codes are issued via email to parents/carers who then must download the actual voucher to their device for use in the shop. Those without email are sent a hardcopy of the voucher, which involves a more protracted process, officer time and an additional cost for postage.

- 2.7 The process for vouchers for families on Arran has been modified to take account of local circumstances. Currently Facilities Management staff will purchase the required number of vouchers from a mainland Co-op and then put each voucher in an envelope and post them to the eligible families. The Co-op is the only mainstream shopping outlet on the island that will accommodate a voucher scheme. Families on Cumbrae currently receive the electronic or paper voucher like families on the mainland, due to the close proximity and ease of access to the mainland to redeem their vouchers.
- 2.8 The voucher process has an administration fee on top of the value of the vouchers purchased. For financial year 2022/23 the administrative fee was circa £2,500. In addition, vouchers can only be issued in denominations of £5 with a minimum of £5 being purchased. This means that the value of the payment is slightly lower than the equivalent of the school meal credit allocation. The school meal allocation is £2.05 per day however for a full week we allocate a £10 voucher as we cannot issue an exact value of £10.25.
- 2.8 The contract for the voucher supplier is due to end in March 2023 therefore consideration of options available for payment has been undertaken.
- 2.9 The recommendation from child poverty organisations continues to be a cash first approach for any financial support to those in need/eligible. Direct payments are described by the Poverty and Inequality Commission as “the most compassionate and dignified support, giving freedom of choice over what they eat, and should be the preferred method of support.” Most local authorities are providing support via cash payments.
- 2.10 The Council’s Customer Service team already process cash payments for all other supports e.g. school clothing grants and child bridging payments. Changing the school holiday payment to cash rather than vouchers would provide a consistent approach for parents/carers and easy access to the funds they are eligible for. This would also provide a streamlined and efficient approach and where none of the funding is used for administrative fees or postage. Changing to cash payments ensures that all of the funding is available for distribution to eligible families, and families will be receiving exactly what they are entitled to rather than a rounded sum. The allocation under the new proposal would be £2.05 per day.
- 2.11 Direct cash payments would allow the families on Arran and Cumbrae the flexibility to use their allocation in their local shops and businesses rather than travel in some cases, a significant distance to redeem them in the Co-op or mainland supermarkets. Island families will continue to receive a higher payment to reflect the higher costs of living on the islands.

### **Activity Programme**

- 2.12 The activity programme is led by Connected Communities Community Empowerment and Youth Services Teams with support from Facilities Management, Active Schools, Information and Culture, KA Leisure and community partners. The programme of food and activities was co-created with our community partners to ensure there were no barriers to access. This new model allowed us to work closely with community partners and develop the 2022 summer programme based on the experience of the development of delivery during Easter 2022.

- 2.13 A joint review with partners of the initial year of delivery, and associated capacity, resulted in an ongoing commitment by community partners to deliver activity and food programmes as a priority during extended summer holiday holidays. As such, it has been proposed that activity programmes during the summer holiday periods be resourced and prioritised and that during Easter, October, Christmas and February holidays direct payments will be made.
- 2.14 Specific arrangements will be developed for the islands and rural communities utilising the local libraries as bases. Connected Communities staff will work with colleagues and local community partners to develop a programme of events and activities on both islands and rural communities in order to maximise local resources and broaden the scope of activities.
- 2.15 Following feedback from the Easter and Summer 2022 sessions, we plan to continue providing hot soup and packed lunches as this offers the flexibility for outdoor eating and activities or for local trips to be undertaken.
- 2.16 Community partners continue to be supported by Locality Officers to build their resilience for their delivery of community activities. Last year's pre summer training sessions for staff and community partners were well received and will be delivered again this year as further support to the integrated teams. In addition, sports and arts resources will be supplied. The partners and venues for the four-week summer 2023 programme will be finalised and communicated to elected members and residents early in June 2023 in order to ensure that promotion and uptake is maximised.

### **3. Proposals**

- 3.1 It is proposed that Cabinet:
- a) Approves the approach to the future use of the Scottish Government holiday meals funding as proposed in this report;
  - b) Approves a summer programme of activities and food in localities to be designed with community partners; and
  - c) Approves the replacement of shopping vouchers with a cash first approach for families with an assessed entitlement to free school meals.

### **4. Implications/Socio-economic Duty**

#### **Financial**

- 4.1 Funding of £0.712m has been provided for school holidays meals during 2023/24. It is expected that this funding allocation will be expended via cash payments and the summer food and activity programme in July.

#### **Human Resources**

- 4.2 Connected Communities, Community Empowerment team will work with partners to ensure resources are available and the summer programme can run as proposed.

#### **Legal**

- 4.3 None



## **Equality/Socio-economic**

- 4.4 Scottish Government funding is targeted to address inequalities. The guidance on use of the funding is for all children and young people, eligible for free school meals on the basis of low income, in primary and secondary schools.

## **Climate Change and Carbon**

- 4.5 None

## **Key Priorities**

- 4.6 The proposal contained within the report supports the North Ayrshire Council Plan priorities:
- Active and strong communities;
  - Children have the best start in life;
  - Inclusive, growing and enterprising local economy; and
  - People enjoy good life-long health and wellbeing.

## **Community Wealth Building**

- 4.7 The summer programmes support the following pillars of community wealth building:
- Creating volunteering and skills development opportunities;
  - Advancing community enterprises; and
  - Supporting local businesses.

## **5. Consultation**

- 5.1 Discussions have taken place with key partners and other council services.

Audrey Sutton  
Executive Director (Communities & Education)

For further information please contact **Carolyn Hope, Senior Manager Facilities Management** on [carolynhope@north-ayrshire.gov.uk](mailto:carolynhope@north-ayrshire.gov.uk).

## **Background Papers**

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## NORTH AYRSHIRE COUNCIL

21 March 2023

### Cabinet

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**Title:** **Access to information rights in Scotland: a consultation**

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**Purpose:** To seek approval for the proposed North Ayrshire Council submission to the Scottish Government's Consultation on access to information rights in Scotland.

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**Recommendation:** That Cabinet approves the submission of the proposed consultation response provided at Appendix 2.

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### 1. Executive Summary

- 1.1 The Scottish Government has launched a Consultation seeking views on access to information rights in Scotland. The Consultation paper is provided at Appendix 1. Views are sought by 14 March 2023, however the Scottish Government has confirmed that they will accept a later response to allow time for the proposed response to be considered by Cabinet. This report summarises the key features of the consultation and seeks approval for the proposed response to the Consultation as provided at Appendix 2.

### 2. Background

- 2.1 At the Cabinet meeting on 21 February 2023, members approved a draft response to Katy Clark MSP's Consultation on the proposal for a Bill to reform Freedom of Information legislation in Scotland. The Scottish Government is conducting a separate consultation on possible reforms to access to information rights in Scotland as contained in the Freedom of Information (Scotland) Act 2002 (FOISA) and the Environmental Information (Scotland) Regulations 2004 (EIR).
- 2.2 The Scottish Government's Consultation was precipitated by a report published by the Public Audit and Post Legislative Scrutiny Committee (the "Committee") in May 2020, which recommended that there was a need for further public consultation in various areas.
- 2.3 The Scottish Government is of the view that the access to information rights framework in Scotland is fundamentally sound, but they wish to gain a better understanding of how it is operating in practice. The Scottish Government has indicated that where possible it wishes to identify opportunities to improve the operation of the regime within the existing legislative framework, for example by strengthening and clarifying guidance and codes of practice. It also seeks evidence and views in respect of any changes needed to the legislation in future.

2.4 There are four key areas upon which the Scottish Government is consulting:

2.4.1 The first is the agility of the regime in terms of maintaining and strengthening access to information rights in the context of varied models of service delivery. The Scottish Government notes that the Committee raised concerns about the dilution of information rights by outsourcing public services and ancillary services (i.e. internal services within an authority, such as cleaning of its offices) to private bodies that are not subject to freedom of information laws. The Scottish Government notes that there are existing safeguards to prevent outsourcing leading to a loss of information rights, specifically:

- Under section 5 of FOISA Scottish Ministers can extend the freedom of information regime to cover persons or bodies that exercise functions of a public nature or that provide, under a contract with a Scottish public authority, a service whose provision is a function of that authority. This power has already been used, for example, to extend the Act to cover Housing Associations and organisations delivering culture and leisure services on behalf of local authorities (such as KA Leisure).
- Under section 4 of FOISA Scottish Ministers can add further entities to the list of public authorities captured by the Act, provided they meet the definition of a Scottish public authority under the Scotland Act 1998.
- The Code of Practice for Scottish public authorities includes advice to ensure that when outsourcing services there is no resulting reduction in the public's right to access information, for example by ensuring that the contract stipulates what information may need to be disclosed.
- The principle of transparency is embedded in procurement legislation, which ensures that a large volume of information about public contracts is available publicly.

2.4.1.1 The Committee made various recommendations to address these issues, including the introduction of a "Gateway Clause" to the legislation. The purpose of such a clause would be to bring bodies carrying out public functions or in receipt of significant public funds within the scope of FOISA in relation to those elements of the organisation concerned with the provision of those services or spending of such funds. This would bring certain bodies automatically within the scope of FOISA depending on their functions and/or funding. There are also proposals to provide a clearer legislative steer about when information held by contractors about the delivery of public services and/or ancillary services is to be considered "held" by the contracting authority for the purposes of FOISA and EIR. The Committee also recommended that FOISA be amended to prevent reliance on confidentiality clauses between public authorities and contractors providing public services. The Scottish Government notes the importance of ensuring that there are measures within the legislation to allow for the protection of commercial interests, subject to the public interest test, and is of the view that it is rare that confidentiality clauses are used in a way that affects the discharge of a public authority's functions under FOISA.

2.4.2 The second is developments in Information Technology, in particular ensuring access to information rights in the face of changing modes of information use. Here, the Scottish Government notes concerns raised by the Committee that the use of unofficial platforms such as WhatsApp and private email addresses could lead to information being overlooked when responding to a freedom of information request. The Scottish Government notes that, legally, it is already clear that relevant

information stored on such platforms falls within the scope of the existing legislation, but that stronger guidance may help to raise awareness of this.

2.4.3 The third is improving proactive publication and promoting openness as “business as usual” in a digital age. Currently, FOISA requires each authority to adopt and maintain a publication scheme setting out information to be published by that authority. Authorities have a duty to publish the information set out in their publication scheme. The Commissioner has developed a model publication scheme which sets out broad categories of information to be published. The model scheme has been adopted by most if not all public authorities, including North Ayrshire Council. The Committee recommended that the Scottish Government consult on a proposal that the current statutory duty to maintain a publication scheme be replaced with a statutory duty to publish information, supported by a new legally enforceable Code of Practice on Publication. The Scottish Government is open in principle to this idea and are of the view that it would likely be appropriate for any new Code to be prepared by the Commissioner. The Scottish Government has however expressed doubts that such a Code could be legally enforceable as it would not have the status of legislation.

2.4.4 The fourth is technical and other issues, all with a view to ensuring that the Act remains fit for purpose. The Consultation document sets out several proposals made by the Committee in this regard, for example that:

- Fees charged under FOISA be calculated by estimating the staff time involved in responding to a request, rather than the current method of estimating the cost of compliance.
- Where an authority does not hold the information requested in a freedom of information (“FOI”) request but believes that another authority may do so, they should have powers to transfer the request to that other authority, in the same manner as is allowed under the EIR.
- Where an authority requests more information from a requester to enable it to respond to a FOI request, the 20 working day “clock” should be paused and restarted when the information is provided. Currently the legislation allows for the 20 working day clock to reset when the requested information is provided.
- FOISA be amended to provide that exemptions should be interpreted in a restrictive way and there should be a presumption in favour of disclosure.
- Where the Commissioner has issued a Decision Notice and a public authority fails to comply with its terms within the specified time limit, the matter can be referred to the Court of Session. Currently, only an outright failure to comply with a Decision Notice can be referred to the Court of Session, and no further action can be taken if an authority has complied with a Decision Notice late.
- The definition of “information” in FOISA be amended to exclude environmental information, which is instead disclosable under the EIR.

### **3. Proposals**

3.1 That Cabinet approves the submission of the proposed consultation response provided at Appendix 2.

### **4. Implications/Socio-economic Duty**

#### **Financial**

- 4.1 Some proposals under consideration may lead to financial implications depending on whether and how they are taken forward. For example, if a legally enforceable Code of Practice was introduced there may be financial penalties for non-compliance.

### **Human Resources**

- 4.2 None at this stage.

### **Legal**

- 4.3 The Consultation may lead to amendments to the existing legislation and/or the supporting Guidance and Code of Practice. Should any amendments be made then changes may be required to the Council's policies and procedures to ensure our continued compliance.

### **Equality/Socio-economic**

- 4.4 None at this stage.

### **Climate Change and Carbon**

- 4.5 None.

### **Key Priorities**

- 4.6 Robust FOI processes support the Council's priority of being accessible and putting residents and communities at the heart of what we do.

### **Community Wealth Building**

- 4.7 Not applicable.

## **5. Consultation**

- 5.1 Once the responses to the Consultation have been received and analysed, the Scottish Government will provide a formal response to the consultation setting out the next steps and in particular whether it intends to introduce a Bill to make any amendments to FOISA. Any such Bill would be subject to further full public consultation. The Scottish Government will also continue to engage widely on the development of access to information rights within the existing statutory framework.

Aileen Craig  
Head of Democratic Services

For further information please contact **Raymond Lynch, Senior Manager (Legal Services)**, by email to [raymondlynch@north-ayrshire.gov.uk](mailto:raymondlynch@north-ayrshire.gov.uk) or by telephone, on 07799199641.

### **Background Papers**

None.

## Proposed Response to Consultation on Access to Information Rights in Scotland

North Ayrshire Council is committed to the principles of openness and transparency and welcomes proposals to modernise FOI legislation in Scotland to better reflect these principles. The Council welcomes the opportunity to comment on the proposals at this early stage and looks forward to providing further feedback on any more concrete proposals which may be developed in future.

The Council has experience of receiving requests for information relating to “outsourced” services. In these cases, the requested information has been provided by the Council insofar as this is required under FOISA / EIR. In the Council’s experience the correct application of the rules under the current regime does enable members of the public to access information about outsourced public and ancillary services via the designated authority. The Council’s view is that the current legislation is sufficient clear in terms of what information is subject to a duty to disclose, and that any ambiguity is likely to be better addressed by stronger guidance than by legislative reform.

The Council is regularly asked to provide information held by contractors and is comfortable assessing when such information is to be treated as being held on the Council’s behalf for the purposes of FOISA and the EIRs. However, stronger guidance in this area would be welcomed, both in relation to public and ancillary services.

In principle the Council would welcome further use of the Scottish Government’s section 5 powers to extend coverage of the Act where appropriate. In cases where both the local authority and another body designated under section 5 have access to the same information, the Council would welcome clear guidance on the best approach to responding to duplicate FOI/EIR requests in order to avoid disproportionate expense to the public purse.

The Council does not have a strong view on whether a hard distinction should be drawn between “public” and “ancillary” services delivered under contract in any future guidance but welcomes the Scottish Government’s stated approach of being mindful of proportionality.

If a Gateway clause were introduced to the legislation, the Council would welcome a proportionate approach to ensure that small and medium-sized enterprises and third-sector organisations are not deterred from contracting with public authorities. The Council is not best placed to comment on the specific implications of such organisations being caught by any Gateway clause but would be keen that the views of the relevant sectors are taken into account when considering this proposal further.

In relation to confidentiality clauses, the Council is of the view that section 36 of FOISA strikes an appropriate balance between the duty to disclose information and the competing rights to confidentiality which may arise for a variety of reasons. It is noted that the exemption at section 36(1) is subject to the public interest test, and the exemption in section 36(2) only applies to information obtained by a Scottish public authority from another person, the disclosure of which would constitute an actionable breach of confidence (for example because it would result in losses being

sustained by a third party). A confidentiality clause alone is not sufficient to restrict the disclosure of information: in each case, a public authority is required to carry out an independent assessment of the circumstances before deciding whether the exemption applies. If there are concerns that confidentiality clauses are being used to refuse to release information inappropriately this issue might be more appropriately dealt with by raising awareness of the current legislation, rather than amending it. It is appropriate that some commercially sensitive information should remain confidential and the Council would therefore oppose any amendment of the legislation to impose an outright ban on confidentiality clauses. The current system which allows for discretion to be applied to individual circumstances is preferable.

The Council is not aware of any specific instances where access to information has been frustrated due to the information being held by a company wholly owned by a combination of authorities. We would have no objection in principle to the wording of section 6 of FOISA being amended to ensure that all companies wholly-owned by any combination of schedule 1 authorities fall within the definition of a “publicly-owned company”.

North Ayrshire Council is aware that the current legislative framework requires disclosure of information held on unofficial platforms in certain circumstances. It would have no objection to the Code of Practice being updated to provide explicit guidance on mitigating the risks associated with any use of unofficial platforms. It is not considered necessary to amend the definition of “information” within the legislation to achieve this outcome.

The proposals to introduce a “legally enforceable” Code of Practice on publication are noted. North Ayrshire Council is committed to accountability and transparency and seeks to proactively publish more information than is strictly required in terms of the model publication scheme. In principle the Council welcomes any measures to increase accountability and transparency. We would however invite the Scottish Government to give careful consideration to ensuring that any penalties for failure to comply with such a Code would not put undue pressure on the public purse. The Council’s preference would be to retain the current arrangements, subject to any modifications of the model publication scheme that may be made from time to time.

In general, North Ayrshire Council welcomes measures to simplify the process of requesting information. The proposals to amend FOISA and the fees regulations to permit authorities to estimate cost of compliance in terms of staff time rather than financial cost are welcome insofar as they may make the process easier to understand for those requesting information. In practice, the Council very rarely elects to charge for information.

In practice, North Ayrshire Council has been cautious to utilise the power to transfer requests under the EIRs regime due to concerns about data protection, and generally favours signposting requesters to the authorities most likely to hold the requested information. In this regard the Council has no strong views on introducing a similar provision into FOISA to allow the transfer of requests between authorities.



North Ayrshire Council would have no objection to amending FOISA to ensure that the “clock” is only paused, not reset, from the date clarification is requested. It has in fact been North Ayrshire Council’s practice to treat the clock as being paused in these circumstances anyway. Similarly, the Council endeavours to adopt a restrictive interpretation of exemptions and a presumption in favour of disclosure whenever dealing with a FOI request, and would have no objection to this requirement being made explicit in the legislation.

In principle, the Council would have no objection to harmonising the approach taken to late compliance with Decision Notices, Information Notices and Enforcement Notices by allowing the Commissioner to refer late compliance with a Decision Notice to the Court of Session.

The Council would have no objection to an amendment to the definition of “information” to specifically exclude environmental information. While it is not anticipated that such a change would materially affect the manner in which requests for environmental information under FOISA are dealt with, it is acknowledged that this amendment may improve clarity for those requesting information.



## NORTH AYRSHIRE COUNCIL

21 March 2023

### Cabinet

<b>Title:</b>	<b>Revenue Budget 2022/23 : Financial Performance to 31 January 2023</b>
<b>Purpose:</b>	To advise Cabinet of the financial performance for the Council at 31 January 2023.
<b>Recommendation:</b>	That Cabinet agrees to: <ul style="list-style-type: none"> <li>(a) note the information and financial projections outlined in the report;</li> <li>(b) approve the earmarking of £1.361m identified at 2.5 to meet future year commitments;</li> <li>(c) note the latest financial projection for the Health and Social Care Partnership highlighted at 2.6;</li> <li>(d) note the current projected deficit position of KA Leisure; and</li> <li>(e) approve the virements detailed in Appendix 7.</li> </ul>

### 1. Executive Summary

- 1.1 The General Services Revenue Estimates for 2022/23 were approved by Council on 2 March 2022. The Housing Revenue Account (HRA) Revenue Budget for 2022/23 was approved by Council on 16 February 2022.
- 1.2 As part of the monitoring procedures to keep the Cabinet informed of the financial performance of the Council, financial performance reports are presented on a regular basis. This is the fourth report for 2022/23 and covers the period to the end of January 2023 (Period 10). Projections have been made to the year-end.
- 1.3 At Period 10 the General Fund is forecasting a net in-year underspend of (£0.923m), (0.2%), after transferring resources to/from earmarked reserves.
- 1.4 The Housing Revenue Account is forecasting a net in-year underspend of (£0.239m), (0.4%).

- 1.5 At the end of January 2023, the Health and Social Care Partnership is projecting a year-end underspend of (£1.181m) for 2022/23, an increase of (£1.104m) from the previously reported position. The Council services element is reporting a projected underspend of (£1.541m), which is a movement of (£1.670m) from the previously reported overspend. This has been partly offset by a projected overspend in relation to the Health services element of £0.360m, which is a movement of £0.566m over the same period.
- 1.6 KA Leisure has indicated a projected trading deficit of £0.191m for 2022/23. It is anticipated that the additional financial support to KA Leisure will be drawn from previously approved earmarked funds.
- 1.7 Significant risks to the reported position have been identified arising from inflationary pressures in relation to energy costs and essential commodities, including food and vehicle fuel, and the full impact of the 2022/23 teachers' pay settlement. These pressures are likely to be offset in the short term by reductions arising from the industrial action by teacher unions. The financial impact of the industrial action up to the end of January 2023 has been included within the current projections. However, the industrial action during February and March will impact on this position further and this will continue to be assessed and quantified. The net impact of these in terms of the utilisation of Council reserves and knock on effect on future budget gaps will continue to be monitored and reported to Cabinet as appropriate.

## **2. Background**

### **General Fund**

- 2.1 The Council set a breakeven budget for 2022/23. In addition to the budget approved on 2 March 2022, earmarked funds of £31.875m were carried forward from 2021/22 for service expenditure in 2022/23 and are reflected in the figures within the 2022/23 financial performance reports as they are drawn down.
- 2.2 Current financial projections indicate that a net in-year underspend of (£0.923m), (0.2%), net of transfers to/from reserves, is anticipated for the year to 31 March 2023. This is an increase of (£0.875m) over the previously reported position.

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

	Appendix No	Annual Budget £000's	Projection to 31 March 2023 £000's	Projected Variance for year (Fav)/Adv £000's	Projected Variance @ Period 8 (Fav)/Adv £000's	Movement £000's	Note
<b>Service Expenditure</b>							
Chief Executives	1	20,614	20,220	(394)	(44)	(350)	(i)
Communities	2	176,681	173,459	(3,222)	(2,122)	(1,100)	(ii)
Place	3	52,843	55,039	2,196	2,846	(650)	(iii)
Other Corporate Services	4	31,487	28,288	(3,199)	(3,074)	(125)	(iv)
Sub Total		281,625	277,006	(4,619)	(2,394)	(2,225)	
Health and Social Care Partnership	8	118,859	118,859	-	-	-	2.6
Balance for Services		400,484	395,865	(4,619)	(2,394)	(2,225)	
Financing Charges	5	12,366	12,366	-	-	-	
Contribution to Loans Fund Reserve	5	3,631	3,631	-	-	-	
Total Planned Expenditure		416,481	411,862	(4,619)	(2,394)	(2,225)	
<b>Planned Income</b>							
Aggregate External Finance	5	(347,331)	(347,331)	-	-	-	
Council Tax	5	(62,100)	(62,066)	34	45	(11)	
Use of Earmarked Funds	5	(7,050)	(7,050)	-	-	-	
Total Planned Income		(416,481)	(416,447)	34	45	(11)	
Net Expenditure/ (Income)		-	(4,585)	(4,585)	(2,349)	(2,236)	
Carried Forward Funds		-	3,662	3,662	2,301	1,361	
Revised Net Expenditure/(Income)		-	(923)	(923)	(48)	(875)	

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

	General Revenue Grant £000's	Non Domestic Rates £000's	Specific Grants £000's	TOTAL AEF £000's
<b>Planned Income</b>				
<b>Approved Budget 30 November 2022</b>	<b>(287,267)</b>	<b>(37,575)</b>	<b>(21,259)</b>	<b>(346,101)</b>
<b>Movements:</b>				
Music Tuition Charging Revision	27			27
Scottish Child Bridging Payments	(1,005)			(1,005)
DHP - Benefit Cap and Admin	(76)			(76)
Educational Psychologists	(23)			(23)
Additional Teacher Induction Funding	(207)			(207)
CTR Data Extraction Funding	(9)			(9)
NDR - ALEO Adjustment		63		63
				-
<b>Revised Planned Income</b>	<b>(288,560)</b>	<b>(37,512)</b>	<b>(21,259)</b>	<b>(347,331)</b>

## 2.5 Commentary on Significant Movements from the Approved Budget

The Council's overall financial forecast against the revised budget is a net breakeven position. Although this is consistent with the previously reported position, it includes a number of movements at a service level. A brief explanation of the significant movements from the previous forecasts are outlined as follows:

**(i) Chief Executive's – underspend of (£0.394m), an increase of (£0.350m) from the previously reported underspend.**

The movement since Period 8 is primarily related to:

- Reduced expenditure on software licenses, (£0.163m);
- Increased net income linked to Licensing and ICT hardware disposals, (£0.067m); and
- Vacancy management across services, (£0.036m).

It is requested that £0.233m of the projected underspend is earmarked to support anticipated additional expenditure during 2023/24, including:

- ICT LAN and Telephony projects and reinvestment, £0.166m;
- Democratic Services pressures, £0.034m; and
- Contributions to non-recurring 2023/24 savings proposals across ICT and Democratic Services, £0.033m.

**(ii) Communities – underspend of (£3.222m), an increase of (£1.100m) from the previously reported underspend.**

The movement since Period 8 is primarily related to:

- Impact of industrial action by Teachers, (£0.515m);
- Lower than anticipated expenditure on Early Learning and Childcare funded providers due to a lower than anticipated uptake of places, (0.500m);
- Vacancy management across services, (£0.272m); and
- Lower than anticipated expenditure on food costs and Early Learning and Childcare provision within Facilities Management, (£0.105m).

These have been partly offset by:

- Increased residential childcare and external day placements, £0.273m.

It is requested that a further £0.988m is earmarked to support anticipated additional expenditure during 2023/24, including:

- The ongoing implementation of the expansion of ELC to 1140 hrs, £0.625m;
- £0.150m from the Cost of the School Day budget due to procurement delays;
- £0.075m to support the Easter Study Support programme;
- £0.058m to support a newly qualified Educational Psychologist;
- £0.040m in relation to the purchase of resources for Marress House; and
- Minor adaptations within Cunninghame House and St Peters Primary, £0.040m.

The current employee cost projections include the impact from industrial action in support of the national teacher pay settlement with total underspends of £0.793m arising from the 5 days of industrial action between 24 November 2022 and 17 January 2023. These projections will be further updated for the industrial action on 28 February and 1 March 2023, once the cost impacts have been quantified.

Virements in relation to the additional Community Mental Health grant income have been included within Appendix 7.

**(iii) Place – overspend of £2.196m, a reduction of £0.650m from the previously reported overspend.**

The net movement since Period 8 is primarily related to:

- Vacancy management across services, (£0.488m);
- Additional Building Warrant income , (£0.279m);
- Increase fees & charges income within Roads, (£0.072m); and
- Increased net income within Waste Services, (£0.059m).

These have been partly offset by additional costs within Streetscene in relation to:

- Additional overtime and the extension of seasonal worker contracts, £0.148m;
- Increased materials and costs for the erection of Christmas lights, £0.047m; and
- Increased contractor costs for essential cemetery work, £0.046m.

It is requested that a further £0.140m is earmarked to support anticipated additional expenditure during 2023/24, including:

- £0.080m to support the Sustainability agenda, including the Solar PV projects;
- £0.035m to support Community Wealth Building activities during 2023/24; and
- £0.025m in relation to the Rapid Rehousing Transition Plan. This is in addition to the previously earmarked £0.096m and is linked to the 5 year RRTP delivery programme.

Virements in relation to the realignment of income from other services budgets within Roads, reflecting revised projections, have been included within Appendix 7.

**(iv) Other Corporate Items – underspend of (£3.199m), an increase of (£0.125m) from the previously reported underspend.**

The movement since Period 8 is primarily related to a revised drawdown from centrally held funds in relation to CTR claims, (£0.095m).

The revised net underspend has been applied to offset the net overspend reported within Place.

## Health and Social Care Partnership

- 2.6 A copy of the HSCP financial performance report as at the end of January 2023 is attached at Appendix 8. The report highlights the key challenges and variances for the Partnership.

The key points for Cabinet to note are summarised below:

- The projected outturn is a year-end underspend of (£1.181m) for 2022/23.
- The projected underspend on the Council Services element is (£1.541m) over the same period. This is partly offset by a projected overspend on the Health Services element of £0.360m;
- The main areas of risk identified include:
  - High risk areas of low volume / high-cost services areas e.g. Learning Disability care packages, children's residential placements and complex care packages;
  - Progress with the work to develop set aside arrangements and the risk sharing arrangements agreed as part of this;
  - Ongoing implementation costs of the Scottish Government policy directives;
  - Lead / hosted service arrangements, including managing pressures and reporting this across the 3 IJBs;
  - The impact on Lead Partnership and acute services from decisions taken by other Ayrshire areas;
  - The impact and implementation of the National Care Service;
  - The NHS pay award has been settled for 2022-23 but confirmation of additional Scottish Government funding is awaited;
  - The current extremely high levels of inflation;
  - The review of the Care at Home service which commenced in Spring 2022;
  - Supported Accommodation - funding has been included in the budget for the new developments but the adequacy of the funding will only be known when the final occupants are agreed;
  - Fire dampener compensation (Woodland View) – the final level of compensation has still to be agreed and the £0.306m previously assumed in the projection has been removed due to the uncertainty surrounding this.

Arrangements have been made for the full repayment of the £2.320m outstanding debt to North Ayrshire Council during the current year.

## Risks

- 2.7 Significant risks to the reported position have been identified arising from inflationary pressures in relation to energy costs and essential commodities, including food and vehicle fuel. A total of £1.666m has been drawn down from earmarked reserves to offset the additional inflationary pressures identified across services to 31 January 2023. In June 2022, Cabinet agreed to earmark £1.888m from the 2021/22 underspend to address unbudgeted inflationary pressures arising from the current cost of living crisis. Any further increases beyond current budget provision may impact on future service provision.



It is anticipated that agreement on the 2022/23 Teachers' pay settlement will be confirmed soon. However, the final impact of any award in excess of that agreed by local government workers may require the utilisation of Council reserves, with a knock on effect on future budget gaps. These pressures are likely to be offset in the short term by reductions arising from the industrial action by teacher unions. However, the full impact of further industrial action during February and March cannot be quantified at this time. The net risks arising from the settlement will continue to be monitored and reported to Cabinet as appropriate.

## Housing Revenue Account

2.8 The Housing Revenue Account budgeted for a breakeven position in 2022/23 and an in-year underspend of (£0.239m), (0.4%), is currently anticipated for the year to 31 March 2023. This is a reduction of £0.578m from the previously reported position. The projected position is summarised in the following table with further details provided in Appendix 6.

	Annual Budget £000's	Projection to 31 March 2023 £000's	Projected Variance for year (Fav)/Adv £000's	Previous Variance @ Period 8 (Fav)/Adv £000's	Movement £000's	Note
Employee Costs	5,279	5,279	-	107	(107)	(i)
Property Costs	18,878	20,439	1,561	1,141	420	(ii)
Supplies and Services	451	331	(120)	(126)	6	
Transport and Plant Costs	34	24	(10)	(9)	(1)	
Administration Costs	1,874	1,790	(84)	(109)	25	
Third Party Payments	2,550	2,699	149	198	(49)	
Transfer Payments	155	155	-	-	-	
Other Expenditure	368	332	(36)	-	(36)	
Capital Financing	24,692	22,624	(2,068)	(2,068)	-	
Gross Expenditure	54,281	53,673	(608)	(866)	258	
Income	(54,281)	(53,912)	369	49	320	(iii)
Net Expenditure	-	(239)	(239)	(817)	578	

## 2.9 Commentary Significant Movements from the Revised Budget

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

- (i) **Employee Costs – breakeven position, a reduction of (£0.107m) from the previously reported overspend**  
The movement is primarily related to vacancy management across the service.
- (ii) **Property Costs – overspend of £1.561m, an increase of £0.420m from the previously reported overspend**  
The movement is primarily related to increased expenditure on Planned and Cyclical Maintenance, £0.164m, and Other Property Costs, £0.361m, which is primarily related to Sheltered Housing utilities, partly offset by reduced Responsive Repairs, (£0.109m).

(iii) **Income – underrecovery of £0.369m, an increase of £0.320m from the previously reported underrecovery**

The movement is primarily related to updated income forecasts highlighting reduced rent recovery of £0.267m and reduced income from recharges and other income of £0.053m.

### **3. Proposals**

3.1 It is proposed that Cabinet agrees to:

- (c) note the information and financial projections outlined in the report;
- (d) approve the earmarking of £1.361m identified at 2.5 to meet future year commitments;
- (c) note the latest financial projection for the Health and Social Care Partnership highlighted at 2.6;
- (d) note the current projected deficit position of KA Leisure; and
- (e) approve the virements detailed in Appendix 7.

### **4. Implications/Socio-economic Duty**

#### **Financial**

#### **4.1 General Services**

The net projection for the year as at 31 January 2023 is a net underspend of (£0.923m).

#### **Housing Revenue Account**

The net projection for the year as at 31 January 2023 is a net underspend of (£0.239m).

#### **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 2019 to 2024 by maximising resources and providing value for money to support financially sustainable delivery models.

## **Community Wealth Building**

- 4.7 None.

## **5. Consultation**

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

**Mark Boyd**  
**Head of Service (Finance)**

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

## **Background Papers**

Revenue Budget 2022/23 : Financial Performance to 30 November 2022 - Cabinet 24 January 2023

**CHIEF EXECUTIVES**  
**BUDGETARY CONTROL 2022/23**

**REPORT FOR THE 10 MONTHS TO 31 JANUARY 2023**

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
<b>Chief Executive</b>					
Chief Executive	193	198	5	3%	
Total for Chief Executive	193	198	5	3%	
<b>Financial Services</b>					
Change Programme	79	79	-	0%	
Audit, Fraud, Safety & Insurance	655	663	8	1%	
Corporate Procurement	971	822	(149)	(15%)	1
Financial Services	1,387	1,370	(17)	(1%)	
Revenues	(531)	(524)	7	(1%)	
Transformation	712	721	9	1%	
Total for Financial Services	3,273	3,131	(142)	(4%)	
<b>People &amp; ICT</b>					
Employee Services	894	884	(10)	(1%)	
HR & Organisational Development	1,138	1,123	(15)	(1%)	
ICT	5,318	5,141	(177)	(3%)	2
Business Support	1,259	1,259	-	0%	
Customer Services	4,736	4,739	3	0%	
Total for People & ICT	13,345	13,146	(199)	(1%)	
<b>Democratic Services</b>					
Legal & Licensing	461	481	20	4%	3
Policy, Performance & Elections	473	432	(41)	(9%)	4
Communications	463	453	(10)	(2%)	
Civil Contingencies	60	60	-	0%	
Committee Services	554	554	-	0%	
Member Services	1,334	1,338	4	0%	
Ayrshire Support Service	54	54	-	0%	
Information Governance	404	373	(31)	(8%)	
Total for Democratic Services	3,803	3,745	(58)	(2%)	
<b>Totals</b>	<b>20,614</b>	<b>20,220</b>	<b>(394)</b>	<b>(2%)</b>	
Less Proposed Carry Forwards		233	233		
<b>Net Total</b>	<b>20,614</b>	<b>20,453</b>	<b>(161)</b>	<b>(1%)</b>	

Subjective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance
	£000	£000	£000	
Employee Costs	16,490	16,236	(254)	(2%)
Property Costs	68	68	-	0%
Supplies and Services	3,099	2,947	(152)	(5%)
Transport and Plant Costs	31	30	(1)	(3%)
Administration Costs	1,367	1,355	(12)	(1%)
Other Agencies & Bodies	2,948	2,948	-	0%
Transfer Payments	817	817	-	0%
Other Expenditure	-	-	-	-
Capital Financing	-	-	-	-
Gross Expenditure	24,820	24,401	(419)	(2%)
Income	(4,206)	(4,181)	25	(1%)
<b>Net Expenditure</b>	<b>20,614</b>	<b>20,220</b>	<b>(394)</b>	<b>(2%)</b>

**CHIEF EXECUTIVES**  
**BUDGETARY CONTROL 2022/23**

**REPORT FOR THE 10 MONTHS TO 31 JANUARY 2023**

Budget £000	Projected Variance £000	Variance as % of budget	Section
<b>Note 1</b>			<b>Finance - Corporate Procurement</b>
			Movement : There has been a favourable movement of £0.009m since P8 primarily due to additional vacancy management and increased rebate income.
957	(133)	-14%	Employee Costs - There is an underspend of £0.113m due to vacancy management.
(108)	(24)	22%	Income - There is an over recovery of £0.024m due to increased rebates.
-	8		Other minor variances
<b>(149)</b>			
<b>Note 2</b>			<b>People &amp; ICT - ICT</b>
			Movement - There has been a favourable movement of £0.175m from P8 due to £0.163m software licence underspends and £0.014m over-recovery of income.
2,280	(163)	-7%	Supplies and Services - There is an underspend of £0.163m in software licences due to some contracts not being renewed and national delays in procuring a collective Security Operations Centre (SOC); a one-off reduction in cost for the O365 backup solution; and delays in delivery of WAN upgrade, planned bandwidth increases will incur increased WAN charges in 2023/24.
-	(14)		Income - There is an over-recovery of £0.014m in income from IT hardware, the proceeds of which are being requested for earmarking for reinvestment.
			It is proposed to earmark funds of £0.014m for reinvestment, and £0.152m for ICT LAN and Telephony Project Resource requirements linked to the delivery of digital telephony in line with the 2025 national digital switch off.
			In addition an earmarking request of £0.010m is required for People & ICT's contribution to the 2023/24 savings targets.
<b>(177)</b>			
<b>Note 3</b>			<b>Democratic Services - Legal &amp; Licensing</b>
			Movement : There has been a favourable movement of £0.053m since P8 which relates mainly to an increase in Licensing income forecasts and specifically Landlord Registration, Civic Government Taxis and Civic Government Others. These are based on current and prior year trends and have now therefore been updated with actual Licensing income information for 22/23 up to P10.
(717)	25	-3%	Income : Projected under-recovery of £0.025m due to under-recovery in Licensing income based on current and prior year trends.
	(5)		Other minor variances
<b>20</b>			
<b>Note 4</b>			<b>Democratic Services - Policy, Performance &amp; Elections</b>
			Movement - There has been a favourable movement of £0.027m from P8 due to additional vacancy management.
427	(41)	-10%	Employee Costs - There is an underspend of £0.041m due to vacancy management.
			It is proposed to earmark funds of £0.034m to cover anticipated staff pressures due to increasing work levels to be addressed.
			In addition an earmarking request of £0.023m is required for Democratic Services' contribution to the 2023/24 savings targets.
<b>(41)</b>			

**COMMUNITIES****BUDGETARY CONTROL 2022/23****REPORT FOR THE 10 MONTHS TO 31 JANUARY 2023**

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Early Years Education	20,579	19,971	(608)	(3%)	1
Primary Education	45,092	44,646	(446)	(1%)	2
Secondary Education	56,427	56,241	(186)	(0%)	3
Additional Support Needs	12,957	13,012	55	0%	4
Education - Other	5,125	4,038	(1,087)	(21%)	5
Pupil Equity Fund	5,414	5,414	-	0%	
Facilities Management	17,775	16,825	(950)	(5%)	6
Connected Communities	13,312	13,312	-	0%	7
<b>Net Total</b>	<b>176,681</b>	<b>173,459</b>	<b>(3,222)</b>	<b>(2%)</b>	
Less Proposed Carry Forwards		2,184	2,184		
<b>Net Total</b>	<b>176,681</b>	<b>175,643</b>	<b>(1,038)</b>	<b>(1%)</b>	

Subjective Summary	Annual Budget	Final Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs - Teachers	89,557	88,848	(709)	(1%)
Employee Costs - Non Teachers	58,794	56,674	(2,120)	(4%)
Property Costs	1,681	1,838	157	9%
Supplies and Services	23,529	22,883	(646)	(3%)
Transport and Plant Costs	193	234	41	21%
Administration Costs	622	601	(21)	(3%)
Other Agencies & Bodies	13,651	13,499	(152)	(1%)
Transfer Payments	580	580	-	0%
Other Expenditure	-	-	-	
Capital Financing	78	78	-	0%
Gross Expenditure	188,685	185,235	(3,450)	(2%)
Income	(12,004)	(11,776)	228	(2%)
<b>Net Expenditure</b>	<b>176,681</b>	<b>173,459</b>	<b>(3,222)</b>	<b>(2%)</b>

**COMMUNITIES**  
**BUDGETARY CONTROL 2022/23**

**REPORT FOR THE 10 MONTHS TO 31 JANUARY 2023**

Budget £000	Projected Variance £000	Variance as % of budget	Section
<b>Note 1</b>			<b>Early Years Education</b>
			Movement : There has been a favourable movement of £0.545m compared to P8. This is mainly due to a projected underspend in payments to Funded Providers.
16,005	(68)	0%	Employee costs: £0.068m due to continuing recruitment gaps and vacancy management across the sector
549	(40)	-7%	Supplies & Services: underspends across budgets
4,311	(500)	-12%	Third Party Payments: a projected underspend of £0.500m in payments to Funded Providers mainly due to lower uptake of places against anticipated projections.
			It is requested to earmark £0.040m of the supplies & services underspends to purchase resources for the new Marress House and the remaining £0.568m underspend for resources linked to the expansion of ELC 1140 hours carried forward to 23/24 to help address the impact of the significant funding reduction in 23/24
<b>(608)</b>			
<b>Note 2</b>			<b>Primary Education</b>
			Movement : There has been an favourable movement of £0.071m compared to P8. This is mainly due to continuing recruitment gaps and vacancy management.
42,311	(552)	-1%	Employee Costs : £0.552m underspend in non teaching staff costs of which £0.270m is due to a part year saving for School Dining Supervisors who were appointed at the start of this academic year. The remainder is due to recruitment gaps and vacancy management across all other categories of non teaching staff.
2,090	89	4%	Supplies and Services : £0.089m overspend in PPP costs due to pass through utility costs subject to same inflationary pressures as other schools.
80	(28)	-35%	Third Party Payments: an underspend of £0.028m as less overtime required due to streamlined processes
(73)	45	-62%	Income: under recovery of school let income due to school lets not fully operational
			These figures do not include any implications from further industrial action as part of the national dispute over teachers' salaries, nor resultant commitments emerging from any subsequent pay settlement. This information will be reflected in future reports at the appropriate time.
<b>(446)</b>			
<b>Note 3</b>			<b>Secondary Education</b>
			Movement : There has been a favourable movement of £0.019m compared to P8. This is mainly due to continuing recruitment gaps and vacancy management.
42,711	(284)	-1%	Employee Costs : £0.284m underspends in non teaching staff costs due to recruitment gaps and vacancy management across all types of staff.
13,210	83	1%	Supplies and Services : £0.083m overspend in PPP costs due to pass through utility costs subject to same inflationary pressures as other schools.
139	(30)	-22%	Third Party Payments: an underspend of £0.030m as less overtime required due to streamlined processes
(79)	45	-57%	Income: under recovery of school let income due to school lets not fully operational
			These figures do not include any implications from further industrial action as part of the national dispute over teachers' salaries, nor resultant commitments emerging from any subsequent pay settlement. This information will be reflected in future reports at the appropriate time.
<b>(186)</b>			
<b>Note 4</b>			<b>ASN</b>
			Movement: There has been an unfavourable movement of £0.199m compared to P8, mainly due to increases in both residential (£0.249m) and day placement (£0.024m) costs as additional young persons are accessing these services. This is partially offset by further employee costs underspends of £0.066m due to vacancy management.
10,859	(374)	-3%	Employee costs: £0.108m underspend in teaching costs and a £0.266m underspend in non teaching staff costs across all ASN school and bases provision from recruitment gaps and vacancy management across all categories of non teaching staff. There is an ongoing Supporting Needs review and this is due to be completed later this calendar year.
1,010	(218)	-22%	There is a projected underspend of £0.218m on external day placements as a result of the assessment process currently in place. This enables the children to remain in mainstream establishments or in-authority ASN establishments.
499	626	125%	There is a projected overspend of £0.626m on external specialist residential placements. Currently there are 10 children in accommodation. Joint working is ongoing with HSCP to continually assess the care setting for these children in delivering positive outcomes.
-	21		Other minor movements across various budget lines
			It is requested to earmark £0.058m of the above employee cost underspend to be used to fund a newly qualified Education Psychologist for a year.
<b>55</b>			



Budget £000	Projected Variance £000	Variance as % of budget	Section
<b>Note 5</b>			<b>Education Other</b>
			Movement :There has been a favourable movement of £0.507m since P8. This is mainly due to underspends in employee costs as a result of the teachers industrial action to date, partly offset by a projected increased spend in teachers HQ cover costs.
3,773	(649)	-17%	Employee costs: under recovery of teacher payroll turnover of £0.150m offset by £0.793m underspend in relation to the 5 days industrial action by teachers during Dec 2022/Jan 2023.
708	(121)	-17%	Supplies & Services: small overspends of £0.029m and projected underspend of £0.150m in COSD due to procurement tendering process to obtain best value for money.
1,410	(11)	-1%	Third Party Payments - small overspends across various subscriptions/licences amounting to £0.023m and underspend of £0.110m
1,677	(312)	-19%	Income - PPP insurance rebate £0.075m, deductions of £0.220m in excess of budget and £0.017m salaries rec'd from capital
6			Other minor movements across various budget lines
			Request to earmark £0.150m of COSD funds due to delays in procurement process for purchase of clothing for pupils in schools; £0.035m for Education 5th floor adaptations; £0.005m for St Peter's PS minor adaptations and £0.075m for Easter Study Support for pupils preparing for SQA examinations
(1,087)			
<b>Note 6</b>			<b>Facilities Management</b>
			Movement: There has been a favourable movement of £0.159m since period 8 which is primarily due to savings of £0.071m in employee costs, £0.048m in lower than anticipated food costs and £0.057m in Early Years.
15,017	(569)	-4%	Employee Costs: Underspend of £0.072m is due to reduced commercial catering activity. There is an underspend of £0.205m due to the reduced uptake of school meals. In addition, there is an underspend of £0.272m due to recruitment issues and reduced overtime and casual costs.
1,079	113	10%	Property Costs: Overspend is primarily in relation to purchasing cleaning materials in response to Covid-19.
4,526	(878)	-19%	Supplies and services: There is a saving of £0.104m in food due to reduced commercial catering. There are further food savings of £0.221m due to reduced school meal uptake and £0.055m within social services. In addition, there is an underspend within Early Years of £0.454m which has arisen due to a lower attendance rate than originally anticipated. There is also a saving of £0.063m within tools and implements due to delayed opening of Moorpark Primary and reduced commercial catering activity.
(2,918)	359	-12%	Income: There is an under-recovery in commercial catering income of £0.543m due to a reduction in commercial events and cost/ income challenges within commercial venues. This is offset against an over-recovery of school meal income of £0.081m and cleaning and janitorial income of £0.103m.
			Facilities Management continue to promote the school meal service to maximise uptake.
25			Other minor movements
			The Early years expansion is linked to specific grant funding provided by the Scottish Government. It is proposed to increase the £0.397m previously earmarked by £0.057m to £0.454m. This is to match the current projected underspend to the earmark request.
(950)			
<b>Note 7</b>			<b>Connected Communities</b>
			Movement: There has been no change since P8.
7,834	(332)	-4%	Employee Costs: underspends across all sectors due to vacancy management.
1,382	199	14%	Supplies and Services: anticipated increase in expenditure to part utilise the employee costs underspends and increase in Harbour Arts Centre events costs, which is offset with the increased income in the HAC.
5,223	(1)	0%	Third Party Payments: additional support of £0.191m will be required for NALL from the Council. This will come from the use of previously earmarked funds totalling £0.365m which will be used to support the trading deficit position and the renewal programme within NALL.
(1,579)	95	-6%	Income: projected £0.147m under recovery across various sectors as income has not returned to pre covid levels, offset by projected over recovery in Harbour Arts Centre of £0.052m.
-	39		Other minor movements across various budget lines.
-			

**PLACE**  
**BUDGETARY CONTROL 2022/23**

**REPORT FOR THE 10 MONTHS TO 31 JANUARY 2023**

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
<b>Directorate and Support</b>	186	186	-	0%	
<b>Housing and Public Protection</b>					
Building Services	(2,541)	(2,541)	-	0%	1
Property Governance	(9)	(9)	-	0%	
Planning Services	290	230	(60)	(21%)	2
Protective Services	1,699	1,336	(363)	(21%)	3
Other Housing	2,653	2,007	(646)	(24%)	4
Total for Housing and Public Protection	2,092	1,023	(1,069)	(51%)	
<b>Commercial Services</b>					
Roads	6,596	7,009	413	6%	5
Streetscene	5,268	5,764	496	9%	6
Waste Resources	9,238	9,446	208	2%	7
Total for Commercial Services	21,102	22,219	1,117	5%	
<b>Economic Growth and Regeneration</b>					
Economic Development	4,444	4,338	(106)	(2%)	
Growth & Investment	211	211	-	0%	
Total for Economic Growth and Regeneration	4,655	4,549	(106)	(2%)	
<b>Sustainability, Transport and Corporate Property</b>					
Property Management & Investment	1,463	1,541	78	5%	8
Housing Assets & Investment	(4)	(4)	-	0%	
Property Maintenance	3,522	3,721	199	6%	9
Property Running Costs	4,725	4,766	41	1%	
Energy and Sustainability	5,486	6,551	1,065	19%	10
Internal Transport	9,616	10,487	871	9%	11
Total for Sustainability, Transport and Corporate Property	24,808	27,062	2,254	9%	
<b>Net Total</b>	<b>52,843</b>	<b>55,039</b>	<b>2,196</b>	<b>4%</b>	
Transfer to Earmarked Reserves		286	286		
<b>Net Total</b>	<b>52,843</b>	<b>55,325</b>	<b>2,482</b>		

Subjective Summary	Annual Budget	Projected Year End Outturn	Annual Variance Adverse or (Favourable)	% variance
	£000	£000	£000	
Employee Costs	45,917	46,039	122	0%
Property Costs	21,644	23,106	1,462	7%
Supplies and Services	9,839	10,273	434	4%
Transport and Plant Costs	9,420	10,655	1,235	13%
Administration Costs	798	758	(40)	(5%)
Other Agencies & Bodies	19,767	19,085	(682)	(3%)
Transfer Payments	-	-	-	0%
Other Expenditure	182	193	11	6%
Gross Expenditure	107,567	110,109	2,542	2%
Income	(54,724)	(55,070)	(346)	1%
<b>Net Expenditure</b>	<b>52,843</b>	<b>55,039</b>	<b>2,196</b>	<b>4%</b>

**PLACE**  
**BUDGETARY CONTROL 2022/23**

**REPORT FOR THE 10 MONTHS TO 31 JANUARY 2023**

Budget £000	Projected Variance £000	Variance as % of budget	Section
<b>Note 1</b>			<b>Building Services</b>
			Movement: There has been no movement since P8 however the service are currently managing significant financial challenges.
5,624	(1,080)	(19%)	Supplies & Services: An underspend of £1.080m in supplies and services. This is due to an underspend in materials as a result of a change in the composition of the works programme.
547	48	9%	Transport costs: The overspend of £0.048m in transport costs is due to increasing costs of skip hire.
2,152	924	43%	Third Party Payments: An overspend in third party payments of £0.924m. New workstreams for 22/23 have required an above average subcontractor element. There has also been an increase in works that are wholly subcontracted due to either labour shortages or specialist activities.
(20,153)	86	(0%)	Income: an under-recovery of income of £0.086m is anticipated due to labour and supplier issues causing delays in completing parts of the capital programme. This has been offset with additional income across various revenue income lines.
	22		Other minor movements
	-		
<b>Note 2</b>			<b>Planning Services</b>
			Movement: There has been no movement since P8.
102	(60)	(59%)	Supplies & Services: An underspend of £0.060m due to plans for the LDP reprofiling costs into 23-24.
	(60)		
<b>Note 3</b>			<b>Protective Services</b>
			Movement: There has been a favourable movement of £0.263m since the last reporting period mostly due to increased building warrant income of £0.279m.
1,749	(94)	(5%)	Employee Costs: An underspend of £0.094m in staffing costs due to vacancies during the year now filled with the exception of one position and one resignation.
(710)	(269)	38%	Income: Over recovery of £0.279m in building warrants offset by a reduction in pest control income of £0.010m.
	(94)		
<b>Note 4</b>			<b>Other Housing</b>
			Movement: There has been a favourable movement of £0.282m since period 8. This is mainly due to a decrease in employee costs across the service as vacancies are now not presumed to be filled prior to year end.
4,232	(725)	(17%)	Employee Costs: Underspend is due to a number of vacancies within the homeless service, this is of a temporary nature and it is anticipated that all vacancies will be filled next financial year. In addition to this a number of posts transferred over to the Housing Options Hub to assist with the Ukraine Humanitarian crisis and funding for these posts came from Scottish Government for that purpose.
2,696	74	3%	Property Costs: £0.034m of the overspend relates to Council Tax payments. This is for backdated Council Tax from the previous two years, which is due for temporary furnished properties while they were unoccupied for a short period of time between tenants. £0.017m overspend in Temporary Accommodation property rents as additional units have been in use, which is offset by the additional income for these properties; £0.012m utility costs overspend due to rising prices; and £0.011m forecasted overspend in contract cleaning.
	5		Other minor movements
			It is requested to earmark £0.025m of the vacancy underspend that relates to the Rapid Rehousing Transition Plan. This is in addition to the £0.096m RRTP funding that has previously been requested to be earmarked and is linked to the ongoing 5 year delivery programme.
	(646)		

Budget £000	Projected Variance £000	Variance as % of budget	Section
<b>Note 5</b>			<b>Roads</b>
			Movement: There has been a favourable movement of £0.097m since period 8, with £0.072m of the favourable movement relating to income. In addition to this, the estimated Lighting energy cost has decreased by £0.025m based on invoices received this year.
2,458	229	9%	Supplies and Services: Overspend of £0.107m on street lighting and traffic signal electricity costs, which is due to inflation. Further overspend of £0.122m relates mainly to coated roadstone costs, which have been adversely affected by inflation.
2,369	(67)	(3%)	Third Party Payments: £0.125m budget allocated for the introduction of the Car Parking Charges and Decriminalised Parking Enforcement saving will not be incurred. The roads maintenance budget has been adversely affected by inflationary pressures and the service is managing the programme taking account of this. However, there remains a small overspend of £0.033m in unavoidable contractor costs. In addition to this, there is an overspend of £0.025m on Artificial Intelligence software costs related to Asset Management.
(2,941)	201	(7%)	Income: £0.346m under recovery of income relating to the saving for Car Parking Charges and Decriminalised Parking Enforcement, not achieved. This is partly offset with an over recovery in fees and charges and salaries recovered from capital in Network.
50			Other minor movements.
			A budget virement has been included in Appendix 7. This is to revise the income and related expenditure budgets for work carried out for other Council Services and external parties.
413			
<b>Note 6</b>			<b>Streetscene</b>
			Movement: There has been an adverse movement of £0.237m since period 8. Employee costs have increased by £0.148m due to increased overtime costs and the extension of seasonal posts to the end of March. Supplies and Services costs have increased by £0.047m, primarily for materials and costs to erect Christmas Lights and contractor costs have increased by £0.046m for essential cemetery work.
7,246	385	5%	Employee Costs: There is an overspend of £0.385m in employee costs, primarily due to overtime costs, which is partially offset with increased income from other Council departments. The 2022/23 pay award didn't cover all non scheduled over time which has impacted the budget by approximately £0.050m. The reason overtime has increased is due to non scheduled operational activities such as A78 litter clearance (£0.056m), various events (£0.050m), and safety works for memorials (£0.041m). Turnover of £0.103m wasn't realised.
129	152	118%	Transport Costs: There is an overspend of £0.152m in transport costs, initially due to additional vehicles required for the Covid response, vehicles required for seasonal workers, and to support the operational needs within bereavements.
325	64	20%	Supplies and Services: £0.044m overspend against materials and £0.022m overspend for costs to erect Christmas Lights.
72	49	68%	Third Party Payments: Overspend is mainly for essential cemetery works, such as clearing grave spoil.
(2,698)	(156)	6%	Income: There is an over recovery of income of £0.114m relating to internments and £0.204m relating to income from other departments, offset with a £0.145m under recovery of fees and charges and £0.019m under recovery for Largs Common Good charges.
2			Other minor movements
496			
<b>Note 7</b>			<b>Waste Services</b>
			Movement : There has been a favourable movement of £0.059m since P8 due to increased income from disposal of the content of skips by £0.027m and reduced promotional costs of £0.025m.
4,763	826	17%	Employee Costs: Additional temporary labour remains in place within Waste Operations as the service recovers from the pandemic. Work to review beats taking account of post pandemic waste composition analysis and to balance the burden of new builds is ongoing with Trade Union colleagues resulting in support arrangements being required. In addition there is a high volume of annual leave not taken due to COVID, requiring holiday cover.
413	173	42%	Supplies & Services: Overspend on Trade effluent £0.117m and Refuse containers £0.087m, offset by underspends in Materials £0.031m.
62	(42)	(68%)	Admin Costs: Underspend of £0.042m due to reduced spend on external printing and advertising.
6,382	(731)	(11%)	Third Party Payments: Underspend in Payment to contractors of £0.716m largely a result of improved quality of our recycle streams following sustained 'right stuff, right bin' campaigns alongside more competitive recycle prices within our disposal contracts.
201	164	82%	Transport Costs: Overspend of £0.164m due to the new way of working requiring 2 additional hire vehicles plus a long term hire. This is being reviewed in line with the post pandemic review of beats.
(2,930)	(166)	6%	Income: Over-recovery of income due to the recycles market for glass, cans, plastics and paper being favourable to provide income rather than a cost to the council £0.119m, along with increased income from the disposal of the content of skips over the year of £0.077m, offset by reduction in waste gas extraction of £0.052m.
(16)			Other minor movements
208			

Budget £000	Projected Variance £000	Variance as % of budget	Section
<b>Note 8</b>			<b>Economic Development</b>
			Movement: There has been a favourable movement of £0.106m since P8 due to vacancy management.
377	(106)	(28%)	Employee Cost: Underspends of £0.106m due to various vacancies across some of the services.
			It is requested to earmark £0.035m of the above employee cost underspend for Community Wealth Building costs activities in 2023/24.
	(106)		
<b>Note 9</b>			<b>Property Management and Investment</b>
			Movement : There has been a favourable movement of £0.009m since P8.
2,351	(90)	(4%)	Employee Costs: An underspend of £0.090m due to vacancy management.
(8,653)	119	(1%)	Income: There is an under-recovery of £0.119m in fee income.
	49		Other minor movements including payment to contractors £0.025m and supplies and services £0.023m.
	78		
<b>Note 10</b>			<b>Property Maintenance</b>
			Movement : There has been no movement since P8
6,733	199	3%	Property Costs : There is an overspend of £0.144m due to external surveying works associated with supporting the Education Estate Review.
			Statutory Compliance is also showing an overspend of £0.067m.
	199		
<b>Note 11</b>			<b>Energy and Sustainability</b>
			Movement : There has been a favourable movement of £0.100m since P8. This is due to vacancy management.
532	(100)	(19%)	Employee Costs: An underspend of £0.100m due to vacancy management.
			Property Costs: Due to the current energy crisis and after drawing down £0.658m from contingencies there is an overspend in property costs of £1.165m due to increased utility cost charges. Electricity is forecast to be £0.070m overspent, gas £0.981m over, biomass £0.109m over and water £0.005m over.
5,374	1,165	22%	The reported overspends are after the inclusion of budgeted inflation contingencies. The remaining overspend will be offset against the additional inflationary provisions agreed by Council which have been reported within the Other Corporate Items appendix.
			It is requested to earmark £0.080m to continue the sustainability agenda, supporting the proposed Solar PV projects.
	1,065		
<b>Note 12</b>			<b>Internal Transport</b>
			Movement - There has been a favourable movement of £0.019m due to £0.028m additional over recovery of income; £0.027m decrease in fuel costs as a result of lower fuel prices and a £0.026m reduction in employee costs due to vacancies. These are partially offset by an increase in forecasted repairs & maintenance cost of £0.030m; £0.018m increase in transport provision costs; and £0.013m of projected additional external hire costs.
1,682	17	1%	Employee Costs: There is an overspend of £0.017m due to reduced staff turnover.
4,201	517	12%	Transport Provision Costs: Projected overspend of £0.517m is largely due to direct fuel cost increases and indirect fuel and labour cost increases through our school transport contracts.
1,814	247	14%	Fuel Costs: This projected overspend of £0.247m is due to the increase in fuel prices and the legislative changes restricting the use of rebated gas oil (or 'red diesel' as it is commonly referred to).
467	66	14%	External Hires: Projected overspend of £0.066m due to additional hire vehicles as a result of increased lead time for replacement vehicles.
1,123	80	7%	Repairs & Maintenance: Projected overspend of £0.080m in repairs and maintenance due to price increases and maximising the life of assets due to the increased lead time for replacement vehicles and the shortage of available rental alternatives.
(251)	(60)	24%	Income: Projected overrecovery of £0.060m in bus transport income and hire of pool vehicles.
	4		Other minor movements
			The reported overspends are after the inclusion of budgeted inflation contingencies. The remaining fuel price related overspend will be offset against the additional inflationary provisions agreed by Council which have been reported within the Other Corporate Items appendix.
	871		

**OTHER CORPORATE ITEMS**  
**BUDGETARY CONTROL 2022/23**

**REPORT FOR THE 10 MONTHS TO 31 JANUARY 2023**

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£000	£000	£000		
Strathclyde Passenger Transport	2,212	2,188	(24)	(1%)	
SPT Concessionary Fares	286	286	-	0%	
Ayrshire Joint Valuation Board	975	932	(43)	(4%)	
	3,473	3,406	(67)	(2%)	1
<b>Other Corporate Costs</b>					
Pension Costs	1,895	1,895	-	0%	
Central Telephones	350	350	-	0%	
Other Corporate Items (incl Transformation Costs, Bad Debt Provision, External Audit fees and other centrally held funding.)	23,347	20,301	(3,046)	(13%)	2
Housing Benefits	2,422	2,336	(86)	-4%	3
	31,487	28,288	(3,199)	(10%)	
Less Proposed Carry Forwards			959		
<b>Net Total</b>	<b>31,487</b>	<b>28,288</b>	<b>(2,240)</b>	<b>(7%)</b>	

**OTHER CORPORATE ITEMS**  
**BUDGETARY CONTROL 2022/23**

**REPORT FOR THE 10 MONTHS TO 31 JANUARY 2023**

Budget £000	Projected Variance £000	Variance as % of budget	Section
<b>Note 1</b>			<b>Joint Boards</b>
			There has been no movement from Period 8
3,473	(67)	-2%	There is a projected underspend of £0.067m as annual requisitions confirmed at less than current budget.
	(67)		
<b>Note 2</b>			<b>Other Corporate Items</b>
			There has been a favourable movement of £0.118m since Period 8 primarily due to a revised drawdown of previously approved CTR budgets and additional Scottish Government funding in relation to the administration of grants.
23,347	(3,046)	-13%	The projected underspend is primarily related to the drawdown of £1.666m earmarked funds in relation to additional contractual and non contractual energy and fuel costs reported across the services, linked to significant unbudgeted inflationary pressures and the release of £0.552m of earmarked funds in relation to the 2022/23 pay settlement. In addition, centrally held funds of £0.722m are not expected to be fully utilised in year, including additional Scottish Government funding in relation to Core Curriculum Charges, changes to DHP distributions and the administration of grants. Additional corporate income of £0.106m is anticipated in relation to the shared AVC scheme and the purchase of additional annual leave.
			These funds have been applied to offset the overspend reported within Place at Appendix 3.
	(3,046)		
<b>Note 3</b>			<b>Housing Benefit</b>
			There has been movement of £0.007m from Period 8 due to the revised Housing Benefit overpayment recoveries.
2,422	(86)	-4%	Projected underspend of £0.086m due to the provision of Housing Benefits and overpayment recovery.
	(86)		



**MISCELLANEOUS ITEMS**  
**BUDGETARY CONTROL 2022/23**

**REPORT FOR THE 10 MONTHS TO 31 JANUARY 2023**

Objective Summary	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% variance	Note No
	£000	£000	£000		
Financing Charges	12,366	12,366	-	-	
Contribution to Loans Fund Reserve	3,631	3,631	-	-	
Scottish Government Funding	(347,331)	(347,331)	-	-	
Council Tax	(62,100)	(62,066)	34	(0%)	
Use of Earmarked Funds	(7,050)	(7,050)	-	-	
Net Total	(400,484)	(400,450)	34	(0%)	

**HOUSING REVENUE ACCOUNT**  
**BUDGETARY CONTROL 2022/23**

**REPORT FOR THE 10 MONTHS TO 31 JANUARY 2023**

	Annual Budget	Projected Outturn	Annual Variance Adverse or (Favourable)	% Variance	Note No
	£	£	£		
Employee Costs	5,279	5,279	-	0%	1
Property Costs					
Responsive Repairs	5,677	6,503	826	15%	
Void Repairs	3,147	3,242	95	3%	
Planned and Cyclical Maintenance	4,862	4,923	61	1%	
Aids and Adaptions	1,617	1,617	-	0%	
Other property costs	3,575	4,154	579	16%	
Total for Property Costs	18,878	20,439	1,561		2
Supplies & Services	451	331	(120)	(27%)	3
Transport Costs	34	24	(10)	(29%)	
Administration Costs	1,874	1,790	(84)	(4%)	4
Third Party Payments	2,550	2,699	149	6%	5
Transfer Payments	155	155	-	0%	
Other Expenditure	368	332	(36)	(10%)	
Capital Financing Costs	24,692	22,624	(2,068)	(8%)	6
Gross Expenditure	54,281	53,673	(608)	(1%)	
Income					
Council House Rents	(53,310)	(52,708)	602	(1%)	
Other Rents	(326)	(380)	(54)	17%	
Recharges	(499)	(637)	(138)	28%	
Other Income	(146)	(187)	(41)	28%	
Transfer from HRA Reserves	-	-	-	0%	
Total Income	(54,281)	(53,912)	369	(1%)	7
Net Expenditure	-	(239)	(239)		

**HRA**  
**BUDGETARY CONTROL 2022/23**

**REPORT FOR THE 10 MONTHS TO 31 JANUARY 2023**

Budget £000	Variance £000	Variance as % of budget	Section
<b>Note 1</b>			<b>Employee costs</b>
			Movement - There has been a favourable movement of £0.107m since Period 8 due to vacancy management.
5,279	0	0%	There is no expected variance in employee costs.
0			
<b>Note 2</b>			<b>Property Costs</b>
			Movement - an adverse movement of £0.420m since Period 8. This is mainly due to an increase of £0.164m in Planned and Cyclical Maintenance and £0.361m in Other Property Costs of which primarily relates to sheltered housing utility costs, offset by a reduction of £0.109m in Responsive Repairs.
18,878	1,561	8%	An overspend in property costs of £1.561m. This is due to an overspend of £0.826m in Responsive Repairs, £0.096m in Void Repairs, £0.061m in Planned and Cyclical Maintenance partially related to construction inflation, and £0.578m in other property costs of which £0.206m relates to increased Council Tax payments and £0.395 in sheltered housing utility costs.
1,561			
<b>Note 3</b>			<b>Supplies &amp; Services</b>
			Movement - an adverse movement of £0.006m since Period 8.
451	(120)	-27%	An underspend in supplies and services of £0.120m. This is primarily due to underspends of £0.080m in computer equipment and £0.054m in software licences.
(120)			
<b>Note 4</b>			<b>Administration Costs</b>
			Movement - there has been an adverse movement of £0.026m since Period 8.
1,874	(83)	-4%	An underspend in administration costs of £0.083m. This is primarily due to an underspend of £0.105m in legal fees.
(83)			
<b>Note 5</b>			<b>Third Party Payments</b>
			Movement - there has been a favourable movement of £0.049m since Period 8. This is primarily due to a reduction of £0.050m in Housing Asset and Investment recharges.
2,550	149	6%	An overspend in third party payments of £0.149m. This is primarily due to an overspend of £0.185m in the Housing Asset and Investment recharges partially offset by an underspend of £0.038m in the ASB & Tenancy support charges.
149			
<b>Note 6</b>			<b>Capital Financing Costs</b>
			Movement - there has been no movement since P8.
24,692	(2,068)	-8%	There is an underspend in capital financing costs of £2.068m due to reduced loan charges. This is due to the reduced levels of expenditure currently being experienced in the HRA Capital budget
(2,068)			
<b>Note 7</b>			<b>Income</b>
			Movement - There has been an adverse movement of £0.320m since Period 8. This is due to a reduction of £0.259m in Council House rents, £0.008m in Rents, £0.042m in Recharges and £0.011m in other income.
(54,281)	369	-1%	An under recovery in income of £0.369m. This is due to an under recovery of £0.601m in Council House Rents partially offset by an over recovery of £0.053m in Other Rents, £0.138m in Recharges and £0.041m in Other Income.
369			

HRA reserves and balances	B/fwd from 2021/22	Transfer to / from Reserves	Use of Earmarked sums	Earmarking of in year surplus	Funding of Capital Projects	Projected Balance at 31/03/23
	£m	£m	£m	£m	£m	£m
Council House Building Fund	5.280	-	-	-	(1.151)	4.129
Welfare Reform	1.500	-	-	-	-	1.500
Sustainability Fund	5.000	-	-	-	-	5.000
Voids - non programmed works	1.558	-	-	-	-	1.558
Software Licences	0.123	-	-	-	-	0.123
Contingency Balance	0.781	-	-	0.239	-	1.020
Infrastructure Improvements	0.416	-	-	-	-	0.416
Major Refurbishment Works	0.052	-	-	-	-	0.052
Tenant led balance	0.636	-	-	-	-	0.636
Electrical Testing	0.270	-	-	-	-	0.270
	15.616	-	-	0.239	(1.151)	14.704

## Budget Management - 31 January 2023

## Virement/Budget Adjustment Requests

	Perm (P) / Temp(T)	2022/23	
		Virement £m	Directorate Total £m
<b>1) Budget Virements</b>			
<b>Place</b>			
Roads Income	T	0.158	
Roads Third Party Payments	T	-0.158	
			<b>0.000</b>
<b>Communities</b>			
Community Mental Health Employee Costs	T	0.229	
Community Mental Health Supplies & Services	T	0.001	
Community Mental Health Administration Costs	T	0.009	
Community Mental Health Third Party Payments	T	0.286	
Community Mental Health Grant Income	T	-0.525	
			<b>0.000</b>

**Integration Joint Board**  
**16th March 2023**

<b>Subject:</b>	<b>2022-23 – Month 10 Financial Performance</b>
<b>Purpose:</b>	To provide an overview of the IJB's financial performance as at month 10 (January) including an update on the estimated financial impact of the Covid-19 response.
<b>Recommendation:</b>	<p>It is recommended that the IJB:</p> <ul style="list-style-type: none"> <li>(a) notes the overall integrated financial performance report for the financial year 2022-23 and the current overall projected year-end underspend of £1.181m;</li> <li>(b) notes the progress with delivery of agreed savings;</li> <li>(c) notes the remaining financial risks for 2022-23, including the impact of remaining Covid-19 estimates and costs; and</li> <li>(d) approves the budget reductions which are detailed at paragraph 2.11.</li> </ul>

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

<b>1.</b>	<b>EXECUTIVE SUMMARY</b>
1.1	The report provides an overview of the financial position for the Partnership and outlines the projected year-end outturn position informed by the projected expenditure and income commitments; these have been prepared in conjunction with relevant budget holders and services. It should be noted that, although this report refers to the position at the end of January, further work is undertaken following the month end to finalise projections, therefore the projected outturn position is as current and up to date as can practicably be reported.
1.2	The projected outturn is a year-end underspend of £1.181m (0.4%) for 2022-23. This includes the financial impact of the local authority pay award but excludes the NHS

	pay award; this has been agreed but confirmation of the amount of additional Scottish Government funding is still awaited.
1.3	From the core projections, overall, the main areas of pressure are learning disability care packages, residential placements for children, supplementary staff in wards and Unplanned Activities (UnPACs) within the lead partnership for mental health.
<b>2.</b>	<b>CURRENT POSITION</b>
2.1	<p>The report includes an overview of the financial position including commitments against the available resource, explanations for the main budget variances and an update on progress in terms of savings delivery.</p> <p>The report also includes detail of the estimated costs and potential financial impact of the Covid-19 response.</p>
	<b>FINANCIAL PERFORMANCE – AT MONTH 10</b>
2.2	<p>At Month 10 against the full-year budget of £276.985m there is a projected year-end underspend of £1.181m (0.4%). The Integration Scheme outlines that there is an expectation that the IJB takes account of the totality of resources available to balance the budget in year. Following this approach, an integrated view of the financial position should be taken, however it is useful to note that this overall position consists of a projected underspend of £1.541m in social care services and a projected overspend of £0.360m in health services.</p> <p>Appendix A provides the financial overview of the Partnership position. The sections that follow outline the significant variances in service expenditure compared to the approved budgets.</p> <p>The projections for some areas will be subject to fluctuations as they depend on recruitment plans for new funding and also the capacity of providers to take on work.</p>
2.3	<b>Health and Community Care Services</b>
	<p>Against the full-year budget of £83.220m there is a projected underspend of £0.105m (0.1%) which is a favourable swing of £0.527m and the main variances are:</p> <p>a) Care home placements including respite placements (net position after service user contributions and charging order income) are projected to underspend by £1.034m which is a favourable movement of £0.031m.</p> <p>The budgeted number of permanent placements is 778 and at month 10 there are 762 placements. The projection assumes that the current number of placements will continue to increase to 770 placements by the end of the year. Within the projection there is an assumption that recent placements which do not have a completed financial assessment (often due to the pressure to discharge from hospital) are costed with 50% of the cases at the current average cost of a placement and 50% at the gross or interim funded rate. It is likely that there will still be some cases being gross or interim funded at the year end. Their actual cost will not be known until the FA1 financial assessment is completed and this can impact on the final position.</p>

The level of income recovered from charging orders was under recovered in 2021-22 but an online position is assumed at month 10 as the income received to date is in line with the target.

- b) Care at home (in house and purchased) is projected to be £0.108m underspent which is a favourable movement of £0.112m. The position is made up of an underspend in purchased care at home as providers are not always able to accept referrals due to staffing / recruitment issues and an overspend in the in-house service. As there are vacant posts some of the current capacity is being met by existing staff working additional hours and casual staff. Bank staff are being offered contracts and additional staff are being recruited which will replace the need for existing staff to work additional hours.
- c) Community alarms are projected to be £0.093m underspent which is an adverse movement of £0.003m.
- d) Reablement services are projected to be £0.219m underspent which is a favourable movement of £0.061m due to vacancies.
- e) Care at Home Charging Income is projected to under recover by £0.084m (no movement) due to an ongoing shift towards personal care which is non chargeable. This is after applying £0.076m of Covid funding.
- f) Physical Disability Care Packages (including residential and direct payments) - projected overspend of £0.062m in community care packages, £0.165m in direct payments and £0.243m for residential placements. This is an overall favourable movement of £0.090m.
- g) Purchased day care is projected to underspend by £0.071m (no movement) due to a revised contract.
- h) Anam Cara is projected to overspend by £0.090m which is a favourable movement of £0.084m. The overspend is due to covering vacancies and sickness absence.
- i) Integrated Island Services is projected to be £0.280m overspent which is a £0.154m adverse movement. The overspend is mainly due to additional accommodation costs for mainland staff working at Montrose House due to local recruitment challenges and additional agency costs to ensure the required staffing levels.
- j) District Nursing is projected to overspend by £0.130m due to an overspend on supplies and reduced national uplift funding.
- k) Rehab wards are projected to overspend by £0.270m (Redburn ward £0.310m overspent and Douglas Grant £0.040m underspent), £0.058m adverse movement from month 7. The overspend at Redburn is due to cover costs for vacancies as well as supplementary staffing for patients who require one to one support.
- l) Wards 1 and 2 are projected to overspend by £0.140m (ward 1 £0.060m overspend and ward 2 £0.080m overspend) which is an adverse movement of £0.100m due to increased use of supplementary staffing.

	<p>m) Cumbrae Lodge Continuing Care beds are projected to underspend by £0.185m which is a favourable movement of £0.185m. This is due to a reduced charge to reflect the reduction in beds used during the transition to the new service.</p>
2.4	<p><b>Mental Health Services</b></p> <p>Against the full-year budget of £88.169m there is a projected overspend of £1.237m (1.4%) which is an adverse movement of £0.497m. This excludes any potential variance on the Mental Health Recovery and Renewal Funding where any underspend will be earmarked at the year-end for use in 2023-24. The main variances are:</p> <p>a) Learning Disabilities are projected to overspend by £1.205m and the main variances are:</p> <ul style="list-style-type: none"> <li>• Care Packages (including residential and direct payments) - projected overspend of £0.451m in community care packages, £0.282m in direct payments and £0.147m for residential placements. This is an overall favourable movement of £0.187m. Community Learning Disability Care packages are proving to be one of the most challenging areas to address overspends. The data from CM2000 will be reported back to the service to allow them to see where care has deviated from the planned level and focus reviews to those areas.</li> <li>• Residential Respite is projected to overspend by £0.126m (£0.022m favourable movement). The overspend reflects funding the new facility (Roslin House) to full capacity (£0.069m) and increased energy costs (£0.057m).</li> <li>• Trindlemoss non-employee costs are projected to underspend by £0.199m which is a favourable movement of £0.110m. This partly relates to budgets set aside for the running costs of the pool.</li> </ul> <p>b) Community Mental Health services are projected to underspend by £0.532m (adverse movement of £0.069m) which is mainly due to an underspend of £0.450m in community packages (including direct payments) and an underspend in residential placements of £0.135m.</p> <p>c) The Lead Partnership for Mental Health is projecting to be £0.594m overspent which is an adverse movement of £0.555m and the main variances are as follows:</p> <ul style="list-style-type: none"> <li>• A projected overspend in Adult Inpatients of £0.200m which is an adverse movement of £0.306m. This overspend is mainly due to overspends in supplementary staff (which reduced from month 7), staff in redeployment and reduced bed sale income.</li> <li>• The UNPACS (Unplanned Activities) budget is projected to overspend by £1.320m (£0.120m adverse movement due to increased enhanced observations) based on current number of placements remaining until the year end. These placements are for individuals with very specific needs that require a higher level of security and/or care from a staff group with a particular skill set/competence. There are no local NHS secure facilities for women, people</li> </ul>



with a learning disability or people with neurodevelopmental disorder. This can necessitate an UNPACS placement with a specialist provider which can be out-of-area. The nature of mental health UNPACS spend is that it is almost exclusively on medium or long term complex secure residential placements which are very expensive so a small increase in placements can have a high budgetary impact. Due to the complexity and risk involved, transitions between units or levels of security can take many months. Applications to approve a placement are made to the Associate Medical Director for Mental Health who needs to be satisfied that the placement is appropriate and unavoidable prior to this being agreed.

- A projected overspend in MH Pharmacy of £0.100m (no movement) due to an increase in substitute prescribing costs.
- Learning Disability Services are projected to overspend by £0.275m (no movement). This is mainly due to high usage of supplementary staffing, cross-charging for a LD patient whose discharge has been delayed and redeployment staffing costs. Supplementary staffing costs relate to backfill for sickness, increase and sustained enhanced observations and vacancies. The enhanced observations are reviewed on a daily basis however, due to the individuals being acutely unwell at present, this level of enhanced observations has been maintained for a lengthy period of time. The projection assumes that we begin cross charging another HSCP for the ongoing costs of the person detailed above where, despite having extensive time to identify an alternative placement there has been no solution identified.
- Elderly Inpatients are projected to overspend by £0.134m (no movement) mainly due to the reduced use of supplementary staffing.
- The reduction in National Insurance contributions has resulted in a part year saving to the Lead Partnership of £0.148m which is included in the projection.
- The Innovation Fund is projected to underspend by £0.145m which is favourable movement of £0.145m. This is due to slippage within some of the projects and not all of the funding was allocated.
- Band 2 to 3 regrading – there is a projected overspend of £0.350m relating to back dated cost for the Band 2 – 3 regrade. This is an estimate and it is assumed that the total cost of £0.700m is split 50/50 between lead and non-lead services.
- The turnover target for vacancy savings for the Lead Partnership is held within the Lead Partnership as this is a Pan-Ayrshire target. There is a projected over-recovery of the vacancy savings target of £1.701m in 2022-23, further information is included in the table below:

Vacancy Savings Target	(£0.481m)
Projected to March 2023	£2.182m
Over/(Under) Achievement	£1.701m

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

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

- Adult Community Health services £0.192m
- Adult Inpatients £0.200m
- CAMHS £0.600m

	<ul style="list-style-type: none"> <li>• Mental Health Admin £0.370m</li> <li>• Psychiatry £0.100m</li> <li>• Psychology £0.680m</li> <li>• Associate Nurse Director £0.040m</li> </ul>
2.5	<b>Children and Justice Services</b>
	<p><b><u>Children's Services</u></b></p> <p>Against the full-year budget of £38.023m there is a projected overspend of £2.978m (7.8%) which is an adverse movement of £0.477m. The main variances are:</p> <p>a) Care Experienced Children and Young People is projected to overspend by £2.985m which is an adverse movement of £0.534m. The main areas within this are noted below:</p> <ul style="list-style-type: none"> <li>• Children's residential placements are projected to overspend by £3.196m prior to Covid funding and projected to overspend by £2.300m after £0.896m of Covid funding. This is an adverse movement of £0.285m. We started 22/23 with 23 placements and there are currently 29 placements. It is assumed that all current placements are continuing until the end of the year.</li> <li>• Fostering placements are projected to underspend by £0.236m (£0.060m favourable movement). This is based on the budget for 115 places and 115 actual placements (of which 6 are Covid related and are funded through the Covid-19 funding) since the start of the year. Although we are at the number of budgeted placements this was not the case throughout the year when we were under the budgeted level. Recruitment of foster carers is an active priority for the team, both to limit the requirement for external foster placements and reduce pressures elsewhere on the service. This is promoted through regular targeted recruitment campaigns, community awareness raising and daily presence on various social media platforms. Our active recruitment strategy is gaining some interest and we are actively pursuing a number of enquiries as a result.</li> <li>• Fostering Xtra placements are projected to be on-line (no movement) after applying £0.086m of Covid funding. The projection is based on the budget for 30 placements and 33 current placements.</li> <li>• Private Fostering placements are projected to be £0.047m underspent (no movement) based on the budget for 17 placements and 13 current placements.</li> <li>• Kinship placements are projected to underspend by £0.137m which is an adverse movement of £0.043m and this is based on the budget for 376 places and 351 current placements.</li> <li>• Adoption placements are projected to overspend by £0.087m (£0.015m adverse movement). This is based on the budget for 56 places and 62 actual placements.</li> </ul> <p>b) Children with disabilities – residential placements are projected to overspend by £0.414m which is an adverse movement of £0.241m. This is based on an increased number of placements (12) which are expected to continue until the end of the year and an increase in the rates paid for some of the placements.</p> <p>c) Residential respite – placements are projected to overspend by £0.444m which is an adverse movement of £0.035m. These short-term placements are used</p>

	<p>to prevent an admission to full residential care. There is one placement continuing at month 10 but it is expected to cease 13 March 2023.</p> <p>d) Children's Houses Employee Costs – are projected to overspend by £0.310m due to the additional overtime costs.</p>												
2.6	<b>ALLIED HEALTH PROFESSIONALS (AHP)</b>												
	AHP services are projected to underspend by £0.132m due to underspends in non-employee costs.												
2.7	<b>CHIEF SOCIAL WORK OFFICER</b>												
	There is a projected underspend of £1.704m due to a projected underspend in the Carers Strategy funding. This is a favourable movement of £0.712m.												
2.8	<b>MANAGEMENT AND SUPPORT</b>												
	<p>Management and Support Services are projected to underspend by £3.260m which is a favourable movement of £0.405m. The main areas of underspend are:</p> <ul style="list-style-type: none"><li>• An over-recovery of payroll turnover of £2.400m for social care services and an over-recovery of payroll turnover of £0.606m for health services as outlined in the table below.</li><li>• The reduction in National Insurance contributions has resulted in a part year saving to the Non-Lead Partnership of £0.148m and £0.150m for social care which is included in the projection for Management and Support.</li><li>• The additional saving in LD day care employee costs has transferred to the HSCP strategy code and will be proposed as a saving for 2023/24.</li><li>• Band 2 to 3 regrading for non-lead services– there is a projected overspend of £0.350m relating to back dated cost for the Band 2 – 3 regrade. This is an estimate and it is assumed that the total cost of £0.700m is split 50/50 between lead and non-lead services.</li><li>• The 2022-23 budget included a budgeted surplus on the social care side offset by a budgeted deficit on the health side of the budget. The net impact is neutral but Appendix A will show this position for each element.</li></ul> <p>The turnover targets and projected achievement for the financial year for Health and Social Care services out with the Lead Partnership is noted below:</p> <table><tr><th></th><th><b>Social Care</b></th><th><b>Health Services</b></th></tr><tr><td>Vacancy Savings Target</td><td>(2.014m)</td><td>(1.183m)</td></tr><tr><td>Projected to March 2023</td><td>4.414m</td><td>1.789m</td></tr><tr><td><b>Over/(Under) Achievement</b></td><td><b>2.400m</b></td><td><b>0.606m</b></td></tr></table> <p>The position in the table above reflects the assumption in the current financial projections. For social care, a total of £3.769m (187% of annual target) has been achieved to date. The turnover achieved to date is higher than usual as the 22/23 budget included investment in various areas of staffing and these posts are not fully recruited to yet.</p>		<b>Social Care</b>	<b>Health Services</b>	Vacancy Savings Target	(2.014m)	(1.183m)	Projected to March 2023	4.414m	1.789m	<b>Over/(Under) Achievement</b>	<b>2.400m</b>	<b>0.606m</b>
	<b>Social Care</b>	<b>Health Services</b>											
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Projected to March 2023	4.414m	1.789m											
<b>Over/(Under) Achievement</b>	<b>2.400m</b>	<b>0.606m</b>											

	<p>The health vacancy projection to the year-end is based on the month 10 position and is informed by the recruitment plans and confidence in recruitment to posts for the remainder of the year.</p> <p>The areas contributing to the health and social care vacancy savings are spread across a wide range of services with vacancy savings being achieved in most areas. The main areas at month 10 are:</p> <ul style="list-style-type: none"><li>• Learning Disability £0.523m</li><li>• Management and Support £0.561m</li><li>• Community Care Service Delivery £0.574m</li><li>• Rehab and Reablement £0.454m</li><li>• Locality Services £0.340m</li><li>• Integrated Island Services £0.360m</li><li>• Community Mental Health £0.242m</li></ul> <p>There have been no intentional plans to pause or delay recruitment and services have actively continued to recruit; in some service areas it has proven difficult to fill posts.</p> <p>The turnover target for the North Lead Partnership for Mental Health services is detailed within the Lead Partnership information at section 2.4.</p>																		
2.9	<b>LOCAL AUTHORITY PAY AWARD SHORTFALL</b>																		
	<p>The recently agreed local government pay award was not fully funded. The total cost of the pay award was £4.384m against the budgeted increase of £2.077m. The additional cost of £2.307m will be partially met by additional recurring Scottish Government funding of £1.866m and the gap of £0.441m will be an in-year overspend with the recurring cost being factored into the 23/24 budget.</p> <p>There is also an additional cost in relation to the additional day of leave as some frontline posts will require to be covered during this leave. The annual estimated cost of this is £0.120m and it is assumed that £0.050m has still to be incurred before the year end and this is included in the 22/23 projected outturn.</p>																		
2.10	<b>Savings Progress</b>																		
	<p>a) The approved 2022-23 budget included £0.683m of savings.</p> <table><tr><th>BRAG Status</th><th>Position at Budget Approval £m</th><th>Position at Month 10 £m</th></tr><tr><td>Red</td><td>-</td><td>0.060</td></tr><tr><td>Amber</td><td>0.060</td><td>-</td></tr><tr><td>Green</td><td>0.623</td><td>-</td></tr><tr><td>Blue</td><td>-</td><td>0.623</td></tr><tr><td>TOTAL</td><td>0.683</td><td>0.683</td></tr></table> <p>b) The main area to note is that red savings of £0.060m relating to adoption allowances will not be achieved but this is accounted for in the projected</p>	BRAG Status	Position at Budget Approval £m	Position at Month 10 £m	Red	-	0.060	Amber	0.060	-	Green	0.623	-	Blue	-	0.623	TOTAL	0.683	0.683
BRAG Status	Position at Budget Approval £m	Position at Month 10 £m																	
Red	-	0.060																	
Amber	0.060	-																	
Green	0.623	-																	
Blue	-	0.623																	
TOTAL	0.683	0.683																	

	<p>outturn. The review of allowances is complete, but the benefit will not be realised until future years as the changes will apply to future cases.</p> <p>Appendix B shows the full Transformation Plan for 2022/23 which has been agreed by the Transformation Board; the Board is in place to provide oversight and governance to the programme of service change. A focus of the Board is to ensure plans are in place to deliver savings and service change, with a solution focussed approach to bringing programmes back on track.</p> <p>Not all the service changes on the Transformation Plan have savings attached to them but there is an expectation that they will lead to service improvements. The Plan is critical to the ongoing sustainability and safety of service delivery and to supporting the delivery of financial balance in future.</p> <p>Appendix C provides an overview of those service changes which do have financial savings attached to them and the current BRAG status around the deliverability of each saving.</p>
2.11	<p><b>Budget Changes</b></p> <p>The Integration Scheme states that <i>“either party may increase it’s in year payment to the Integration Joint Board. Neither party may reduce the payment in-year to the Integration Joint Board nor Services managed on a Lead Partnership basis.... without the express consent of the Integration Joint Board.”</i></p> <p>Appendix D highlights the movement in the overall budget position for the Partnership following the initial approved budget.</p> <p><b>Reduction Requiring Approval:</b></p> <ol style="list-style-type: none"> <li>1) Training Grades Reduction £0.029m</li> <li>2) Franking Transfer to Acute £0.001m</li> <li>3) AHP Clinical Admin to South HSCP £0.021m</li> <li>4) ADP Reduction £0.324m</li> <li>5) A&amp;E Liaison Funding to South and East HSCP £0.139m</li> <li>6) Foxgrove Revenue Costs £0.014m</li> <li>7) Transfer to Capital – Bladder Scanner £0.008m</li> <li>8) Buvidal Funding Pharmacist to Acute £0.014m</li> <li>9) MDT Reduction £0.006m</li> <li>10) TEC Contribution £0.053m</li> <li>11) Covid Funding returned to the Scottish Govt £8.263m</li> <li>12) Carer Support to Education £0.020m</li> </ol>
2.12	<p><b>NHS – Set Aside and Pan Ayrshire Services</b></p> <p><u>Lead Partnerships:</u> The IJB outturn position is adjusted to reflect the impact of Lead Partnership services. The outturn for all Lead Partnership services is shared across the 3 Partnerships on an NRAC basis; this position is currently the default pending further work to develop a framework to report the financial position and risk sharing across the 3 Partnerships in relation to hosted or lead service arrangements, which has been delayed by the requirement to focus efforts on the Covid response.</p>

The final outturn in relation to North Lead Partnership services would not be fully attributed to the North IJB as a share would be allocated to East and South Partnerships; similarly, the impact of the outturn on East and South led services will require to be shared with North. At Month 10 the MH lead partnership is projected to overspend by £0.594m (£0.192m NRAC share for East and £0.183m for South). The information reported for South and East is the month 9 info as they do not report at month 10.

**East HSCP** –the month 9 position is a projected £0.969m underspend of which £0.359m (37%) is attributable to North. The main variances are:

#### Primary Care and Out of Hours Services (Lead Partnership)

There is a projected underspend of £0.793m on the Primary Care Lead Partnership budget and is due largely to projected underspends in Primary Care, Primary Medical Services and Dental services where staffing numbers are running at less than establishment. The projected underspend within Dental services is largely due to reduced staffing costs in Childsmile and within the Dental management team, with both service areas running with vacancies. In addition, there are reduced costs within Primary Care contracting and support, largely due to staffing turnover, as well as projected savings in diabetic retinopathy services and East Ayrshire Community Hospital medical and general pharmaceutical services.

These reduced costs are partially offset by additional costs in the GP element of Out of Hours services, as well as additional costs in the overnight nursing service, with work ongoing to address as far as possible over the course of the 2022/23 financial year. Ayrshire Urgent Care Services costs related to the Covid-19 pandemic are recharged against the Local Mobilisation Plan (Community Clinical Hub). As highlighted previously in this report, projected costs for 2022/23 require to be reduced as far as possible, with a recovery plan, to ensure costs can be contained within budget going forward.

#### Prison and Police Healthcare (Lead Partnership)

The £0.176m projected underspend at month 9 is largely due to net staffing savings. Medical contracts at both Prison and Police have reduced and is contributing to the projected underspend. These contracts have been renegotiated with 2021/22 being the first year of the new contract for Prison and Police Custody. A review of the prison service is being undertaken and it is anticipated that surplus funds will go towards improving staffing levels within the prison.

#### Other Lead Services

The £0.100m projected outturn is online with budget and relates to anticipated charges for services from Marie Curie. All three Ayrshire IJBs approved additional funding of £0.004m on a non-recurring basis as part of their 2022/23 budgets to increase the overall budget from the £0.088m baseline. This additional funding is required to offset identified cost pressures and to meet service demands from 1 April this year. The non-recurring nature of the approved uplift reflects that a service review is to be undertaken in 2022/23.



	<p><b>South HSCP</b> – projected overspend of £0.130m of which £0.048m will be allocated to North. The overspend is mainly due to an overspend in the community store and continence service offset by vacancies in the Family Nurse Partnership.</p> <p><b>Set Aside:</b> - an approach has yet to be decided on for 22/23, which may be used as a “shadow year” for using current year activity. This will depend on how representative the activity is felt to be. By default, inflation will be applied to the 2021/22 budget. The annual budget for Acute Services is £400.4m. The directorate is overspent by £11.7m, caused by increasing overspends on agency medical and nursing staff, together with increasing drug expenditure. These have been required due to the level of operational pressure being experienced, in common with many other areas in Scotland.</p> <p>There is a material underlying deficit caused by:</p> <ul style="list-style-type: none"> <li>• Unachieved efficiency savings</li> <li>• High expenditure on medical and nursing agency staff, high rates of absence and vacancies causing service pressure.</li> <li>• High numbers of delayed discharges and high acuity of patients.</li> </ul> <p>The IJBs and the Health Board work closely in partnership to maintain service and improve performance.</p>
2.13	<p><b>FINANCIAL RISKS</b></p>
	<p>There are a number of ongoing financial risk areas that may impact on the 2022-23 budget during the year, these include:</p> <ul style="list-style-type: none"> <li>• High risk areas of low volume / high-cost services areas e.g. Learning Disability care packages, children’s residential placements and complex care packages.</li> <li>• Progress with the work to develop set aside arrangements and the risk sharing arrangements agreed as part of this.</li> <li>• Ongoing implementation costs of the Scottish Government policy directives</li> <li>• Lead / hosted service arrangements, including managing pressures and reporting this across the 3 IJBs.</li> <li>• The impact on Lead Partnership and acute services from decisions taken by other Ayrshire areas.</li> <li>• The impact and implementation of the National Care Service.</li> <li>• The NHS pay award has been settled for 2022-23 but confirmation of additional Scottish Government funding is awaited.</li> <li>• The current extremely high levels of inflation</li> <li>• Supported Accommodation - funding has been included in the budget for the new developments but the adequacy of the funding will only be known when the final occupants are agreed.</li> <li>• Fire dampener compensation (Woodland View) – the final level of compensation has still to be agreed and the £0.306m previously assumed in the projection has been removed due to the uncertainty surrounding this.</li> </ul> <p>These risks have been monitored throughout 2022-23 and the financial impact reported through the budget monitoring report.</p>

2.14	<b>COVID-19 – FINANCE MOBILISATION PLAN IMPACT</b>																																																
	<b>Summary of position</b>																																																
	<p>From the outset of the pandemic the HSCP acted very swiftly to respond and developed a mobilisation plan detailing the additional activities to support our response, alongside the estimated financial impact. Financial returns were submitted to the Scottish Government on a regular basis during 2020-21 and 2021-22, on the premise that any additional costs aligned to mobilisation plans would be fully funded. This process will continue during 2022-23 with returns moving from quarterly to monthly. Covid funding of £13.321m was carried forward from 2021-22 for use in services delegated to the Partnership during 2022-23 and the costs outlined below will be met from this funding. Any unused funding will be reclaimed by the Scottish Government and redistributed to Health Boards for Covid-related costs in non-delegated services.</p>																																																
2.15	<b>Mobilisation Plan and Funding Position</b>																																																
	<p>The initial month 3 mobilisation plan cost submission was submitted in July and estimated the costs to be £4.067m to March 2023. The changes since month 3 are summarised in the table below with the main area being payments to providers to reflect the payments made to date and the extension of part of the scheme to 31st March 2023. The costs remain estimates as the situation continually evolves there will be a further update submitted each month.</p> <p>The main areas of cost are summarised below:</p> <table><tr><th>Service Area</th><th>Initial Month 3 Return £m</th><th>Month 4 Return £m</th><th>Month 5 Return £m</th><th>Months 6,7,8,9 Return £m</th><th>Month 10 Return £m</th></tr><tr><td>Payments to Providers</td><td>1.100</td><td>1.100</td><td>1.953</td><td>2.143</td><td>2.143</td></tr><tr><td>PPE</td><td>0.418</td><td>0.418</td><td>0.419</td><td>0.326</td><td>0.265</td></tr><tr><td>Additional Staff</td><td>1.317</td><td>1.317</td><td>1.315</td><td>1.318</td><td>1.318</td></tr><tr><td>Loss of Income</td><td>0.246</td><td>0.246</td><td>0.246</td><td>0.210</td><td>0.210</td></tr><tr><td>Children &amp; Families</td><td>0.957</td><td>0.957</td><td>0.957</td><td>1.107</td><td>1.107</td></tr><tr><td>Other Areas</td><td>0.029</td><td>0.029</td><td>0.015</td><td>0.015</td><td>0.015</td></tr><tr><td><b>TOTAL</b></td><td><b>4.067</b></td><td><b>4.067</b></td><td><b>4.905</b></td><td><b>5.119</b></td><td><b>5.058</b></td></tr></table> <p>Based on the projected spend, £8.263m of funding has now been reclaimed by Scottish Government. IJBs have been advised by Government that a year-end reconciliation and balancing adjustment will be conducted in the event that too much or too little funding has been retained.</p>	Service Area	Initial Month 3 Return £m	Month 4 Return £m	Month 5 Return £m	Months 6,7,8,9 Return £m	Month 10 Return £m	Payments to Providers	1.100	1.100	1.953	2.143	2.143	PPE	0.418	0.418	0.419	0.326	0.265	Additional Staff	1.317	1.317	1.315	1.318	1.318	Loss of Income	0.246	0.246	0.246	0.210	0.210	Children & Families	0.957	0.957	0.957	1.107	1.107	Other Areas	0.029	0.029	0.015	0.015	0.015	<b>TOTAL</b>	<b>4.067</b>	<b>4.067</b>	<b>4.905</b>	<b>5.119</b>	<b>5.058</b>
Service Area	Initial Month 3 Return £m	Month 4 Return £m	Month 5 Return £m	Months 6,7,8,9 Return £m	Month 10 Return £m																																												
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2.16	<b>Provider Sustainability Payments and Care Home Occupancy Payments</b>																																																
	<p>COSLA Leaders and Scottish Government have agreed an approach to supporting the social care sector to ensure that reasonable additional costs will be met. We have been making payments to commissioned social care providers in line with the agreed</p>																																																



national principles for sustainability and remobilisation payments to social care providers during COVID 19.

**Care Home Occupancy Payments** - The Scottish Government ceased these payments at the end of October 2021 but exceptions were made following the Omicron outbreak and limited payments were made to eligible care homes. Meetings are being held with each care home to discuss ongoing sustainability and to provide support.

**Sustainability payments** – the most recent guidance issued in September 2022 continued the reduced the scope of what providers can claim for and also outlined deadlines for claims to be submitted. The main costs that can be claimed relate to testing and vaccination and this is extended to 31<sup>st</sup> March 2023. The Social Care Staff Support Fund was also extended to 31<sup>st</sup> March 2023 (previously to 30<sup>th</sup> September 2022).

The sustainability payments are a significant cost in our mobilisation plan and the timely submission by providers and assessment of claims is key to ensuring we can accurately estimate the financial cost and ensure the costs are reclaimed from the Scottish Government. Quarter 3 claims must be submitted by 28<sup>th</sup> February 2023 and quarter 4 claims must be submitted by 30<sup>th</sup> April 2023 and providers have been informed about this. The breakdown of payments made in 2022-23 up to 31<sup>st</sup> January 2023 are shown in the tables below:

<b>PROVIDER SUMMARY</b>	<b>NCHC Care Homes</b>	<b>Other</b>	<b>Total</b>
Total Number of Providers	17	49	66
Number contacting NAC	17	14	31
Providers Supported to date	17	14	31

<b>OUTSTANDING CLAIMS</b>	<b>NCHC Care Homes</b>	<b>Other</b>	<b>Total</b>
Total Number of Claims	-	1	1
Value of Claims	-	897	897

<b>SUPPORT PROVIDED</b>	<b>NCHC Care Homes £</b>	<b>Other Services £</b>	<b>TOTAL £</b>
Occupancy Payments	81,650	0	81,650
Staffing	681,442	251,586	933,029
PPE, Infection Control	181,354	47,703	229,057
Other	170,969	7,894	178,863
<b>TOTAL</b>	<b>1,115,415</b>	<b>307,183</b>	<b>1,422,599</b>

2.17

RESERVES

The IJB reserves position is summarised in the table below with full detail given in Appendix E.

The opening ‘free’ general fund balance of £7.248m is held as a contingency balance, this equates to around 2.5% of the IJB budget for 2021-22 which is above the lower target level of 2%.

The full outstanding debt to North Ayrshire Council of £2.321m has now been repaid; the increased payment was funded by a transfer of budget from the Council so there was no detriment to the IJB financial position.

	General Fund Reserves		Earmarked Reserves			Total  £m
	Debt to NAC	Free GF	SG Funding	Non-SG Funding £m	HSCP	
	£m	£m	£m	£m	£m	
Opening Balance - 1 April 2022	(2.321)	7.248	23.106	0.699	0.500	29.232
In year movements at month 10	2.321	(0.800)	(8.263)	-	-	(6.742)
Revised Balance	-	6.448	14.843	0.699	0.500	22.490

These balances will be adjusted after the year-end to reflect the actual use of reserves during 2022-23 and the updated carry forward position.

A review of earmarked reserves has taken place and has identified £1.252m of balances which can be released. IJB will be asked to approve the use of these in supporting a balanced budget position for 2023-24.

3.

PROPOSALS

3.1

Anticipated Outcomes

Continuing to closely monitor the financial position will allow the IJB to take corrective action where required to ensure the Partnership can deliver services in 2022-23 from within the available resource, thereby limiting the financial risk to the funding partners.

The estimated costs and funding in relation to the Covid-19 response also require to be closely monitored to ensure that the IJB can plan for the impact of this and to ensure that the IJB is in the position to re-claim funding to compensate for the additional costs.

3.2

Measuring Impact

Ongoing updates to the financial position will be reported to the IJB throughout 2022-23.

<b>4.</b>	<b>IMPLICATIONS</b>
<b>Financial:</b>	The financial implications are as outlined in the report. Against the full-year budget of £276.985m there is a projected underspend of £1.181m. The report outlines the main variances for individual services.
<b>Human Resources:</b>	The report highlights vacancy or turnover savings achieved to date. Services will review any staffing establishment plans and recruitment in line with normal practice when implementing service change and reviews as per agreement with the IJB, there is no intention to sustain this level of staffing capacity reduction on a recurring or planned basis.
<b>Legal:</b>	None
<b>Equality:</b>	None
<b>Children and Young People</b>	None
<b>Environmental &amp; Sustainability:</b>	None
<b>Key Priorities:</b>	None
<b>Risk Implications:</b>	<p>Para 2.13 highlights the financial risks.</p> <p>The report falls in line with the agreed risk appetite statement which is a <b>low</b>-risk appetite in respect to adherence to standing financial instructions, financial controls and financial statutory duties and a <b>high</b>-risk appetite in relation to finance and value for money.</p>
<b>Community Benefits:</b>	None

<b>Direction Required to Council, Health Board or Both</b>	Direction to: -	
	1. No Direction Required	
	2. North Ayrshire Council	
	3. NHS Ayrshire & Arran	
	4. North Ayrshire Council and NHS Ayrshire & Arran	√

<b>5.</b>	<b>CONSULTATION</b>
5.1	<p>This report has been produced in consultation with relevant budget holders and the Partnership Senior Management Team.</p> <p>The IJB financial monitoring report is shared with the NHS Ayrshire and Arran Director of Finance and North Ayrshire Council's Head of Finance after the report has been finalised for the IJB.</p>
<b>6.</b>	<b>CONCLUSION</b>
6.1	<p>It is recommended that the IJB:</p> <p>(a) notes the overall integrated financial performance report for the financial year 2022-23, the overall projected year-end underspend of £1.181m;</p> <p>(b) notes the progress with delivery of agreed savings;</p> <p>(c) notes the remaining financial risks for 2022-23;</p>

	(d) approves the budget reductions which are detailed at para 2.11.
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**For more information please contact:**

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# 2022-23 Budget Monitoring Report–Objective Summary as at 31<sup>st</sup> January 2023

## Appendix A

Partnership Budget - Objective Summary	2022/23 Budget										
	Council			Health			TOTAL				
	Budget	Outturn	Over/ (Under) Spend Variance	Budget	Outturn	Over/ (Under) Spend Variance	Budget	Outturn	Over/ (Under) Spend Variance	Over/ (Under) Spend Variance at Period 7	Movement in projected variance from Period 7
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
COMMUNITY CARE AND HEALTH	66,479	65,944	(535)	16,741	17,171	430	83,220	83,115	(105)	422	(527)
: Locality Services	27,908	27,269	(639)	5,388	5,538	150	33,296	32,807	(489)	(191)	(298)
: Community Care Service Delivery	33,436	33,186	(250)	0	0	0	33,436	33,186	(250)	(90)	(160)
: Rehabilitation and Reablement	1,797	1,779	(18)	0	0	0	1,797	1,779	(18)	(3)	(15)
: Long Term Conditions	999	1,102	103	9,079	9,359	280	10,078	10,461	383	583	(200)
: Community Link Workers	195	184	(11)	0	0	0	195	184	(11)	(3)	(8)
: Integrated Island Services	2,144	2,424	280	2,274	2,274	0	4,418	4,698	280	126	154
MENTAL HEALTH SERVICES	31,078	31,811	733	57,091	57,595	504	88,169	89,406	1,237	740	497
: Learning Disabilities	21,498	22,703	1,205	453	453	0	21,951	23,156	1,205	1,330	(125)
: Community Mental Health	5,845	5,373	(472)	1,522	1,462	(60)	7,367	6,835	(532)	(601)	69
: Addictions	3,735	3,735	0	1,618	1,588	(30)	5,353	5,323	(30)	(28)	(2)
: Lead Partnership Mental Health NHS Area Wide	0	0	0	53,498	54,092	594	53,498	54,092	594	39	555
CHILDREN & JUSTICE SERVICES	34,053	37,031	2,978	3,970	3,970	0	38,023	41,001	2,978	2,501	477
: Irvine, Kilwinning and Three Towns	3,145	3,114	(31)	0	0	0	3,145	3,114	(31)	42	(73)
: Garnock Valley, North Coast and Arran	3,160	3,160	0	0	0	0	3,160	3,160	0	(29)	29
: Intervention Services	1,856	1,873	17	339	339	0	2,195	2,212	17	15	2
: Care Experienced Children & Young people	22,061	25,047	2,986	0	0	0	22,061	25,047	2,986	2,451	535
: Head of Service - Children & Families	1,279	1,284	5	0	0	0	1,279	1,284	5	24	(19)
: Justice Services	2,385	2,385	0	0	0	0	2,385	2,385	0	0	0
: Universal Early Years	167	168	1	3,185	3,185	0	3,352	3,353	1	(2)	3
: Lead Partnership NHS Children's Services	0	0	0	446	446	0	446	446	0	0	0
CHIEF SOCIAL WORK OFFICER	2,560	856	(1,704)	0	0	0	2,560	856	(1,704)	(992)	(712)
PRIMARY CARE	0	0	0	51,117	51,117	0	51,117	51,117	0	0	0
ALLIED HEALTH PROFESSIONALS			0	8,701	8,569	(132)	8,701	8,569	(132)	(122)	(10)
COVID NHS	0	0	0	(8,263)	(8,263)	0	(8,263)	(8,263)	0	0	0
MANAGEMENT AND SUPPORT COSTS	10,917	7,413	(3,504)	2,541	2,785	244	13,458	10,198	(3,260)	(2,855)	(405)
LOCAL AUTHORITY PAY AWARD SHORTFALL	0	491	491	0	0	0	0	491	491	561	(70)
OUTTURN ON A MANAGED BASIS	145,087	143,546	(1,541)	131,898	132,944	1,046	276,985	276,490	(495)	255	(750)
Return Hosted Over/Underspends East	0	0	0	0	(192)	(192)	0	(192)	(192)	(13)	(179)
Return Hosted Over/Underspends South	0	0	0	0	(183)	(183)	0	(183)	(183)	(12)	(171)
Receive Hosted Over/Underspends South	0	0	0	0	48	48	0	48	48	53	(5)
Receive Hosted Over/Underspends East	0	0	0	0	(359)	(359)	0	(359)	(359)	(360)	1
OUTTURN ON AN IJB BASIS	145,087	143,546	(1,541)	131,898	132,258	360	276,985	275,804	(1,181)	(77)	(1,104)

## 2022-23 Transformation Plan

## Appendix B

Savings reference number	Project	Project Description	Deliverability Status	Saving/ Investment	Approved Saving 2022/23 £	Investment	Saving Delivered at Month 10 £	Projected Saving	Projected Shortfall 22/23 £
<b>Children, Families and Justice Services</b>									
SP/HSCP/20/1	Children and Young People - External Residential Placements	Monitor and review all placements with a view to reducing the overspend.	Amber	Saving			-	-	
SP/HSCP/20/4	Adoption Allowances	Monitor Adoption Allowances. With a view to reduce the overspend	Red	Saving	59,535		-	-	59,535
SP/HSCP/20/19	Fostering - reduce external placements.	Monitor Fostering Placements with a view to reduce the overspend	Red	Saving			-	-	
	Transport review	Review of costs relating to taxi utilisation and implementation of new electronic form. Aim to reduce transport budget in council. Links in with David Hammonds Transformation Project.	Red	Saving					
	Grow internal fostering capacity	Review capacity of existing foster carers with a view of increasing existing capacity	Amber	Cost neutral					
NACSTA4030	Fostering Short Breaks	Develop an inhouse short break service to replace the commissioned service provided by Cornerstone.	Amber	Saving			-	-	-
<b>Mental Health and LD</b>									
	Transformation of CAMHS - CAMHS Specification	CAMHS have reviewed and updated referral guidance to align with the CAMHS National Specification. Some risks identified in order to facilitate the continued changes are accommodation, and recruitment of clinical staff.	Amber	Investment		1,091,463			
	Transformation of CAMHS - CAMHS Age 25	CAMHS are developing specific pathways to provide care and support up to the age of 25 where appropriate e.g. Eating Disorders, Neuro, Personality Disorders, Early Psychosis.	Amber	Investment		623,402			
	Transformation of CAMHS - CAMHS Waiting List	Two external providers have been procured to support Neuro waiting for assessment (Purple House	Amber	Investment		311,701			

Savings reference number	Project	Project Description	Deliverability Status	Saving/ Investment	Approved Saving 2022/23 £	Investment	Saving Delivered at Month 10 £	Projected Saving	Projected Shortfall 22/23 £
	Transformation of CAMHS - CAMHS Psyc Waiting List	Clinical Director & Senior Manager agreed plan in order to reduce access to Psychiatry. In addition to this, 3 non-medical prescribers have been trained and are prescribing for ADHD clinics.	Amber	Investment		366,707			
	Transformation of CAMHS - Out of Hours Unscheduled Care	Recruitment and implementation of a new service to provide support to children and young people on an unscheduled basis. CAMHS are being commissioned by Paediatrics to deliver this service via Scottish Government funds.	Amber	Investment		86,294			
	Transformation of CAMHS - CAMHS Intensive Home Treatment	Recruitment is ongoing. Accommodation required to house team together. Ongoing development of policies and procedures for team in alignment with partners agencies	Amber	Investment		14,752			
	Transformation of CAMHS - CAMHS Liaison		Amber	Investment		129,073			
	Primary Care Mental Health investment	Creation of a business case to deliver Mental Health to Primary Care over the next 4 years. Allocation of funds will be incrementally increased over the duration of the next four years. North leading for Ayrshire.	Green	Investment		261,159			
	Continued review of models of care at Woodland View	A particular focus on rehabilitation models of care for MH building on learning from Warrix Avenue. Development of a business case for ARBD is also underway. A test of change for ward 7B will be reported through this workstream.	Amber						
	Implementation of MAT standards	Programme of work to set up the systems required to report on Medical Assisted Treatment standards for Addictions. The programme will be run on a pan ayrshire basis led by North. The national direction was for this to be led by Public Health but they have not started any recruitment so North will take forward in the meantime.	Green	Investment					
	Complex Care Model - Independent living change fund	Recruit the Intensive Support Team agreed through this fund and monitor progress of assessments of out of area placements. A dynamic register should be developed and maintained which will feed into national data.	Amber	Investment		513,000			
	ACORN business model	Mental Health Rehabilitation service needing help to transition to a social enterprise. Now incorporated within Caring for Ayrshire.	Red	Saving	-		-	-	-
	Implementation of Trakcare Patient Management System in Community Services	Implementation of new information recording system for NHS to report on 18 weeks RTT. This will include development of new processes and transfer of data from current system to the new one. This will allow for better recording of clinical activity and inform future DCAQ work. Adult community mental health will go live first followed by other community teams currently utilising Access databases. A Pan Ayrshire referral management service will be set up to embed the	Green	Cost neutral					
	Implementation of Unscheduled Care	Part of the national redesign of urgent care work. The aim of the mental health project is to deliver an integrated system to support mental health and wellbeing by utilising existing mental health services and enhancing their pathways for unscheduled mental health presentations.	Green	Investment					

Savings reference number	Project	Project Description	Deliverability Status	Saving/ Investment	Approved Saving 2022/23 £	Investment	Saving Delivered at Month 10 £	Projected Saving	Projected Shortfall 22/23 £
<b>Health and Community Care</b>									
	TEC Solutions	To appoint a temporary 'Project Manager' post, who will oversee the procurement and installation of digital telecare	Green	Investment		50,000		-	-
	Analogue to Digital	Funding received for a Project Manager to manage the process of moving all services users from analogue to digital technology.	Amber	Investment		996,000			
SP/HSCP/20/17	Care at Home - Service Review	This project will incorporate the review of the care at home job role and any implications for service as a result as well as	Amber	Investment				-	-
	Hospital Team Model		Green						
	Arran Integrated Services model	Continue to work towards an Integrated Hub on Arran building on the frailty work and developing a single point of contact for all health and social care services. It is anticipated there will be a substantial amount of investment required and a business case will be developed.	Green						
	Primary Care Investment Fund	Remodel how we deliver primary care locally, ensuring that multi-disciplinary teams are available in each medical practice across North Ayrshire. This will help ensure that when needed local people will get the right care and support they need	Green	Investment					
	HSCP MDT - Community Health & Care	Implement HSCP MDTs across each of the localities to support GP practices and HSCP service coordinate care for those with the most complex needs. This approach will replace Older People Local Operational Teams.'							
	Develop Care at Home - Minimum data set	Scope all current recording processes for data and look to consolidate a dataset that can be used for all reporting needs.		Cost neutral					
	AHP Whole System redesign	Build on the learning from the recent AHP workforce exercise; to better understand the distribution and contribution of AHPs in health and care in North Ayrshire, to support future workforce planning that maximises this contribution for the benefit of the people of North Ayrshire.	Amber						
	Interim Beds	To utilise a one-off lump sum, provided by the Scottish Government, to provide interim beds, for a maximum of 6 weeks, for clients who will have an onward move to permanent care.	Green						



Savings reference number	Project	Project Description	Deliverability Status	Saving/ Investment	Approved Saving 2022/23 £	Investment	Saving Delivered at Month 10 £	Projected Saving	Projected Shortfall 22/23 £
<b>Partnership Wide</b>									
	Supported acc models - NAC housing/ Sleepover/ outreach model	Continue working with third sector providers to implement supported accommodation models in the community	Green	Saving				-	-
	SDS Review	Engage with all stakeholders to look at how we encourage a more innovative and person centred approach to SDS. Implement an SDS Review Learning Board to help progress.							
	Carers Review	Develop a resource release model for allocation of funds for carers as well as implement a short break service.	Amber	Saving			-	-	-
	Adult Complex Care Model - Call Monitoring	Review of call monitoring system for provision of adult community supports. This will include evaluation of current provision and development of a specification for future tender as the current contract is due to expire.							
	Implementation of Eclipse information system	Implementation of new information recording system for social care to replace Care First. This will include development of new protocols and transfer of data from current system to the new one.							
	Money matters and GP Practice Welfare Rights service	Facilitate the introduction of a money advise service available within GP practices.		Investment		78,000			
	Payroll Turnover Inflation	Monitor slippage through staff turnover with a view to meeting the savings target.		Saving	301,201		301,201	-	-
	Business Support Review (linked to Care at home review)	Scope and review the remit of the business support unit and how it could be adapted to the benefit of all HSCP teams.							
	North Elderly Mental Health inpatients (lead partnership)	Agree the spend going forward for the recurring savings achieved through bed retraction from Ailsa.		Saving	321,000		321,000	-	-
	HSCP Challenge Fund - invest to save	Monitoring of all projects approved through the Challenge Fund with a focus on invest to save ideas.							
	Transitions	Improve transition pathways from Childrens to Adult services as well as into older adults in order to improve outcomes for service users.							
	Caring for Ayrshire	The focus for Caring for Ayrshire is to bring a greater proportion of health provision into local communities. The Caring for Ayrshire work will ensure local GP practices are fit for purpose and have the capacity to host multi-disciplinary teams and meet local health and care needs.		Investment					
	Advocacy Strategy	Refresh of Advocacy strategy with a view to incorporating both adult and childrens services.		Cost neutral					

## 2022-23 Savings Tracker

## Appendix C

### North Ayrshire Health and Social Care Partnership 2022/23 Savings

Savings ref number	Description	Deliverability Status at budget setting	Approved Saving 2021/22 £m	Deliverability Status Month 10	Saving Delivered @ Month 10 £m	Projected to Deliver during Year £m	Projected Shortfall £m	Comment
1	Adoption Allowances	Amber	0.060	Red	-	0.060	-	Currently projecting an overspend.
<b>TOTAL SOCIAL CARE SAVINGS</b>			<b>0.060</b>		<b>0.000</b>	<b>0.060</b>	<b>0.000</b>	

Savings ref number	Description	Deliverability Status at budget setting	Approved Saving 2021/22 £m	Deliverability Status Month 10	Saving Delivered @ Month 10 £m	Projected to Deliver during Year £m	Projected Shortfall £m	Comment
2	Payroll Turnover Inflation	Green	0.302	Blue	0.302		-	Achieved
3	Elderly Mental Health inpatients (lead partnership)	Green	0.321	Blue	0.321	-	-	Achieved
<b>TOTAL HEALTH SAVINGS</b>			<b>0.623</b>		<b>0.623</b>	<b>0.000</b>	<b>0.000</b>	
<b>TOTAL NORTH HSCP SAVINGS</b>			<b>0.683</b>		<b>0.623</b>	<b>0.060</b>	<b>0.000</b>	

## 2022-23 Budget Reconciliation

## Appendix D

COUNCIL	Period	Permanent or Temporary	£'m
Initial Approved Budget			116.017
Base budget adjustments	1		(0.046)
<b>Uploaded Budget</b>			<b>115.971</b>
Resource Transfer	1	P	26.228
Software Licences transfer to IT	3	P	(0.002)
Montrose Cleaning Post to Facilities Management	3	P	(0.014)
Software Licences transfer to IT	4	P	(0.003)
Summer of Play Funding from Education	5	T	0.056
Insurance – transfer to corporate	6	P	(0.075)
Software Licences transfer to IT	6	P	(0.006)
MARAC funding	6	T	0.009
Pay Award Funding	7	P	1.866
Commercial Waste - Corporate adjustment	7	P	0.013
Family Wellbeing Fund	7	T	0.959
Software Licences transfer to IT	7	P	0.001
DWP income re CHIS	9	P	0.008
Carer Support to Education	10	T	(0.020)
ADP Funding to Money Matters	10	T	0.098
Roundings			(0.002)
<b>Budget Reported at Month 10</b>			<b>145.087</b>

HEALTH	Period	Permanent or Temporary	£'m
<b>Initial Approved Budget</b>			<b>163.988</b>
Resource Transfer			(26.228)
Month 10-12 Adjustments			22.401
Adjust for Non-recurring funding			(22.408)
Full Year effect of Part Year Reductions			0.128
<b>REVISED 22-23 BUDGET</b>			<b>137.881</b>
Training Grade Adj – April	1	P	(0.064)
Vire No 2 - East to North CAMHS Admin	1	P	0.099
Band 2-4 SG Funding reduction	1	P	(0.007)
AHP Clinical Admin Budget Transfer	2	P	0.048
Dean Funding to Partnerships	2	P	0.085
Prescribing Uplift	2	P	1.631
Prescribing Cres	2	P	(0.715)
Prescribing out non schedule 5	2	P	(0.429)
Scottish Huntington's Post	3	P	0.014
Daldorch Income Shortfall	3	P	0.045
Community Store Contributions	3	P	(0.006)
Iona/Lewis Patient to South	3	T	(0.046)

Marie Curie contract uplift	3	P	(0.004)
Trakcare/Huntington's/ Daldorch	3	P	0.086
Staff Wellbeing Posts from OH&RD	4	P	0.193
Top Slicing Posts- Prescribing	4	P	(0.071)
Admin Post transferred to Medical Records	4	T	(0.034)
Naloxone for Police Scotland	4	T	0.026
Dean Funding	5	P	0.095
Rx Top Slicing to Pharmacy	5	P	(0.008)
Uplift DOAC (Direct Oral Anticoagulant) Rebate	5	P	0.06
Uplift CRES to Primary Care Rebate Scheme	5	P	0.068
Dysphagia Post	5	P	(0.021)
ADP PSST Support	5	T	0.008
CAMHS Liaison Funding	5	T	(0.350)
Specialist Pharmacist in Substance Misuse	6	T	0.012
BBV (Blood Borne Virus) Funding	6	T	0.242
Maternal and Infant Nutrition Allocation	6	T	0.020
Dean Funding Pay Award	6	P	0.061
GP Office 365 Upgrade	6	T	(0.137)
HD200 Drug Tariff Reduction 2022-23	7	P	(0.320)
Medical Pay Award 2.5% Top Up	7	T	0.170
Training Grades Reduction	8	P	(0.029)
Pulmonary Rehab Physio Monies	8	P	0.023
Franking transfer to Acute	8	P	(0.001)
AHP Clinical Admin to South HSCP	9	P	(0.021)
ADP Reduction	9	T	(0.324)
District Nursing Funding	9	T	0.037
A&E Liaison funding rtn'd to South/East ADP's	9	P	(0.139)
Prescribing Uplift	9	T	1.787
NSAIS - Revenue Costs	9	T	(0.014)
Revenue to Capital - North Bladder Scanners	9	T	(0.008)
HD342 VETERAN MENTAL HEALTH SUPPORT	9	T	0.105
HD336 LD HEALTH CHECKS	9	T	0.039
BUVIDAL FUNDING 8A PHARMACIST TO ACUTE	9	T	(0.014)
MDT Reduction	9	P	(0.006)
TEC Contribution	10	T	(0.053)
COVID Funding returned to the Scottish Govt	10	T	(8.263)
Mental Health After Covid	10	T	0.102
Diabetes Prevention	10	T	0.042
Roundings	10	T	0.003
<b>Budget Reported at Month 10</b>			<b>131.898</b>

<b>COMBINED BUDGET MONTH 10</b>	<b>276.985</b>
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## Opening Reserves Position in Detail

<b>Earmarked Funds</b>	
: Alcohol & Drug Partnership	890
: Mental Health Action 15	511
: Primary Care Improvement Fund	1,856
: 21-22 Budget Gap	0
: Challenge Fund	500
: Community Living Change Fund	513
: Covid19 Funding	13,321
: Neighbourhood Networks	145
: Mental Health Officer Development Grant	41
: NAC Recovery and Renewal – Mental Health Element	71
: Joint Equipment	5
: Nethermain's Adaptations	40
: Supported Accommodation	50
: Care at Home Capacity	1,192
: Interim Care	1,046
: Trauma Training	50
: Trauma Trainer	48
: Family Wellbeing Fund	106
: Perinatal MH Nurse	65
: Unaccompanied Asylum-Seeking Children	11
: Multi-Disciplinary Teams	644
: Health Care Support Workers	144
: MH Recovery and Renewal	2,057
: Medical photography	4
: Data Sims	28
: School Nursing	56
: Buvidal	109
: AHP Winter Funding	51
: Perinatal and Infant Mental Health	86
: Cossette Funding	18
: Replacement Mattress Programme	78
: Expansion of Primary Care Estates	55
: GP Premises Improvements - tranches 1 and 2	81
: Mental Health Wellbeing in Primary Care	40
: Dental Practice Improvement	265
: Dental Winter Preparedness	128
<b>Total Earmarked</b>	<b>24,305</b>
Outstanding Debt	(2,321)
Unallocated General Fund	7,248
<b>General Fund</b>	<b>29,232</b>



## NORTH AYRSHIRE COUNCIL

21 March 2023

### Cabinet

<b>Title:</b>	<b>Capital Programme Performance to 31 March 2023</b>
<b>Purpose:</b>	To advise Cabinet of progress in delivering the Capital Investment Programme for 2022/23.
<b>Recommendation:</b>	That Cabinet agrees to (a) note the revisions to budgets outlined in the report; (b) note (i) the General Services and HRA revised budgets at 31 January 2023; and (ii) the forecast expenditure to 31 March 2023; and (c) approve the proposed revision to the General Services Capital Programme in respect of the additional borrowing requirement to support the Shewalton and Nethermains Solar PV projects.

### 1. Executive Summary

- 1.1 The General Services Capital Investment Programme 2022/23 to 2030/31 was approved by Council on 2 March 2022. The Housing Revenue Account (HRA) Capital Investment Programme 2022/23 sits within the updated HRA Business Plan and was approved by Council on 16 February 2022.
- 1.2 This report identifies the current programme for 2022/23, taking account of adjustments made to the initial budgets. The report presents the revised budgets at 31 January 2023 (Period 10) and forecast expenditure to 31 March 2023.
- 1.3 At Period 10 the General Fund is forecasting a projected underspend of (£0.104m) against a revised budget of £42.813m. The HRA is forecasting a projected underspend of (£9.102m) against a revised budget of £43.451m.
- 1.4 Within the General Fund, adjustments to funding have resulted in net additions to the overall capital programme of £1.145m, including Scottish Government funding in relation to the Place Based Investment Programme. Further reviews of individual project plans have identified a number of adjustments to the current profiles. As a result, (£7.379m) has been reprofiled for delivery in 2023/24. This has been partly offset by the acceleration of £0.420m to 2022/23 from future years.
- 1.5 Within the HRA, a review of delivery timescales has identified a requirement to re-profile (£15.302m) of works for delivery in 2023/24 and beyond. This is offset by the acceleration of £0.985m to 2022/23 from future years.

- 1.6 The major risk to the forecast position is the uncertainty arising from the ongoing inflationary pressures and supply chain issues which are impacting on tender returns and the cost of materials, as reported across a number of General Fund and HRA projects. While some mitigation has been built into the programme to offset cost pressures, any further significant increase in costs will result in increased borrowing requirements and may have a negative impact on the deliverability of both the General Fund and HRA capital programmes for 2022/23 and beyond. Projects will continue to be monitored closely with cost increases met initially from the additional flexibility built into the programme. However, any requirement for further borrowing not met from a funding source will be a matter for Council to consider.
- 1.7 Following completion of the tender exercise in relation to the Shewalton and Nethermain Solar PV projects, it has been identified that an additional investment of £0.781m is required. Cabinet is requested to approve the additional borrowing requirement to support this investment with the associated costs to be met from the anticipated income associated with the projects.

## 2. Background

### General Fund

- 2.1 The following table outlines the movements in the 2022/23 General Services budget:

	2022/23 £m
Budget as at 30 November 2022	48.627
a) Changes to Funding	1.082
b) Other Revisions to the Programme	0.063
Revised Budget	49.772
c) Alterations to phasing of projects:-	
2022/23 to 2023/24	(7.379)
2023/24 to 2022/23	0.420
Budget as at 31 January 2023	42.813

### 2.2 (a) Changes to Funding

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



<b>Funding Body</b>	<b>Amount</b>	<b>Project</b>
Specific Capital Grant	£1.093m	Place Based Investment Programme
Specific Capital Grant	£0.098m	UK Shared Prosperity Fund
Specific Capital Grant	£0.017m	Island Crisis Emergency Fund
Energy Savings Trust	£0.102m	Workplace Chargers
Scottish Forestry	£0.090m	Lochshore
Sustrans	(£0.133m)	Lochshore
SPT	(£0.185m)	Cumbræ Ferry & Bus Stop
<b>Total</b>	<b>£1.082m</b>	

### 2.3 (b) Other Revisions to the Programme

An adjustment of £0.063m has been reported due to an additional CFCR contributions in relation to the Brodick Library and the vehicle fleet.

### 2.4 (c) Alterations to the Phasing of Projects

The ongoing review of individual project plans, taking cognisance of the current levels of volatility within the construction sector, has identified a requirement to re-profile a further (£7.379m) of works for delivery in 2023/24 and beyond. This includes a corporate phasing adjustment reflecting the degree of uncertainty in the total expenditure projections:

<b>Service</b>	<b>Amount</b>	<b>Project</b>
<b>Communities</b>	(£0.160m)	UFSM Expansion
	(£0.148m)	Montgomerie Park Primary
	(£0.147m)	CO2 Monitors
	(£0.032m)	Annick Primary Early Years
	(£0.070m)	Other minor adjustments
	<b>(£0.557m)</b>	
<b>Chief Executives</b>	(£0.130m)	LAN/WIFI
	(£0.100m)	ICT Investment Fund
	(£0.012m)	Other minor adjustments
	<b>(£0.242m)</b>	
<b>HSCP</b>	(£0.156m)	Improvement Grants
	(£0.020m)	Other minor adjustments
	<b>(£0.176m)</b>	

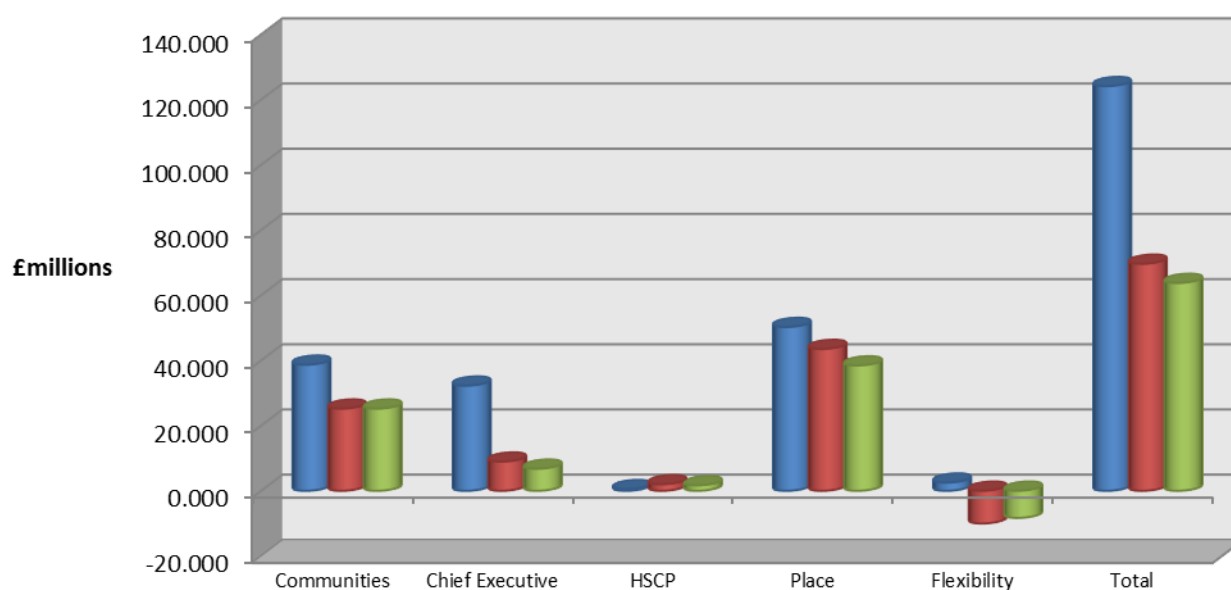
<b>Service</b>	<b>Amount</b>	<b>Project</b>
<b>Place</b>	(£1.700m)	Millport Coastal FPS
	(£0.641m)	PBIP Bank Street
	(£0.520m)	Island Pit Stops
	(£0.356m)	Nature Restoration Fund
	(£0.343m)	Lighting
	(£0.330m)	AGD i3 DPMC
	(£0.300m)	Upper Garnock FPS
	(£0.252m)	Millport Town Hall Regeneration
	(£0.239m)	Repurposing Property Grant Fund
	(£0.237m)	Place Based Investment
	(£0.168m)	Parking Charges & DPE
	(£0.163m)	LED Lighting Replacement
	(£0.159m)	Millport Town Hall Phase 2
	(£0.148m)	Access Path Network
	(£0.140m)	Town Centre Reneneration
	(£0.132m)	PLI Kilwinning Academy
	(£0.113m)	Fleet Decarbonisation
	(£0.111m)	Irvine High Street
	(£0.102m)	Stevenston Cemetery
	(£0.100m)	Montgomerie Park Masterplan
	(£0.098m)	UK Shared Prosperity Fund
	(£0.095m)	PLI Cunninghame House
	(£0.088m)	Kilbirnie Cemetery Wall
	(£0.077m)	VDLF Development Work
	(£0.074m)	A737 Dalry Bypass
	(£0.071m)	VDLF Kyle Road
	(£0.216m)	Other minor adjustments
	<b>(£6.973m)</b>	
<b>Other</b>	(£2.521m)	Flexibility Fund
	<b>(£2.521m)</b>	
<b>Corporate</b>	£3.090m	Uncertainty / Sensitivity Adjustment
	<b>£3.090m</b>	
<b>Total</b>	<b>(£7.379m)</b>	

These adjustments have been partly offset by the acceleration of £0.420m of expenditure to 2022/23 from future years.

Service	Amount	Project
Chief Executives	£0.053m	Schools ICT Investment
Place	£0.078m	PLI Auchenharvie Academy
	£0.198m	Kilwinning Cemetery
	£0.075m	Other minor adjustments
	<b>£0.351m</b>	
Communities	£0.016m	Other minor adjustments
	<b>£0.016m</b>	
<b>Total</b>	<b>£0.420m</b>	

2.5 These adjustments have resulted in a revised 2022/23 budget at 31 January 2023 of £42.709m.

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



Approved Programme	38.672	32.249	0.492	50.239	2.500	124.152
Programme @ P4	25.201	8.948	2.002	43.502	(10.019)	69.634
Programme @ P6	25.196	6.764	1.672	38.451	(8.321)	63.762
Programme @ P8	9.045	2.555	1.578	40.231	(4.782)	48.627
Programme @ P10	8.573	2.366	1.262	34.676	(4.064)	42.813
Movement	(30.099)	(29.883)	0.770	(15.563)	(6.564)	(81.339)

2.7 The impact on budgeted funding, elements of which are related to the profile of expenditure reported above, is a reduction of £5.814m from the revised budget, including:

Category	Amount	Comments
Borrowing	£2.268m	Rephased aligned to projected expenditure
CFCR	(£0.063m)	Additional CFCR Contribution
Capital Grants	£2.995m	Rephased and additional government grants
Other Grants	£0.360m	Rephased and revised contributions
Capital Receipts	£0.254m	Realigned capital receipts
<b>Total</b>	<b>£5.814m</b>	

## 2.8 Projected Capital Expenditure to 31 March 2023

The projections are summarised by service in the following table:

	Revised Budget 2022/23	Budget Revisions	Carry Forwards and Adjustments	Revised Budget 2022/23	Projected Expenditure / Income to 31 March 2023	Projected Variance Over / (Under)
	£m	£m	£m	£m	£m	£m
<u>Expenditure</u>						
Communities	9.045	0.069	(0.541)	<b>8.573</b>	8.475	(0.098)
Chief Executive	2.555	-	(0.189)	<b>2.366</b>	2.365	(0.001)
Health and Social Care Partnership	1.578	(0.140)	(0.176)	<b>1.262</b>	1.262	-
Place	40.231	1.067	(6.622)	<b>34.676</b>	34.671	(0.005)
Other including Flexibility	(4.782)	0.149	0.569	<b>(4.064)</b>	(4.064)	-
Total Expenditure	48.627	1.145	(6.959)	<b>42.813</b>	42.709	(0.104)
<u>Income</u>						
General Capital Grant	(26.341)	-	-	<b>(26.341)</b>	(26.341)	-
Specific Capital Grant	(12.189)	(1.208)	4.203	<b>(9.194)</b>	(9.194)	-
Capital Funded from Current Revenue	(0.018)	(0.063)	-	<b>(0.081)</b>	(0.081)	-
Capital Receipts	(0.466)	-	0.254	<b>(0.212)</b>	(0.212)	-
Other Grants & Contributions	(3.039)	0.126	0.234	<b>(2.679)</b>	(2.679)	-
Prudential Borrowing	(6.574)	-	2.268	<b>(4.306)</b>	(4.202)	0.104
Total Income	(48.627)	(1.145)	6.959	<b>(42.813)</b>	(42.709)	0.104

2.9 Minor underspends totalling £0.104m have been reported in relation to completed projects, including Annick Primary ELC Extension, £0.098m; Our Future Working Environment, £0.001m; and Largs Car Park Infrastructure, £0.005m. These funds will be transferred to the Flexibility budget to offset anticipated budget pressures elsewhere in the programme. Information on the progress of all projects can be found in Appendix 1.

- 2.10 Although not formally reflected in the financial performance reports at this time due to ongoing uncertainty, areas of cost risk have been identified as a result of cost volatility arising from the ongoing inflationary pressures, outstanding contractor claims and supply chain issues which are impacting on tender returns and the cost of materials across a number of projects, as highlighted in appendix 1. Some mitigation has been built into the Capital Investment Programme in the form of enhanced flexibility budgets. However, cost pressures may exceed this provision, requiring additional revenue investment to offset any additional borrowing requirements. These risks will be quantified as individual projects are completed and tendering exercises are finalised, with the impact on the costs of the programme being monitored and reported to Cabinet as appropriate. Any funding in excess of the current level of financial flexibility, which is required to deliver the current capital programme, will be a matter for Council to consider within the context of overall affordability. This affordability assessment was included in the Capital Budget approved at Council on 1 March 2023 and incorporated all known cost pressures, funding and borrowing requirements based on current and projected interest rates, the anticipated re-direction of revenue resources and use of financial flexibilities to support delivery of the programme and a further flexible allowance to help manage the ongoing cost risks associated with the programme.
- 2.11 Following the completion of the P10 projections detailed in this report, the tender exercise in relation to the Solar PV developments at Shewalton and Nethermains has been completed as noted below:

	<b>Nethermains</b>	<b>Shewalton</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<i>Approved Funding</i>			
Prudential Borrowing	£2.268m	-	£2.268m
Investment Fund	£4.500m	£1.400m	£5.900m
Recovery & Renewal Fund	-	£3.880m	£3.880m
<b>Total</b>	<b>£6.768m</b>	<b>£5.280m</b>	<b>£12.048m</b>
Tender Values	£7.289m	£5.540m	£12.829m
<b>Additional Costs</b>	<b>£0.521m</b>	<b>£0.260m</b>	<b>£0.781m</b>

It is currently estimated that the additional borrowing costs associated with the £0.781m additional investment would result in additional revenue costs of £0.060m per annum. It is anticipated that these additional borrowing costs can be met from the net annual income projected from the generation of electricity and it is requested that Cabinet approve the updating of the Capital Investment Programme on this basis.

## Housing Revenue Account

2.12 The following table outlines the movements in the 2022/23 HRA Capital budget:

	2022/23 £m
Budget as at 30 November 2022	57.768
a) Alterations to phasing of projects:-	
2022/23 to 2023/24	(15.302)
2023/24 to 2022/23	0.985
Budget as at 31 January 2023	43.451

### 2.13 (a) Alterations to the Phasing of Projects

A further review of the timescale for delivery of capital projects has identified a requirement to re-profile (£15.302m) of works for delivery in 2023/24 and beyond, including:

Category	Amount	Project
<b>New Builds</b>	(£2.150m)	James McFarlane ASN
	(£1.750m)	Stanecastle ASN
	(£1.700m)	Garnock Academy
	(£1.542m)	Council House Building General
	(£1.450m)	New Build Montgomerie Park
	(£1.400m)	Ayrshire Central
	(£1.005m)	James Reid ASN
	(£0.005m)	Other Minor Adjustments
	<b>(£11.002m)</b>	
<b>Improvements</b>	(£0.152m)	Kitchen Programme Voids
	(£0.068m)	Other minor adjustments
	<b>(£0.220m)</b>	
<b>Refurbishments</b>	(£0.731m)	Demolition High Flats Irvine
	(£0.215m)	Window Replacement
	(£0.159m)	Kitchen Programme
	(£0.001m)	Other minor adjustments
	<b>(£1.106m)</b>	
<b>Other</b>	(£1.820m)	Solar Panels
	(£0.711m)	Other Capital Works
	(£0.207m)	Health & Safety Works
	(£0.180m)	Energy Efficiency Standard
	(£0.056m)	Other minor adjustments
	<b>(£2.974m)</b>	
<b>Total</b>	<b>(£15.302m)</b>	

This has been partly offset by the acceleration of £0.985m of project expenditure for delivery during 2022/23, including:

Category	Amount	Project
<b>New Builds</b>	£0.357m	New Build Flatt Road Phase 1
	£0.193m	New Build St Michaels Wynd
	£0.115m	New Build Afton Court
	£0.109m	New Build Brathwic Terrace
	£0.159m	Other minor adjustments
	<b>£0.933m</b>	
<b>Improvements</b>	<b>£0.018m</b>	Bathroom Programme
<b>Refurbishments</b>	<b>£0.034m</b>	Friars Lawn
<b>Total</b>	<b>£0.985m</b>	

2.14 These adjustments have resulted in a revised 2022/23 budget at 31 January 2023 of £43.451m.

2.15 The impact on budgeted funding is a reduction of £14.317m in Prudential Borrowing aligned to the revised projected expenditure.

2.16 Projected Capital Expenditure to 31 March 2023

The projections are summarised in the following table:

	Revised Budget 2022/23	Carry Forwards and Adjustments	Revised Budget 2022/23	Projected Expenditure / Income to 31 March 2023	Projected Variance Over / (Under)
	£m	£m	£m	£m	£m
<u>Service</u>					
Expenditure					
Housing Revenue Account	57.768	(14.317)	<b>43.451</b>	34.349	(9.102)
Total Expenditure	57.768	(14.317)	<b>43.451</b>	34.349	(9.102)
<u>Income</u>					
CFCR	(12.209)		<b>(12.209)</b>	(12.209)	-
Capital Grants	(1.767)		<b>(1.767)</b>	(1.767)	-
Use of Reserves	(1.151)		<b>(1.151)</b>	(1.151)	-
Affordable Housing Contribution	(1.596)		<b>(1.596)</b>	(1.596)	-
Prudential Borrowing	(41.045)	14.317	<b>(26.728)</b>	(17.626)	9.102
Total Income	(57.768)	14.317	<b>(43.451)</b>	(34.349)	9.102

2.17 A variance of (£9.102m) is projected within the HRA capital programme for 2022/23 arising from revisions to a number of projects, including:

<b>Project</b>	<b>Variance</b>	<b>Comments</b>
Kitchen Programme	(£2.997m)	Aligned to revised Business Plan and labour shortages
Roofing & Rendering	(£2.145m)	Aligned to revised Business Plan
Electrical Rewiring	(£1.532m)	Aligned to revised Business Plan and labour shortages
Insulated Re-rendering	(£1.480m)	Aligned to revised Business Plan and labour shortages
Central Heating	(£0.948m)	Aligned to revised Business Plan
<b>Total</b>	<b>(£9.102m)</b>	

2.18 Increased costs arising from tender inflation and supply chain issues have been identified in relation to some projects, including the Door Replacement Programme and Sheltered Housing Unit Improvements. Further cost pressures resulting from inflationary and supply chain issues continue to be monitored and a review of the potential impact on the Business Plan and Capital Programme will be undertaken to address any identified issues. Further information on the progress of all projects can be found in Appendix 2.

### **3. Proposals**

3.1 That Cabinet agrees to (a) note the revisions to budgets outlined in the report; (b) note (i) the General Services and HRA revised budgets at 31 January 2023; and (ii) the forecast expenditure to 31 March 2023; and (c) approve the proposed revision to the General Services Capital Programme in respect of the additional borrowing requirement to support the Shewalton and Nethermaines Solar PV projects.

### **4. Implications/Socio-economic Duty**

#### **Financial**

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

#### **Human Resources**

4.2 None.

#### **Legal**

4.3 None.



### **Equality/Socio-economic**

4.4 None.

### **Environmental and Sustainability**

4.5 None.

### **Key Priorities**

4.6 This report directly supports the Council Plan 2019 to 2024 by maximising resources and providing value for money to support financially sustainable delivery models.

### **Community Wealth Building**

4.7 None.

## **5. Consultation**

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

**Mark Boyd**  
**Head of Service (Finance)**

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

### **Background Papers**

Capital Programme Performance to 31 March 2023 – Cabinet, 24 January 2023

North Ayrshire Council Capital Statement 2022/23  
Year Ended 31st March 2023

Period 10

Project Description	TOTAL PROJECT				CURRENT YEAR 2022/23								
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2022/23	Brought / Carry Forward to 2023/24	Total Revised Budget 2022/23	Year to Date Budget 2022/23	Actual Expenditure to 31 January 2023	Year to date Variance 2022/23	Projected Expenditure to 31st March 2023	Actual Over/ (Under) Spend for 2022/23	True Over/ (Under) Spend
	£	£	£	£	£	£	£	£	£	£	£	£	£
EXPENDITURE													
Communities													
Nursery Education	15,860,427	15,422,071	15,762,427	(98,000)	2,350,765	(91,599)	2,259,166	0	1,912,409	1,912,409	2,161,166	(98,000)	(98,000)
Primary Schools	35,676,441	5,831,314	35,676,441	0	4,692,399	(302,871)	4,389,528	0	2,866,347	2,866,347	4,389,528	0	0
Secondary Schools	74,575,465	3,839,126	74,575,465	0	919,053	0	919,053	0	541,087	541,087	919,053	0	0
Special Education	25,443,178	25,295,310	25,443,178	0	903,203	0	903,203	0	755,336	755,336	903,203	0	0
Schools Other	298,000	151,457	298,000	0	191,892	(146,543)	45,349	0	45,349	45,349	45,349	0	0
Information & Culture	125,916	16,470	125,916	0	53,289	0	53,289	0	9,907	9,907	53,289	0	0
Completed Projects	43,419,379	43,395,373	43,419,379	0	3,679	0	3,679	0	(20,327)	(20,327)	3,679	0	0
SUB TOTAL	195,398,806	93,951,121	195,300,806	(98,000)	9,114,280	(541,013)	8,573,267	0	6,110,106	6,110,106	8,475,267	(98,000)	(98,000)
Chief Executive													
Council IT Strategy	9,840,210	3,809,256	9,839,597	(613)	2,555,286	(189,552)	2,365,734	0	2,297,528	2,297,528	2,365,121	(613)	(613)
SUB TOTAL	9,840,210	3,809,256	9,839,597	(613)	2,555,286	(189,552)	2,365,734	0	2,297,528	2,297,528	2,365,121	(613)	(613)
Health & Social Care													
Management & Support	2,050,595	790,721	2,050,595	0	217,029	0	217,029	0	46,964	46,964	217,029	0	0
Housing Non HRA	686,065	441,464	686,065	0	686,065	(156,065)	530,000	0	441,464	441,464	530,000	0	0
Adults	4,608,078	4,588,276	4,608,078	0	46,804	(19,936)	26,868	0	27,002	27,002	26,868	0	0
Young People	5,579,718	5,216,166	5,579,718	0	487,982	0	487,982	0	124,430	124,430	487,982	0	0
SUB TOTAL	12,924,457	11,036,627	12,924,457	0	1,437,880	(176,001)	1,261,879	0	639,861	639,861	1,261,879	0	0
Place													
Roads	107,634,049	26,604,339	107,628,516	(2,736,214)	16,643,800	(2,730,681)	13,913,119	0	9,280,655	9,280,655	13,907,586	(5,533)	(5,533)
Streetscene	6,580,996	2,900,769	6,580,996	0	2,268,848	(37,924)	2,230,924	0	1,481,239	1,481,239	2,230,924	0	0
Transport	4,668,111	1,036,281	4,668,111	0	2,802,511	(113,000)	2,689,511	0	920,681	920,681	2,689,511	0	0
Waste Services	14,844,503	14,844,503	14,844,503	0	305,160	0	305,160	0	305,160	305,160	305,160	0	0
Renewable Energy	8,890,393	1,726,700	8,890,393	0	1,067,368	(356,000)	711,368	0	128,236	128,236	711,368	0	0
Office Accommodation	3,331,321	745,943	3,331,321	0	1,918,188	(221,020)	1,697,168	0	745,943	745,943	1,697,168	0	0
Other Property	5,986,638	440,307	5,986,638	0	987,925	(25,682)	962,243	0	57,677	57,677	962,243	0	0
Other Housing	350,000	0	350,000	0	350,000	0	350,000	0	0	0	350,000	0	0
Economic Development & Regen	152,281,929	28,312,101	152,281,929	0	14,913,347	(3,096,834)	11,816,513	0	6,389,025	6,389,025	11,816,513	0	0
Completed Projects	6,390,674	6,311,034	6,390,674	0	40,595	(40,595)	0	0	(28,842)	(28,842)	0	0	0
SUB TOTAL	310,958,614	82,921,978	310,953,081	(2,736,214)	41,297,742	(6,621,736)	34,676,006	0	19,279,774	19,279,774	34,670,473	(5,533)	(5,533)
Other													
Other	9,474,863	0	7,562,125	(1,912,738)	2,520,738	(2,520,738)	0	0	0	0	0	0	0
SUB TOTAL	9,474,863	0	7,562,125	(1,912,738)	2,520,738	(2,520,738)	0	0	0	0	0	0	0
Uncertainty / Sensitivity Adjustment*						(4,064,230)	(4,064,230)				(4,064,230)		
Total Project Expenditure	538,596,951	191,718,982	536,580,067	(4,747,565)	56,925,926	(14,113,270)	42,812,656	0	28,327,269	28,327,269	42,708,510	(104,146)	(104,146)
Total Project Income					(56,925,926)	14,113,270	(42,812,656)	(37,269,953)	(37,269,953)	0	(42,708,510)	104,146	104,146
Total Net Expenditure					0	0	0	(37,269,953)	(8,942,684)	28,327,269	0	0	0

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

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

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

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

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

Capital Programme Funding 2022/23

Funding Description	22/23 Budget at Capital Refresh Mar 2022	Carry Forward from 2021/22	Changes after Capital Refresh Mar 2022	Approved budget at Period 1 used as revised starting point 2022/23	Total Changes in Year	Changes at Capital Refresh Mar 2023	Revised Budget 22/23	Actual Income to 31 January 2023	Projected Income to 31st March 2023	Variance
	£	£	£	£	£		£	£	£	£
CAPITAL BORROWING										
Prudential Borrowing	94,515,334	9,882,875	1,655,477	106,053,686	(90,238,701)		15,814,985		8,265,765	(7,549,220)
SUB TOTAL	94,515,334	9,882,875	1,655,477	106,053,686	(90,238,701)	0	15,814,985	0	8,265,765	(7,549,220)
SCOTTISH GOVERNMENT FUNDING										
Specific Capital Grants										
Early Learning & Childcare	464,253	517,775		982,028	0		982,028	978,659	922,822	(59,206)
Cycling / Walking /Safer Streets	1,111,122	38,831	(300,566)	849,387	(252,322)		597,065	261,387	597,065	0
Vacant & Derelict Land Funding	3,710,375	123,927	848,022	4,682,324	(2,476,215)		2,206,109	4,252,324	2,013,629	(192,480)
UK Government Grant - AGD	2,040,120			2,040,120	(1,832,120)		208,000	0	208,000	0
Lochshore - Garnock Community Visitor Hub	0	50,000		50,000	0		50,000	50,000	50,000	0
Town Centre Regeneration	0	166,774	250,000	416,774	0		416,774	416,773	276,774	(140,000)
Stevenston Beach Hub	0	34,525	50,000	84,525	0		84,525	84,525	84,525	0
Annickbank - Vacant & Derelict Land Investment Programme					400,000		400,000	0	400,000	0
Millport Town Hall Regeneration	0	382,028	1,187,810	1,569,838	0		1,569,838	1,569,838	1,317,309	(252,529)
Millport Town Hall Phase 2					509,450		509,450	0	349,952	(159,498)
Islands Pit Stops					540,000		540,000	0	20,000	(520,000)
Islands Cost Crisis Emergency Fund					17,000		17,000	0	17,000	0
Place Based Investment Programme	706,000	147,903	346,040	1,199,943	1,093,000		2,292,943	2,292,944	1,344,107	(948,836)
UK Shared Prosperity Fund					98,414		98,414	98,414	0	(98,414)
Island Infrastructure Fund	0		259,000	259,000	0		259,000	259,000	259,000	0
Bridges Infrastructure	567,000		(567,000)	0	0		0	0	0	0
B714 Improvements	857,907	197,160		1,055,067	156,933		1,212,000	1,212,000	1,212,000	0
Renewal of Play Parks	0		117,000	117,000	(117,000)		0	0	0	0
Nature Restoration Fund	0			0	0		0	0	0	0
CO2 Monitors in Schools	0	122,000		122,000	0		122,000	122,000	122,000	0
Capital Grants										
Flooding	2,778,000			2,778,000	8,676,000		11,454,000	0	11,454,000	0
General Capital Grant	9,805,000		845,000	10,650,000	4,237,000		14,887,000	24,103,000	14,887,000	
SUB TOTAL	22,039,777	1,780,923	3,035,306	26,856,006	11,050,140	0	37,906,146	35,700,863	35,535,183	(2,370,963)
OTHER INCOME TO PROGRAMME										
Use of Funds :-										
Capital Fund	4,718,975	140,833	88,942	4,948,750	(4,948,750)	0	0	0	0	0
Change & Service Redesign Fund	0	42,682	0	42,682	(42,682)	0	0	0	0	0
CFCR	600,000	0	0	600,000	(518,835)	0	81,165	0	81,165	0
Grants & Contributions	1,925,682	866,594	1,539,395	4,331,671	(1,418,689)	0	2,912,982	1,360,092	2,678,629	(234,353)
Capital Receipts	352,500	0	0	352,500	(141,852)	0	210,648	208,998	211,998	1,350
TOTAL CAPITAL PROGRAMME FUNDING	124,152,268	12,713,907	6,319,120	143,185,295	(86,259,369)	0	56,925,926	37,269,953	46,772,740	(10,153,186)

CAPITAL MONITORING 2022/23																			
COMMUNITIES																			
Project Description	TOTAL PROJECT				2022/23 BUDGETS								COMPLETION DATES		MILESTONE	DELIVERY STATUS		Comments	
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2022/23	Year to Date Budget 2022/23	Actual Expenditure to 31 January 2023	Year to date Variance 2022/23	Projected Expenditure to 31 March 2023	Actual Over/ (Under) Spend for 2022/23	True Over/(Under) Spend	Brought / Carry Forward to 2023/24	Original Target	Revised Forecast	Current Project Stage	Delivery Status Financial	Delivery Status Physical		
	£	£	£	£	£	£	£	£	£	£	£	£							
<a href="#">Nursery Education</a>																			
<a href="#">Early Years Programme</a>																			
ST BRIDGETS EARLY YEARS	785,068	770,580	785,068	0	7,969	0	(6,519)	(6,519)	7,969	0		0	Complete	Complete	Complete	On Target	On Target		
KILMORY EARLY YEARS	55,978	28,117	55,978	0	27,986	0	125	125	195	(27,791)		(27,791)	15-Aug-22	31-Aug-23	Pre Tender	On Target	On Target		
ST PETERS EARLY YEARS	1,261,310	1,226,705	1,261,310	0	42,333	0	7,728	7,728	25,646	(16,687)		(16,687)	Complete	Complete	Complete	On Target	On Target		
ST JOHN OGILVIE EARLY YEARS	177,415	177,415	177,415	0	0	0	0	0	0	0		0	Complete	Complete	Complete	On Target	On Target		
MAYFIELD PS EARLY YEARS	215,850	215,542	215,850	0	5,820	0	5,512	5,512	5,820	0		0	Complete	Complete	Complete	On Target	On Target		
BEITH PS EARLY YEARS	341,321	339,763	341,321	0	6,540	0	4,983	4,983	6,540	0		0	Complete	Complete	Complete	On Target	On Target		
SKELMORLIE PS EARLY YEARS	366,440	346,635	366,440	0	11,492	0	(8,313)	(8,313)	11,492	0		0	Complete	Complete	Complete	On Target	On Target		
WEST KILBRIDE EARLY EARLY YEARS	232,807	220,254	232,807	0	11,531	0	(1,022)	(1,022)	11,531	0		0	Complete	Complete	Complete	On Target	On Target		
GATESIDE EARLY YEARS	407,478	407,478	407,478	0	2,613	0	2,612	2,612	2,613	0		0	Complete	Complete	Complete	On Target	On Target		
GARNOCK CAMPUS EARLY YEARS	58,755	58,755	58,755	0	0	0	0	0	0	0		0	Complete	Complete	Complete	On Target	On Target		
FAIRLIE EARLY YEARS	204,528	204,528	204,528	0	878	0	878	878	878	0		0	Complete	Complete	Complete	On Target	On Target		
ELDERBANK EARLY YEARS	22,983	22,983	22,983	0	0	0	0	0	0	0		0	Complete	Complete	Complete	On Target	On Target		
DREGHORN EARLY YEARS	84,784	82,843	84,784	0	2,341	0	400	400	2,341	0		0	Complete	Complete	Complete	On Target	On Target		
CUMBRAE EARLY YEARS	40,184	40,184	40,184	0	0	0	0	0	0	0		0	Complete	Complete	Complete	On Target	On Target		
LARGS CAMPUS EARLY YEARS	45,836	45,836	45,836	0	0	0	0	0	0	0		0	Complete	Complete	Complete	On Target	On Target		
MOORPARK EARLY YEARS	1,000	182	1,000	0	818	0	0	0	818	0		0	14-Aug-20	15-Aug-22	Development	On Target	On Target		
PIRNMILL EARLY YEARS	80,000	51,433	80,000	0	77,510	0	48,944	48,944	77,510	0		0	31-Oct-21	30-Apr-23	Construction	On Target	On Target		
SHISKINE EARLY YEARS	74,808	120,031	74,808	0	18,650	0	63,872	63,872	18,650	0		0	31-Oct-21	30-Apr-23	Construction	On Target	On Target		
CORRIE EARLY YEARS	38,606	24,708	38,606	0	37,046	0	23,149	23,149	36,441	(605)		(605)	31-Oct-21	01-Aug-23	Defects	On Target	On Target		
LAMLASH EARLY YEARS	15,000	807	15,000	0	14,318	0	125	125	195	(14,123)		(14,123)	31-Oct-21	31-Aug-23	Tender	On Target	On Target		
BRODICK EARLY YEARS	342,590	322,508	342,590	0	334,151	0	314,070	314,070	334,151	0		0	Complete	Complete	Complete	Complete	Complete		
MARRESS HOUSE	3,460,332	3,338,890	3,460,332	0	1,532,990	0	1,411,548	1,411,548	1,532,990	0		0	22-Jul-22	31-May-23	Construction	On Target	Significantly off target	result of poor performance by the contractor and continuing issues with the condition of the existing building	
<a href="#">Completed Nursery Education</a>																			
LAWTHORN EARLY YEARS	201,037	201,037	201,037	0	77	0	77	77	77	0		0	Complete	Complete	Complete	Complete	Complete		
<a href="#">Other Nursery Education</a>																			
ANNICK PRIMARY EXT - EARLY YRS PROVISION	3,201,415	3,029,954	3,103,415	(98,000)	215,702	0	44,241	44,241	85,309	(130,393)	(98,000)	(32,393)	Complete	Complete	Complete	On Target	On Target		
<a href="#">Total Nursery Education</a>	15,860,427	15,422,071	15,762,427	(98,000)	2,350,765	0	1,912,409	1,912,409	2,161,166	(189,599)	(98,000)	(91,599)							
<a href="#">Primary Schools</a>																			
MOORPARK PRIMARY	10,849,442	4,831,726	10,849,442	0	3,086,371	0	2,017,289	2,017,289	3,086,371	0		0	30-Sep-22	30-Sep-23	Construction	Slightly off target	Significantly off target	Delays are being experienced by the contractor and wider supply chain.	
MONTGOMERIE PARK SCHOOL	14,470,000	649,380	14,470,000	0	884,778	0	499,111	499,111	736,478	(148,300)		(148,300)	30-Apr-24	12-Aug-24	Tender	Significantly off target	On Target	Revised project costs £2.550m above initial budget as reported to Cabinet on 27/4/22	
UNIVERSAL FREE SCHOOL MEALS EXPANSION	2,626,572	0	2,626,572	0	159,572	0	0	0	0	(159,572)		(159,572)	31-Mar-24	31-Mar-24	Tender	On Target	On Target		
UFSM BRODICK PRIMARY SCHOOL	177,928	106,159	177,928	0	144,178	0	106,159	106,159	144,178	0		0	Complete	Complete	Complete	Complete	Complete		
UFSM CORRIE PRIMARY SCHOOL	52,500	44,306	52,500	0	52,500	0	44,306	44,306	52,500	0		0	Complete	Complete	Complete	Complete	Complete		
UFSM LARGS PRIMARY SCHOOL	195,000	19,271	195,000	0	150,000	0	19,271	19,271	150,000	0		0	Complete	Complete	Complete	Complete	Complete		
UFSM SHISKINE PRIMARY SCHOOL	15,000	24,678	15,000	0	15,000	0	24,678	24,678	3,553	(11,447)		(11,447)	Complete	Complete	Complete	Complete	Complete		
UFSM WEST KILBRIDE PRIMARY SCHOOL	2,500,000	155,794	2,500,000	0	200,000	0	155,532	155,532	216,448	16,448		16,448	31-Aug-24	31-Jan-23	Tender	On Target	On Target		
<a href="#">Total Primary Education</a>	35,676,441	5,831,314	35,676,441	0	4,692,399	0	2,866,347	2,866,347	4,389,528	(302,871)	0	(302,871)							
<a href="#">Secondary Schools</a>																			
KILWINNING LEARNING ENVIRONMENT	2,805,435	2,426,731	2,805,435	0	127,953	0	72,329	72,329	127,953	0		0	31-Aug-21	31-Mar-24	Construction	On Target	On Target		
AYRSHIRE COLLEGE PARTNERSHIP DEVELOPMENT	200,000	0	200,000	0	200,000	0	0	0	200,000	0		0	31-Mar-22	31-Jan-23	Future Years	On Target	On Target		
ARDROSSAN NEW BUILD	71,570,030	1,412,395	71,570,030	0	591,100	0	468,758	468,758	591,100	0		0	31-Aug-26	31-Aug-26	In Development	Slightly off target	Slightly off target	Delayed expenditure linked to anticipated delays and inflationary pressures linked to the advance works tender process.	
<a href="#">Total Secondary Education</a>	74,575,465	3,839,126	74,575,465	0	919,053	0	541,087	541,087	919,053	0	0	0							
<a href="#">Special Education</a>																			
LOCKHART CAMPUS	25,443,178	25,295,310	25,443,178	0	903,203	0	755,336	755,336	903,203	0		0	Complete	Complete	Snagging	On Target	On Target		
<a href="#">Total Special Education</a>	25,443,178	25,295,310	25,443,178	0	903,203	0	755,336	755,336	903,203	0	0	0							
<a href="#">Schools Other</a>																			
CO2 MONITORS IN SCHOOLS	298,000	151,457	298,000	0	191,892	0	45,349	45,349	45,349	(146,543)		(146,543)	31-Mar-23	31-Mar-24	Planning	On Target	On Target		
<a href="#">Total Schools Other</a>	298,000	151,457	298,000	0	191,892	0	45,349	45,349	45,349	(146,543)	0	(146,543)							
<a href="#">Information &amp; Culture</a>																			
CASTLES & HISTORIC MONUMENTS	50,740	9,907	50,740	0	50,740	0	9,907	9,907	50,740	0		0	Holding Code	Holding Code	Holding Code	Holding Code	Holding Code		
ABBAY TOWER	75,176	6,563	75,176	0	2,549	0	0	0	2,549	0		0	Autumn 2023	Autumn 2023	Planning	On Hold	On Hold		
<a href="#">Total Information &amp; Cultural</a>	125,916	16,470	125,916	0	53,289	0	9,907	9,907	53,289	0	0	0							
<a href="#">Completed Projects</a>																			
GARNOCK CAMPUS	40,307,259	40,284,039	40,307,259	0	2,893	0	(20,327)	(20,327)	2,893	0		0	Complete	Complete	Complete	Complete	Complete		
AUCHENHARVIE SECONDARY ESTATE LEARNING ENVT	3,112,120	3,111,334	3,112,120	0	786	0	0	0	786	0		0	Complete	Complete	Complete	Complete	Complete		
<a href="#">Total Completed Projects</a>	43,419,379	43,395,373	43,419,379	0	3,679	0	(20,327)	(20,327)	3,679	0	0	0							
<a href="#">Total Communities</a>	195,398,806	93,951,121	195,300,806	(98,000)	9,114,280	0	6,110,106	6,110,106	8,475,267	(639,013)	(98,000)	(541,013)							

Project Description	TOTAL PROJECT				2022/23 BUDGETS								COMPLETION DATES		MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2022/23	Year to Date Budget 2022/23	Actual Expenditure to 31 January 2023	Year to Date Variance 2022/23	Projected Expenditure to 31 March 2023	Actual Over/ (Under) Spend for 2022/23	True Over/(Under) Spend	Brought / Carry Forward to 2023/24	Original Target	Revised Forecast	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£	£						
<a href="#">Council IT Strategy</a>																		
SCHOOLS ICT INVESTMENT *	1,297,915	1,350,363	1,297,915	0	1,297,915	0	1,350,363	1,350,363	1,350,363	52,448		52,448	31-Mar-23	31-Mar-23	On-going	On Target	On Target	
ICT INVESTMENT FUND	3,822,986	936,131	3,822,986	0	430,000	0	306,341	306,341	330,000	(100,000)		(100,000)	31-Mar-26	31-Mar-26	On-going	On Target	On Target	
WAN	857,100	352,453	857,100	0	94,297	0	89,649	89,649	94,297	0		0	31-Mar-28	31-Mar-28	Implementation	On Target	On Target	
LAN/WIFI	2,673,000	930,505	2,673,000	0	691,816	0	559,321	559,321	561,816	(130,000)		(130,000)	31-Mar-28	31-Mar-28	Implementation	On Target	On Target	
TELEPHONY	1,146,693	197,902	1,146,693	0	36,988	0	(11,803)	(11,803)	24,988	(12,000)		(12,000)	31-Mar-28	31-Mar-28	Implementation	On Target	On Target	
OUR FUTURE WORKING ENVIRONMENT	42,516	41,903	41,903	(613)	4,270	0	3,657	3,657	3,657	(613)	(613)	0	Complete	Complete	Complete	Complete	Complete	
<a href="#">Total IT Strategy</a>	9,840,210	3,809,256	9,839,597	(613)	2,555,286	0	2,297,528	2,297,528	2,365,121	(190,165)	(613)	(189,552)						
<a href="#">Total Chief Executive</a>	9,840,210	3,809,256	9,839,597	(613)	2,555,286	0	2,297,528	2,297,528	2,365,121	(190,165)	(613)	(189,552)						

Project Description	TOTAL PROJECT				2022/23 BUDGETS								COMPLETION DATES		MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2022/23	Year to Date Budget 2022/23	Actual Expenditure to 31 January 2023	Year to Date Variance 2022/23	Projected Expenditure to 31 March 2023	Actual Over/ (Under) Spend for 2022/23	True Over/(Under) Spend	Brought / Carry Forward to 2023/24	Original Target	Revised Forecast	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£	£						
Management & Support																		
HOME CARE SYSTEM	433,917	433,917	433,917	0	42,682	0	42,682	42,682	42,682	0		0	Complete	Complete	Complete	Complete	Complete	
COMMUNITY ALARMS - ANALOGUE TO DIGITAL	996,000	4,190	996,000	0	6,190	0	4,190	4,190	6,190	0		0	31-Dec-23	31-Dec-23	Future Years	On Target	On Target	
CAREFIRST REPLACEMENT	536,058	267,993	536,058	0	168,157	0	92	92	168,157	0		0	31-Aug-24	31-Aug-24	In development	On Target	On Target	
Total Management & Support	2,050,595	790,721	2,050,595	0	217,029	0	46,964	46,964	217,029	0	0	0						
Housing Non HRA																		
IMPROVEMENT GRANTS *	686,065	441,464	686,065	0	686,065	0	441,464	441,464	530,000	(156,065)		(156,065)	31-Mar-23	31-Mar-23	Ongoing	On Target	On Target	
Total Housing Non HRA	686,065	441,464	686,065	0	686,065	0	441,464	441,464	530,000	(156,065)	0	(156,065)						
Adults																		
TRINDLEMOSS	4,608,078	4,588,276	4,608,078	0	46,804	0	27,002	27,002	26,868	(19,936)		(19,936)	Complete	Complete	Complete	Complete	Complete	
Total Older People	4,608,078	4,588,276	4,608,078	0	46,804	0	27,002	27,002	26,868	(19,936)	0	(19,936)						
Young People																		
RESIDENTIAL & RESPITE UNIT	5,579,718	5,216,166	5,579,718	0	487,982	0	124,430	124,430	487,982	0		0	Complete	Complete	Snagging	On Target	On Target	
Total Young People	5,579,718	5,216,166	5,579,718	0	487,982	0	124,430	124,430	487,982	0	0	0						
Total Health & Social Care	12,924,457	11,036,627	12,924,457	0	1,437,880	0	639,861	639,861	1,261,879	(176,001)	0	(176,001)						



CAPITAL MONITORING 2022/23

PLACE

Project Description	TOTAL PROJECT				2022/23 BUDGETS								COMPLETION DATES		MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2022/23	Year to Date Budget 2022/23	Actual Expenditure to 31 January 2023	Year to Date Variance 2022/23	Projected Expenditure to 31 March 2023	Actual Over/ (Under) Spend for 2022/23	True Over/ (Under) Spend	Brought / Carry Forward to 2023/4	Original Target	Revised Forecast	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
	£	£	£	£	£	£	£	£	£	£	£	£						
PHYSICAL ENVIRONMENT																		
Roads																		
ROADS IMPROVE/RECONSTRUCTION *	4,814,795	4,814,795	4,814,795	0	4,814,795	0	4,439,975	4,439,975	4,814,795	0		0	31-Mar-23	31-Mar-23	Multiple Projects	On Target	On Target	
A737 DALRY BYPASS	210,000	136,000	210,000	0	210,000	0	85,699	85,699	136,000	(74,000)		(74,000)	31-Mar-24	31-Mar-24	In Development	On Target	On Target	
TRAFFIC CALMING	175,000	9,980	175,000	0	100,000	0	9,980	9,980	100,000	0		0	31-Mar-24	31-Mar-24	In Development	On Target	On Target	
VEHICLE RESTRAINT SYSTEM UPGRADE	100,000	0	100,000	0	100,000	0	0	0	100,000	0		0	31-Mar-23	31-Mar-23	In Development	On Target	On Target	
LIGHTING *	1,587,827	908,556	1,587,827	0	1,587,827	0	908,556	908,556	1,244,770	(343,057)		(343,057)	31-Mar-23	31-Mar-23	Multiple Projects	On Target	On Target	
LED LIGHTING REPLACEMENT	695,000	200,700	695,000	0	492,190	0	200,700	200,700	329,690	(162,500)		(162,500)	31-Mar-23	31-Mar-23	Multiple Projects	On Target	On Target	
A737 DALRY BYPASS LIGHTING	20,685	0	20,685	0	20,685	0	0	0	6,485	(14,200)		(14,200)	31-Mar-23	31-Mar-23	Preparing Works Packa	On Target	On Target	
UPPER GARNOCK FPS	18,503,800	17,351,773	18,503,800	0	3,454,934	0	2,302,907	2,302,907	3,154,934	(300,000)		(300,000)	Complete	Complete	Complete	Slightly off target	Slightly off target	The contractor did not achieve the programme before winter. The drainage and topsoiling/ seeding cannot be completed until next spring
MILLPORT COASTAL FPS	48,599,796	1,306,302	48,599,796	0	3,000,000	0	41,506	41,506	1,300,000	(1,700,000)		(1,700,000)	31-Aug-24	31-Aug-24	Construction	On Target	On Target	
MILLBURN FPS	1,757,000	194,541	1,757,000	0	60,000	0	7,523	7,523	60,000	0		0	31-Mar-23	31-Jul-24	Design	On Target	Significantly off	Delays in the design process
BRIDGES INFRASTRUCTURE PROG *	1,000,000	621,165	1,000,000	0	1,000,000	0	621,165	621,165	1,000,000	0		0	31-Mar-23	31-Mar-23	Multiple Projects	On Target	On Target	
LARGS PROMENADE SEAWALL	3,039,000	302,224	3,039,000	0	160,840	0	191,596	191,596	191,596	30,756		30,756	31-Oct-23	31-Oct-23	Tender	Slightly off target	On Target	Increased tender cost risks identified
B714 UPGRADE	26,063,443	462,662	26,063,443	0	1,212,000	0	462,662	462,662	1,212,000	0		0	31-Mar-25	31-Mar-25	Outline Design	Significantly off target	On Target	Increased tender cost risks identified
LARGS CAR PARK INFRASTRUCTURE	60,000	54,467	54,467	(5,533)	5,533	0	0	0	0	(5,533)	(5,533)	0	Complete	Complete	Complete	Complete	Complete	
GALLOWGATE TOILETS	250,000	3,977	250,000	0	247,316	0	1,294	1,294	247,316	0		0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
PARKING CHARGES & DPE	257,705	87,119	257,705	0	177,680	0	7,095	7,095	10,000	(167,680)		(167,680)	31-Mar-24	31-Mar-24	In Development	On Target	On Target	
Total Roads	107,634,049	26,604,339	107,628,516	(5,533)	16,643,800	0	9,280,655	9,280,655	13,907,586	(2,736,214)	(5,533)	(2,730,681)						
Streetscene																		
LAMLASH CEMETERY EXTENSION	715,065	715,065	715,065	0	30,540	0	30,540	30,540	30,540	0		0	Complete	Complete	Complete	Complete	Complete	
HIGH KIRK CEMETERY	0	767	0	0	0	0	767	767	0	0		0				On Target	On Target	
DREGHORN CEMETERY	0	1,110	0	0	0	0	1,110	1,110	0	0		0				On Target	On Target	
ARDROSSAN CEMETERY PLOTS AND WALLS	217,922	151,142	217,922	0	67,219	0	439	439	55,921	(11,298)		(11,298)	Complete	Complete	Complete	Complete	Complete	
KILBIRNIE CEMETERY	623,833	34,605	623,833	0	9,223	0	9,223	9,223	9,223	0		0	31-Mar-25	31-Mar-25	Feasibility Works	On Hold	On Hold	
KILWINNING CEMETERY NEW	1,240,642	926,124	1,240,642	0	953,868	0	837,678	837,678	1,152,196	198,328		198,328	01-Sep-22	31-May-23	Construction	On Target	Significantly off	Contractor appointed and work commenced
KNADGERHILL CEMETERY EXTENSION	443,581	390,453	443,581	0	49,340	0	(3,787)	(3,787)	49,340	0		0	01-Oct-22	31-Mar-23	Construction	On Target	On Target	
WEST KILBRIDE CEMETERY	349,622	218,694	349,622	0	310,902	0	187,481	187,481	310,902	0		0	25-Nov-22	28-Feb-24	Construction	On Target	On Target	
STEVENSTON CEMETERY	545,429	206,281	545,429	0	467,991	0	162,453	162,453	365,961	(102,030)		(102,030)	23-Dec-22	30-Apr-23	Construction	On Target	On Target	
ARDROSSAN CEMETERY NEW	900,603	603	900,603	0	0	0	0	0	0	0		0	Future years	Future years	Future years	On Hold	On Hold	
BRODICK CEMETERY	12,000	7,021	12,000	0	7,021	0	7,021	7,021	9,521	2,500		2,500	Future years	Future years	Planning	On Hold	On Hold	
KILBIRNIE CEMETERY WALL	188,370	2,043	188,370	0	90,000	0	2,043	2,043	2,043	(87,957)		(87,957)	31-Mar-23	30-Apr-23	Feasibility Works	On Target	On Target	
BEITH CEMETERY-WALL REPAIRS	87,542	3,122	87,542	0	40,000	0	2,533	2,533	2,533	(37,467)		(37,467)	31-Mar-23	30-Apr-23	Feasibility Works	On Target	On Target	
ABBAY TOWER CEMETERY WALL	95,550	2,314	95,550	0	3,520	0	2,314	2,314	3,520	0		0	31-Mar-24	31-Mar-24	Feasibility Works	On Target	On Target	
HAWKHILL CEMETERY-WALL REPAIRS	108,732	1,811	108,732	0	1,811	0	1,811	1,811	1,811	0		0	31-Mar-24	31-Mar-24	Feasibility Works	On Target	On Target	
WEST KILBRIDE CEMETERY WALL	99,528	771	99,528	0	2,413	0	771	771	2,413	0		0	31-Mar-24	31-Mar-24	Feasibility Works	On Hold	On Hold	
STREET FURNITURE IMPROVEMENT	0	48,941	0	0	0	0	48,941	48,941	0	0		0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
PARK ENABLING WORKS	0	71,394	0	0	0	0	71,394	71,394	0	0		0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
RENEWAL OF PLAY PARKS	235,000	109,288	235,000	0	235,000	0	109,288	109,288	235,000	0		0	31-Mar-23	31-Mar-23	Construction	On Target	On Target	
Total Streetscene	6,580,996	2,900,769	6,580,996	0	2,268,848	0	1,481,239	1,481,239	2,230,924	(37,924)	0	(37,924)						
Transport																		
VEHICLES *	1,851,898	787,138	1,851,898	0	1,851,898	0	787,138	787,138	1,851,898	0		0	31-Mar-23	31-Mar-23	Ongoing	On Target	On Target	
WORKPLACE CHARGERS	316,213	225,283	316,213	0	200,613	0	109,683	109,683	200,613	0		0	31-Mar-23	31-Mar-23	Ongoing	On Target	On Target	
FLEET DECARBONISATION	2,500,000	23,860	2,500,000	0	750,000	0	23,860	23,860	637,000	(113,000)		(113,000)	31-Mar-23	31-Mar-23	Ongoing	On Target	On Target	
Total Transport	4,668,111	1,036,281	4,668,111	0	2,802,511	0	920,681	920,681	2,689,511	(113,000)	0	(113,000)						
Waste Services																		
SHEWALTON LANDFILL	13,577,702	13,577,702	13,577,702	0	305,160	0	305,160	305,160	305,160	0		0	Complete	Complete	Complete	Complete	Complete	
Total Waste Services	14,844,503	14,844,503	14,844,503	0	305,160	0	305,160	305,160	305,160	0	0	0						
Renewable Energy																		
SOLAR PV RETROFIT EXTENSION	120,000	41,795	120,000	0	78,205	0	0	0	78,205	0		0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
SOLAR PV INVESTMENT - NETHERMAINS	6,768,000	139,534	6,768,000	0	500,000	0	96,094	96,094	500,000	0		0	30-Apr-24	30-Apr-24	Work Ongoing	On Target	On Target	
SOLAR PV INVESTMENT - SHEWALTON	0	640	0	0	0	0	640	640	0	0		0	30-Oct-24	30-Oct-24	Work Ongoing	On Target	On Target	
NON DOMESTIC ENERGY EFFICIENCY PROGRAMME	1,000,000	890,890	1,000,000	0	63,589	0	(45,521)	(45,521)	63,589	0		0	31-Mar-23	31-Mar-23	Work Ongoing	On Target	On Target	
NATURE RESTORATION FUND	356,000	0	356,000	0	356,000	0	0	0	0	(356,000)		(356,000)	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
ELECTRIC VEHICLES INFRASTRUCTURE	646,392	653,841	646,392	0	69,574	0	77,023	77,023	69,574	0		0	31-Mar-23	31-Mar-23	Various	On Target	On Target	
Total Renewable Energy	8,890,393	1,726,700	8,890,393	0	1,067,368	0	128,236	128,236	711,368	(356,000)	0	(356,000)						

PLACE

Project Description	TOTAL PROJECT				2022/23 BUDGETS								COMPLETION DATES		MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2022/23	Year to Date Budget 2022/23	Actual Expenditure to 31 January 2023	Year to Date Variance 2022/23	Projected Expenditure to 31 March 2023	Actual Over/ (Under) Spend for 2022/23	True Over/ (Under) Spend	Brought / Carry Forward to 2023/4	Original Target	Revised Forecast	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
Office Accommodation																		
PROPERTY LIFECYCLE INVESTMENT *	33,105	0	33,105	0	33,105	0	0	0	33,105	0	0	0	31-Mar-23	31-Mar-23	Multiple projects	On Target	On Target	
PLI CALEY COURT RESOURCE CTR	3,000	0	3,000	0	3,000	0	0	0	3,000	0	0	0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
PLI CENTRAL AVE STREETSCENE DEPOT*	64,344	64,344	64,344	0	64,344	0	64,344	64,344	64,344	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI BEITH CEMETERY	429	429	429	0	429	0	429	429	429	0		0	Complete	Complete	Complete	Complete	Complete	
PLI WHITLEES COMMUNITY CTR	3,600	0	3,600	0	3,600	0	0	0	3,600	0		0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
PLI WEST KILBRIDE COMMUNITY CENTRE	135,499	98,575	135,499	0	135,499	0	98,575	98,575	135,499	0	0	0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
PLI WOODWYND HALL	2,000	0	2,000	0	2,000	0	0	0	0	(2,000)	0	(2,000)	21-Oct-22	31-May-23	Planning	On Target	On Target	
PLI PORTLAND PLACE	27,967	0	27,967	0	27,967	0	0	0	18,000	(9,967)	0	(9,967)	31-Dec-22	30-Jun-23	Planning	On Target	On Target	
PLI PADDOCKHOLM DEPOT	10,000	0	10,000	0	10,000	0	0	0	10,000	0	0	0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
PLI WEST BYREHILL DEPOT	160,513	28,385	160,513	0	160,513	0	28,385	28,385	160,513	0	0	0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
PLI GOLDCRAIGS DEPOT	134,000	15,405	134,000	0	14,024	0	15,405	15,405	15,405	1,381		1,381	31-Mar-23	31-Mar-24	Planning	On Target	On Target	
PLI ANNICK PRIMARY SCHOOL	5,825	5,825	5,825	0	5,825	0	5,825	5,825	5,825	0		0	Complete	Complete	Complete	Complete	Complete	
PLI ARDEER PRIMARY SCHOOL	2,952	2,952	2,952	0	2,952	0	2,952	2,952	2,952	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI BLACKLANDS PRIMARY SCHOOL	210,000	191,777	210,000	0	210,000	0	191,777	191,777	210,000	0		0	Complete	Complete	Complete	Complete	Complete	
PLI CALEDONIA PRIMARY SCHOOL	11,968	6,646	11,968	0	11,968	0	6,646	6,646	11,968	0		0	Complete	Complete	Complete	Complete	Complete	
PLI DALRY PRIMARY SCHOOL	89,000	6,704	89,000	0	19,907	0	6,704	6,704	19,907	0		0	18-Aug-23	18-Aug-23	Planning	On Target	On Target	
PLI FAIRLIE PRIMARY SCHOOL	7,374	0	7,374	0	7,374	0	0	0	7,374	0		0	Complete	Complete	Complete	Complete	Complete	
PLI GLENCAIRN PRIMARY SCHOOL	175,759	155,088	175,759	0	175,759	0	155,088	155,088	175,759	0		0	Complete	Complete	Complete	Complete	Complete	
PLI PENNYBURN PRIMARY	415,450	0	415,450	0	35,000	0	0	0	3,500	(31,500)		(31,500)	31-Aug-23	31-Aug-23	Planning	On Target	On Target	
PLI ST BRIDGETS PRIMARY	5,500	0	5,500	0	5,500	0	0	0	5,500	0		0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
PLI SHISKINE PRIMARY	3,927	28	3,927	0	3,927	0	28	28	3,927	0		0	Complete	Complete	Complete	Complete	Complete	
PLI ST JOHN OGILVIE PRIMARY SCHOOL	13,323	13,323	13,323	0	13,323	0	13,323	13,323	13,323	0		0	Complete	Complete	Complete	Complete	Complete	
PLI ST PETER'S PRIMARY	1,971	1,971	1,971	0	1,971	0	1,971	1,971	1,971	0		0	Complete	Complete	Complete	Complete	Complete	
PLI WEST KILBRIDE PRIMARY*	325	325	325	0	325	0	325	325	325	0	0	0	Complete	Complete	Complete	Complete	Complete	
PLI WOODLANDS PRIMARY	5,553	5,553	5,553	0	5,553	0	5,553	5,553	5,553	0		0	Complete	Complete	Complete	Complete	Complete	
PLI AUCHENHARVIE ACADEMY*	821,820	100,109	821,820	0	471,820	0	100,109	100,109	550,000	78,180		78,180	31-Mar-23	30-Jun-23	Construction	On Target	On Target	
PLI IRVINE ROYAL ACADEMY*	378,785	10,171	378,785	0	10,171	0	10,171	10,171	10,171	0		0	31-Aug-23	31-Aug-23	Pupil Toilets: Complete	On Target	Significantly off	Resource pressures within PMI resulting in this project being
PLI KILWINNING ACADEMY	270,000	17,677	270,000	0	220,000	0	17,677	17,677	87,677	(132,323)		(132,323)	31-Aug-23	31-Aug-23	Planning	On Target	On Target	
PLI 6A KILWINNING ROAD	7,619	7,619	7,619	0	7,619	0	7,619	7,619	7,619	0		0	Complete	Complete	Complete	Complete	Complete	
PLI LARGS LIBRARY	5,000	0	5,000	0	5,000	0	0	0	5,000	0		0	Complete	Complete	Complete	Complete	Complete	
PLI CUNNINGHAME HOUSE	98,273	3,482	98,273	0	98,273	0	3,482	3,482	3,482	(94,791)		(94,791)	31-Mar-23	31-Aug-23	On Hold	On Target	Slightly off target	Works on hold depending on Land and Property review
PLI H&SCP 47 WEST ROAD	10,000	9,555	10,000	0	10,000	0	9,555	9,555	10,000	0		0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
PLI GALT HOUSE	12,486	0	12,486	0	12,486	0	0	0	12,486	0		0	Complete	Complete	Complete	Complete	Complete	
PLI ACHNAMARA CHILDREN'S UNIT	25,000	0	25,000	0	25,000	0	0	0	25,000	0		0	Complete	Complete	Complete	Complete	Complete	
PLI THE MEADOWS	5,900	0	5,900	0	5,900	0	0	0	5,900	0		0	Complete	Complete	Complete	Complete	Complete	
PLI ANAM CARA	80,000	0	80,000	0	80,000	0	0	0	50,000	(30,000)		(30,000)	30-Apr-23	31-May-23	Planning	On Target	On Target	
PLI GARNOCK CAMPUS	11,443	0	11,443	0	11,443	0	0	0	11,443	0		0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
PLI THE PORTAL	6,611	0	6,611	0	6,611	0	0	0	6,611	0		0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
Total Office Accommodation	3,331,321	745,943	3,331,321	0	1,918,188	0	745,943	745,943	1,697,168	(221,020)	0	(221,020)						
Other Property																		
INDUSTRIAL PORTFOLIO *	430,713	0	430,713	0	430,713	0	0	0	430,713	0		0	On Hold	On Hold	Multiple projects	On Target	On Target	
HOME	4,470,199	288,648	4,470,199	0	100,000	0	50,533	50,533	100,000	0	0	0	31-Mar-24	31-Mar-24	In development	On Target	On Target	
BUILD	284,086	46,249	284,086	0	247,284	0	9,448	9,448	247,284	0	0	0	31-Mar-23	31-Mar-23	In development	On Target	On Target	
EMERGENCY CONTROL CTR	158,000	1,220	158,000	0	158,000	0	1,220	1,220	158,000	0	0	0	31-Mar-23	31-Mar-23	In development	On Target	On Target	
GOLDCRAIGS REFURBISHMENT	509,000	0	509,000	0	25,000	0	0	0	25,000	0	0	0	31-Mar-24	31-Mar-24	In development	On Target	On Target	
WOODLANDS PRIMARY PLAYINGFIELD DRAINAGE	134,640	104,190	134,640	0	26,928	0	(3,523)	(3,523)	1,246	(25,682)		(25,682)	Complete	Complete	Complete	On Target	On Target	
Total Property	5,986,638	440,307	5,986,638	0	987,925	0	57,677	57,677	962,243	(25,682)	0	(25,682)						
Other Housing																		
CCTV REVIEW	350,000	0	350,000	0	350,000	0	0	0	350,000	0		0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
Total Other Housing	350,000	0	350,000	0	350,000	0	0	0	350,000	0	0	0						



PLACE

Project Description	TOTAL PROJECT				2022/23 BUDGETS								COMPLETION DATES		MILESTONE	DELIVERY STATUS		Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2022/23	Year to Date Budget 2022/23	Actual Expenditure to 31 January 2023	Year to Date Variance 2022/23	Projected Expenditure to 31 March 2023	Actual Over/ (Under) Spend for 2022/23	True Over/ (Under) Spend	Brought / Carry Forward to 2023/4	Original Target	Revised Forecast	Current Project Stage	Delivery Status Financial	Delivery Status Physical	
Regeneration																		
TOWN CENTRE REGENERATION	1,290,257	1,055,769	1,290,257	0	416,774	0	182,287	182,287	276,774	(140,000)		(140,000)	30-Sep-22	30-Sep-23	Construction	On Target	On Target	Contractor is delayed, revised completion May 2023
REPURPOSING PROPERTY GRANT FUND	330,000	30,177	330,000	0	329,320	0	29,497	29,497	90,000	(239,320)		(239,320)	30-May-25	30-May-25	In development	On Target	On Target	
STEVENSTON BEACH HUB	180,000	180,000	180,000	0	84,525	0	84,525	84,525	84,525	0		0	Complete	Complete	Complete	Complete	Complete	
MILLPORT TOWN HALL REGENERATION	2,103,330	1,757,966	2,103,330	0	1,569,838	0	1,224,474	1,224,474	1,317,309	(252,529)		(252,529)	31-Dec-22	31-May-23	Construction	On Target	Slightly off target	
MILLPORT TOWN HALL PHASE 2	509,450	77,634	509,450	0	509,450	0	77,634	77,634	349,952	(159,498)		(159,498)	31-Mar-23	31-May-23	Construction	On Target	Slightly off target	
ISLANDS PIT STOPS	540,000	0	540,000	0	540,000	0	0	0	20,000	(520,000)		(520,000)	31-Mar-24	31-Mar-24	In development	On Target	On Target	
ISLAND INFRASTRUCTURE FUND	259,000	137,112	259,000	0	259,000	0	137,112	137,112	259,000	0		0	31-Mar-23	31-Mar-23	In development	On Target	On Target	
ISLANDS COST CRISIS FUND	17,000	0	17,000	0	17,000	0	0	0	17,000	0		0	31-Mar-23	31-Mar-23	In development	On Target	On Target	
PLACE BASED INVESTMENT PROGRAMME (PBIP)	1,343,000	421,478	1,343,000	0	1,312,223	0	390,701	390,701	1,075,000	(237,223)		(237,223)	31-Mar-26	31-Mar-26	In development	On Target	On Target	
UK SHARED PROSPERITY FUND (SPF)	98,414	0	98,414	0	98,414	0	0	0	0	(98,414)		(98,414)	31-Mar-25	31-Mar-25	In development	On Target	On Target	
PBIP 36 BANK STREET	770,000	72,103	770,000	0	741,400	0	43,504	43,504	100,000	(641,400)		(641,400)	31-Dec-24	31-Dec-25	In development	On Target	On Target	
IRVINE HIGH STREET	2,837,316	2,706,355	2,837,316	0	165,818	0	34,857	34,857	54,327	(111,491)		(111,491)	Complete	Complete	Complete	Complete	Complete	
MILLPORT CARS	255,611	231,239	255,611	0	255,611	0	231,239	231,239	255,611	0		0	31-Mar-23	31-Mar-23	Construction	On Target	On Target	
MONTGOMERIE PARK MASTERPLAN	3,718,598	1,761,020	3,718,598	0	136,264	0	18,686	18,686	36,264	(100,000)		(100,000)	31-Mar-30	31-Mar-30	In development	On Target	On Target	
LOCHSHORE, KILBIRNIE	2,010,638	1,323,779	2,010,638	0	1,441,786	0	754,927	754,927	1,441,786	0		0	31-May-25	31-May-25	In development	On Target	On Target	
LOCHSHORE GARNOCK HUB	4,195,999	3,984,927	4,195,999	0	1,377,575	0	1,166,503	1,166,503	1,377,575	0		0	Complete	Complete	Complete	On Target	On Target	
VDLF - IRVINE KYLE ROAD SITE PREP*	1,421,110	1,421,110	1,421,110	0	180	0	180	180	180	0		0	Complete	Complete	Complete	Complete	Complete	
VDLF - KYLE ROAD PHASE 2	267,066	165,790	267,066	0	245,893	0	144,617	144,617	175,000	(70,893)		(70,893)	31-Mar-24	31-Mar-24	In development	On Target	On Target	
VDLF - ANNICKBANK PH 3*	1,481,000	116,261	1,481,000	0	475,000	0	59,220	59,220	475,000	0		0	31-Mar-24	31-Mar-24	Tender	On Target	On Target	
VDLF - DEVELOPMENT WORK*	347,479	86,437	347,479	0	152,479	0	37,175	37,175	75,000	(77,479)		(77,479)	30-Sep-23	31-Mar-24	In development	On Target	On Target	
VDLF - STRATEGY	50,000	21,445	50,000	0	50,000	0	21,445	21,445	40,000	(10,000)		(10,000)	31-Mar-23	30-Sep-23	In development	On Target	On Target	
VDLF - TREE PLANTING	50,000	2,400	50,000	0	7,600	0	0	0	7,600	0		0	31-Dec-23	31-Dec-23	In development	On Target	On Target	
QUARRY ROAD PHASE 2	5,209,497	5,204,719	5,209,497	0	25,301	0	20,523	20,523	25,301	0		0	Complete	Complete	Complete	Complete	Complete	
VDLF - GAS WORKS (DALRY)*	173,896	166,061	173,896	0	0	0	(7,835)	(7,835)	0	0		0	Complete	Complete	Complete	Complete	Complete	
CYCLING/WALKING/SAFER STREETS *	559,956	583,433	559,956	0	559,956	0	499,637	499,637	559,956	0		0	31-Mar-24	31-Mar-24	Various	On Target	On Target	
ACCESS PATH NETWORK PROGRAMME *	199,257	51,000	199,257	0	199,257	0	(8,878)	(8,878)	51,000	(148,257)		(148,257)	31-Mar-24	31-Mar-24	Various	On Target	On Target	
FAIRLIE COASTAL PATH	50,000	50,000	50,000	0	50,000	0	12,089	12,089	50,000	0		0	31-Dec-23	31-Dec-23	In development	On Target	On Target	
PENNYBURN ROUNDABOUT BUS LANE	15,420	123,668	15,420	0	15,420	0	0	0	15,420	0		0	31-Mar-23	31-Mar-23	Feasibility	On Target	On Target	
IRVINE CYCLE FRIENDLY TOWN	250,000	251,050	250,000	0	250,000	0	1,050	1,050	250,000	0		0	31-Mar-23	31-Mar-23	Various	On Target	On Target	
BRODICK TO CORRIE CYCLE PATH	50,000	35,212	50,000	0	50,000	0	0	0	50,000	0		0	31-Mar-23	31-Mar-23	Design	On Target	On Target	
BUS CORRIDOR IMPROVEMENTS	204,955	74,955	204,955	0	130,000	0	0	0	130,000	0		0	31-Mar-23	31-Mar-23	Various	On Target	On Target	
BUS ROUTE CONGESTION MEASURES	757,821	606,570	757,821	0	152,571	0	1,320	1,320	152,571	0		0	31-Mar-23	31-Mar-23	Construction	On Target	On Target	
CUMBRAE FERRY & BUS STOP	223,690	53,405	223,690	0	200,000	0	29,715	29,715	200,000	0		0	31-Mar-23	31-Mar-23	Design	On Target	On Target	
B714 ACTIVE TRAVEL IMPROVEMENTS	100,000	29,435	100,000	0	100,000	0	29,435	29,435	100,000	0		0	31-Mar-23	31-Mar-23	Design	On Target	On Target	
B777 CORRIDOR IMPROVEMENTS	38,400	0	38,400	0	4,800	0	0	0	4,800	0		0	31-Mar-24	31-Mar-24	Planning	On Target	On Target	
STTS U88 NORTH SANNOX	181,580	115,555	181,580	0	181,580	0	115,555	115,555	181,580	0		0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
STTS ROSS ROAD ARRAN	221,340	281,245	221,340	0	221,340	0	221,340	221,340	221,340	0		0	31-Mar-23	31-Mar-23	Planning	On Target	On Target	
Total Regeneration	32,476,983	23,245,215	32,476,983	0	12,326,375	0	5,552,534	5,552,534	9,519,871	(2,806,504)	0	(2,806,504)						
Ayrshire Growth Deal																		
AYRSHIRE GROWTH DEAL	0	286,806	0	0	0	0	286,806	286,806	0	0		0	31-Mar-26	31-Mar-26		On Target	On Target	
AGD - I3 DPMC PHASE 1	1,000,000	5,449	1,000,000	0	500,000	0	0	0	200,000	(300,000)		(300,000)	31-Mar-26	31-Mar-26	Design	On Target	On Target	
AGD - I3 DPMC PHASE 2	5,000,000	179,970	5,000,000	0	100,000	0	0	0	70,000	(30,000)		(30,000)	31-Mar-26	31-Mar-26	Design	On Target	On Target	
AGD - I3 FLEXIBLE BUSINESS SPACE	15,000,000	247,568	15,000,000	0	208,000	0	8,886	8,886	208,000	0		0	31-Mar-26	31-Mar-27	Multiple Projects	On Target	On Target	
AGD - HUNTERSTON - CENTRE OF LOW CARBON ENERGY & CIRCULAR	18,040,001	198,695	18,040,001	0	200,000	0	12,575	12,575	200,000	0		0	31-Mar-26	31-Mar-26	Multiple Projects	On Target	On Target	
AGD - GREAT HARBOUR	14,017,799	411,016	14,017,799	0	400,000	0	114,698	114,698	400,000	0		0	31-Mar-26	31-Mar-26	Multiple Projects	On Target	On Target	
AGD - IMSE	10,500,000	102,260	10,500,000	0	174,000	0	0	0	174,000	0		0	31-Mar-27	31-Mar-27	Design	On Target	On Target	
AGD - MARINE TOURISM ARDROSSAN	11,428,354	292,225	11,428,354	0	137,638	0	81,484	81,484	137,638	0		0	31-Mar-26	31-Mar-26	Design	On Target	On Target	
AGD - MARINE TOURISM ARRAN	58,887	30,122	58,887	0	30,176	0	1,4											

OTHER BUDGETS

AE											
Project Description	TOTAL PROJECT				2022/23 BUDGETS						Comments
	Total Project Budget	Cumulative Expenditure to date	Total Project Forecast	Projected Over/ (Under) Spend	Total Revised Budget 2022/23	Year to Date Budget 2022/23	Actual Expenditure to 31 January 2023	Year to Date Variance 2022/23	Projected Expenditure to 31 March 2023	Over/ (Under) Spend for 22/23	
	£	£	£	£	£	£	£	£	£	£	
FLEXIBILITY / IMPROVEMENT FUND	9,474,863	0	7,562,125	(1,912,738)	1,912,738	0	0	0	0	(1,912,738)	
CORE INFRASTRUCTURE INVESTMENT	608,000	0	0	(608,000)	608,000	0	0	0	0	(608,000)	
<a href="#">Total Other Budgets</a>	9,474,863	0	7,562,125	(1,912,738)	2,520,738	0	0	0	0	(2,520,738)	

**HRA Capital Statement**  
**For the Ten months to 31 January**  
**2023**
**APPENDIX 2**

Description	Approved budget 16 February 2022	Current budget including carry forwards	Approved Revisions to programme	Carry forward (to)/from future years	Revised Budget 2022/23	Actual Spend to 31/12/2022	P10 Projection	True Over / (Under)spend	Delivery Status Financial	Delivery Status Physical	Comments
	£'000	£'000	£'000	£'000		£'000	£'000	£'000			
<b>Council House Build Programme</b>											
Council House Building General	1,542	1,542	-	(1,542)	-	(6)	-	-	On Target	On Target	
Acquisition Of Houses On Open Market	720	526	210	-	736	367	736	-	On Target	On Target	
New Build Corsehillhead	1,450	600	-	-	600	34	600	-	On Target	Slightly off target	Expected completion Autumn/Winter 2023.
New Build Brathwic Terrace	18	168	-	109	277	54	277	-	On Target	Complete	Completed - final properties were handed over in June 2022
New Build Platt Road Phase 1	1,712	1,072	(648)	357	781	102	781	-	Slightly off target	Complete	Completed - final properties were handed over in December 2021. Remaining budget to be transferred to projects in Lots E and F for 2023/24.
New Build Towerlands	25	160	20	-	180	18	180	-	On Target	Complete	Completed - final properties were handed over in March 2022.
New Build Kinnier Road	3	2	(2)	-	-	-	-	-	Complete	Complete	Completed - properties were handed over in October 2021.
New Build St Colms	1,896	782	302	65	1,149	1,088	1,149	-	Complete	Complete	
New Build St Michaels Wynd	-	592	210	193	995	903	995	-	On Target	Complete	Completed - final properties handed over in August 2002.
New Build Harbourside Irvine	6,460	6,000	(237)	-	5,763	3,474	5,763	-	On Target	Slightly off target	Expected completion March 2023.
New Build Afton Court	910	1,080	24	115	1,219	24	1,219	-	On Target	Slightly off target	Expected completion Summer 2023.
New Build Caley Court	1,769	1,843	(35)	35	1,843	1,496	1,843	-	On Target	Slightly off target	Completed January 2023.
New Build Springvale Saltcoats	-	133	7	1	141	8	141	-	On Target	Complete	Completed - properties were handed over in November 2021.
New Build Dalrymple Place	-	101	-	-	101	3	101	-	On Target	Complete	Completed - properties were handed over in October 2021.
New Build St Beya Millport	6	53	-	-	53	51	53	-	On Target	Complete	Completed - properties were handed over in July 2021.
Garnock Academy Site	7,950	1,800	-	(1,700)	100	-	100	-	Slightly off target	Slightly off target	Tender stage. Expected completion Spring 2025.
Largs police Station	1,908	1,600	105	-	1,705	360	1,705	-	On Target	Slightly off target	Demolition complete. Expected completion Summer 2023.
Ayrshire Central Site	9,497	1,500	-	(1,400)	100	13	100	-	On Target	Slightly off target	Pre-planning stage. Expected completion Spring 2026.
Bourtreeshill Village	2,000	25	-	-	25	17	25	-	On Target	Slightly off target	Pre-planning stage. New completion date to be established.
James McFarlane ASN Site	3,050	2,250	-	(2,150)	100	48	100	-	On Target	Slightly off target	Consultation stage. Expected completion Summer 2024.
James Reid ASN school	6,050	1,125	-	(1,005)	120	103	120	-	On Target	Slightly off target	Consultation stage. Expected completion Winter 2024.
Stanecastle ASN School	3,300	1,850	-	(1,750)	100	76	100	-	On Target	Slightly off target	Consultation stage. Expected completion Summer 2024.
Fullarton Street	4,090	25	-	-	25	10	25	-	On Target	Slightly off target	Delays to delivery due to rehousing of tenants, which has now been completed. Demolition contractor appointed and onsite, demolition expected to complete in Summer 2023. Expected completion 2025.
New Build Montgomerie Park	10,900	1,500	-	(1,450)	50	6	50	-	On Target	Slightly off target	Pre-planning stage. Expected completion Winter 2026.
Glebe Place	10	50	(50)	25	25	-	25	-	On Target	On Target	New build project deferred until 2025/26
Regeneration Project 1e	15	5	-	-	5	-	5	-	On Target	On Target	Pre-planning stage.
Unallocated Regeneration Block 1	55	-	-	-	-	-	-	-	On Target	On Target	Pre-planning stage.
Laburnum Avenue (Regen 1a)	160	5	5	-	10	-	10	-	On Target	On Target	Pre-planning stage.

Description	Approved budget 16 February 2022	Current budget including carry forwards	Approved Revisions to programme	Carry forward (to)/from future years	Revised Budget 2022/23	Actual Spend to 31/12/2022	P10 Projection	True Over / (Under)spend	Delivery Status Financial	Delivery Status Physical	Comments
	£'000	£'000	£'000	£'000		£'000	£'000	£'000			
Newhouse Drive (Regen 1b)	175	5	-	(5)	-	-	-	-	On Target	On Target	Pre-planning stage.
Regeneration Project 1d	360	5	-	-	5	3	5	-	On Target	On Target	Pre-planning stage.
Contingency	1,163	8,820	(8,820)	-	-	-	-	-			
CONNEL COURT		(49)	49	1	1	(30)	1	-	Complete	Complete	
GARRIER COURT		(56)	25	32	1	(33)	1	-	Complete	Complete	
<b>Total For Council House Build Programme</b>	<b>67,194</b>	<b>35,114</b>	<b>(8,835)</b>	<b>(10,069)</b>	<b>16,210</b>	<b>8,189</b>	<b>16,210</b>	<b>-</b>			
<b>Improvement to Existing Homes - Building Services</b>											
Window Replacement	325	364	11	(215)	160	8	160	-	On Target	On Target	
Bathroom Programme	75	75	183	18	276	571	276	-	On Target	On Target	
Kitchen Programme	2,610	4,450	-	(159)	4,291	496	1,294	(2,997)	On Target	Slightly off target	324 units will now not be programmed due to labour shortage. Additional underspend showing due to previous years underspend not required. Previous years uncompleted units were included in the revised business plan last year, therefore already accounted for.
Bathroom Programme Voids	-	-	1,024	(33)	991	-	991	-	On Target	On Target	
Kitchen Programme Voids	-	-	1,297	(152)	1,145	-	1,145	-	On Target	On Target	
Door replacement programme	2,191	2,191	(2,191)	-	-	-	-	-	Significantly off target	Significantly off target	Door replacement programme - tender has been re-issued following specification review due to unviable costs. Balance of budget requires to be earmarked for 2023/24.
Sheltered Housing Units	8,531	8,495	(8,245)	-	250	114	250	-	Significantly off target	Significantly off target	Projection reduced due to Procurement issues and external contractor issues - remaining budget to be carried forward to 23/24. Spend this financial year will only be consultants and staff costs. Construction estimated to commence late 22/23. Tender for Barnett returned and checking quality.
Saltcoats MSF Investment	4,767	1,881	(663)	(35)	1,183	611	1,183	-	On Target	Slightly off target	Additional works required. Expected completion Winter 2022.
<b>Total For Improvements to Existing Homes - Building Services</b>	<b>18,499</b>	<b>17,456</b>	<b>(8,584)</b>	<b>(576)</b>	<b>8,296</b>	<b>1,800</b>	<b>5,299</b>	<b>(2,997)</b>			
<b>Improvement to Existing Homes - External Contractors</b>											
Central Heating	2,524	4,442	(1,756)	-	2,686	1,026	1,738	(948)	On Target	On Target	Underspend showing due to previous years underspend not required. Previous years uncompleted units were included in the revised business plan last year, therefore already accounted for.
Insulated Re-Rendering	421	865	1,756	-	2,621	-	1,811	(1,480)	On Target	On Target	Budget vired from roofing & rerendering offset additional spend in insulated rerendering. Following contractor surveys some wall/floor render has been reprofiled as EWI and virement approved.
Electrical Rewiring	698	1,742	-	-	1,742	101	210	(1,532)	On Target	On Target	Underspend showing due to previous years underspend not required. Previous years uncompleted units were included in the revised business plan last year, therefore already accounted for. Also issues with contractor labour shortages and no access.
<b>Total For Improvements to Existing Homes - External Contractors</b>	<b>3,643</b>	<b>7,049</b>	<b>0</b>	<b>-</b>	<b>7,049</b>	<b>1,127</b>	<b>3,759</b>	<b>(3,960)</b>			
<b>Refurbishment Schemes</b>											
Roofing & Rendering	4,450	5,507	-	-	5,507	2,102	2,689	(2,145)	Slightly off target	On Target	Uncompleted units from previous years accounted for in future years. Previous years carry forward not required. Following contractor surveys some wall/floor render has been reprofiled as EWI and virement approved.
Demolition High Flats Irvine	6,780	3,000	(1,302)	(731)	967	145	967	-	Slightly off target	Slightly off target	Tender received lower than budget estimate. Demolition contractor appointed and onsite, demolition expected to complete in Summer/Autumn 2023. Balance of budget requires to be earmarked for 2023/24.
Kings Arms Project	265	600	(440)	(1)	159	110	159	-	On Target	Slightly off target	Consultation stage, construction is due to commence Winter 2022
Refurb Maress House	-	(12)	13	-	1	-	1	-	On Target	On Target	HRA contribution to the project complete.
Refurb Friars Lawn	-	254	(34)	34	254	23	254	-	On Target	Complete	Final completion expected August 2022.
<b>Total For Refurbishment Schemes</b>	<b>11,495</b>	<b>9,349</b>	<b>(1,763)</b>	<b>(698)</b>	<b>6,888</b>	<b>2,380</b>	<b>4,073</b>	<b>(2,145)</b>			

Description	Approved budget 16 February 2022	Current budget including carry forwards	Approved Revisions to programme	Carry forward (to)/from future years	Revised Budget 2022/23	Actual Spend to 31/12/2022	P10 Projection	True Over / (Under)spend	Delivery Status Financial	Delivery Status Physical	Comments
	£'000	£'000	£'000	£'000		£'000	£'000	£'000			
<b>Other Capital Works</b>											
Energy Efficiency Standard	5,362	5,488	(5,309)	(180)	(1)	180	(1)	-	On Target	On Target	
Other Capital Works	726	712	-	(711)	1	-	1	-	On Target	On Target	
Major Improvements	6	6	-	(6)	-	-	-	-	On Target	On Target	
Parkhall & Kirkhall Asbestos	-	17	-	-	17	-	17	-	On Target	On Target	
Detection Equipment	458	1,463	(1,263)	(50)	150	103	150	-	Slightly off target	Slightly off target	Contractor continuing to work through addresses, forced entries process in place / limited capacity due to staff issues (contractors) will span 2 years. Balance of budget to be earmarked for 2023/24.
Solar Panels	3,862	3,888	7	(1,820)	2,075	512	2,075	-	On Target	On Target	
Professional Management Charges	1,326	1,738	-	-	1,738	523	1,738	-	On Target	On Target	
Estate Based Regeneration	1,287	2,190	(1,187)	-	1,003	282	1,003	-	Slightly off target	Slightly off target	Programme currently being revised. Proposals to Cabinet in Autumn/Winter 2022. Balance of budget to be earmarked for 2023/24.
Nelson Street Regeneration	442	451	(426)	-	25	-	25	-	Significantly off target	Significantly off target	Final property obtained through CPO. Feasibility exercise being undertaken. Balance of budget to be earmarked for 2023/24.
Health and Safety Works	207	207	-	(207)	-	-	-	-	On Target	On Target	
<b>Total For Other Capital Works</b>	<b>13,676</b>	<b>16,160</b>	<b>(8,178)</b>	<b>(2,974)</b>	<b>5,008</b>	<b>1,600</b>	<b>5,008</b>	<b>-</b>			
<b>TOTAL EXPENDITURE</b>	<b>114,507</b>	<b>85,128</b>	<b>(27,360)</b>	<b>(14,317)</b>	<b>43,451</b>	<b>15,096</b>	<b>34,349</b>	<b>(9,102)</b>			
CFCR	(12,209)	(12,209)	-	-	(12,209)	(1)	(12,209)				
Capital Grants	(14,175)	(7,138)	5,371	-	(1,767)	(87)	(1,767)	-			Slippage in house building resulting in reduction in grant claims.
Affordable Housing Contribution	(1,596)	(1,596)	-	-	(1,596)	-	(1,596)				
Prudential Borrowing	(85,376)	(63,034)	21,989	14,317	(26,728)	-	(18,000)	9,102			
Council House Build Fund	(1,151)	(1,151)	-	-	(1,151)	-	(777)				
<b>TOTAL INCOME</b>	<b>(114,507)</b>	<b>(85,128)</b>	<b>27,360</b>	<b>14,317</b>	<b>(43,451)</b>	<b>(88)</b>	<b>(34,349)</b>	<b>9,102</b>			
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,008</b>	<b>-</b>	<b>-</b>			

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

On Target	On Target (+0.5% of budget)	On Target (up to 5% delay of original timescales)
Slightly off target	Slightly off target (+ 0.5% to 2% of budget, or £0.125m, whichever is less)	Slightly off target (+ 5% to 10% of original timescales)
Significantly off target	Significantly off target (+2% or more of budget, or £0.500m, whichever is less)	Significantly off target (+10% or more of original timescales)



## NORTH AYRSHIRE COUNCIL

21 March 2023

### Cabinet

<b>Title:</b>	<b>Strategic Risk Register 2023/24</b>
<b>Purpose:</b>	To seek Cabinet approval of the Strategic Risk Register for 2023/24.
<b>Recommendation:</b>	That Cabinet approves the Council's Strategic Risk Register for 2023/24.

### 1. Executive Summary

- 1.1 The Strategic Risk Register has been reviewed and updated for 2023/24.
- 1.2 It is recommended that 7 of the 8 previous risks remain on the Strategic Risk Register at their existing risk scores and titles – Financial Environment, Inequalities, Cyber Security, Transformation, Climate Change, Financial Sustainability of the Health and Social Care Partnership, and Community Capacity Building & Empowerment.
- 1.3 A previous risk relating to the Operating Environment of the Council post-COVID has been removed from the register. This risk had previously been included to take account of the challenges of recovery and the uncertain operating environment. These risks are captured fully within other specific risks within the register which will lead to improved management of those risk mitigation actions.
- 1.4 A new strategic risk has been added relating to the implementation of the National Care Service, and the potential impact on the Council's resources.

### 2. Background

- 2.1 North Ayrshire Council is committed to ensuring that it is proactive in identifying and managing the risks impacting on the authority. The Council recognises that a certain amount of risk is inevitable if the organisation is to achieve its objectives.
- 2.2 The aim of risk management is to reduce the likelihood and/or impact of risk by identifying and controlling risks to the Council. If risk is to be managed appropriately, and Services are aware of these risks, risk management can contribute positively towards the organisation's decision-making processes, making the Council more innovative and effective in its approach to service delivery.

- 2.3 The most significant risks are identified through the Council's Strategic Risk Register, recognising the challenges facing the Council and demonstrating the arrangements in place to manage these risks.
- 2.4 The Strategic Risk Register has been reviewed and updated for 2023/24 and is attached at Appendix 1 to this report. For each of the risks detailed within the register a number of components are identified:
- Risk proximity factors.
  - Risk score.
  - Potential effect on the Council's priorities.
  - Internal controls currently in place.
  - Assessment of controls, and
  - Additional actions identified.
- 2.5 To assist in the assessment of each risk, the Council's agreed risk matrix was used to ensure consistency. This is used to assess the likelihood of occurrence (on a scale from 1 to 5) and the significance of the impact of the risk should it occur (on a scale from 1 to 5). The risk score is the product of likelihood multiplied by impact. Only those risks rated as high or very high (10 or above) will feature on the SRR to ensure a focus on managing the most significant risks.
- 2.6 Seven risks remain on the Strategic Risk Register at their existing risk scores – Financial Environment, Inequalities, Cyber Security, Financial Sustainability of the Health and Social Care Partnership, Transformation, Climate Change and Community Capacity Building and Empowerment.
- 2.7 An additional risk has been captured within the Strategic Risk Register around the implementation of the National Care Service. The risk reflects that this is one of the most significant reorganisations for local government since 1996, and there is uncertainty over the scope of the National Care Service which could result in tight timescales and significant resource pressures for implementation.
- 2.8 The risk included in the 2022/23 strategic risk register around the Operating Environment as the Council recovered from COVID-19 has now been removed. This reflected a number of challenging emerging risks at the time including recovery, living with COVID, inflationary impacts, cost of living, and supply chain/construction inflation. Risks which remain relevant for 2023/24 are still included within the register but captured within the specific risks relevant to these challenges, primarily Financial Environment.
- 2.9 Very High Risks
- **Financial Environment** – this risk reflects the ongoing financial challenge faced by the Council (risk score 20).
  - **Inequalities** – this highlights the socio-economic inequalities faced in North Ayrshire (risk score 20).
  - **National Care Service** – this risk reflects the challenges and uncertainty the Council faces with a major reorganisation of one of its most significant and important functions (risk score 20).



## High Risks

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

2.10 Council services have identified high level strategic actions within their planning for 2023/24 to help the Council mitigate against its strategic risks. These actions are detailed in summary format in the Risk Management Action Plans following each Risk within Appendix 1. These actions will assist with performance monitoring and reporting on the strategic risks.

2.11 The Council's Internal Audit Plan 2023/24 is scheduled to be approved at the Audit and Scrutiny Committee on 28 March 2023 and is risk-based with clear links in place between the audit plan and key risks the Council faces.

## **3. Proposals**

3.1 Cabinet is requested to approve the Strategic Risk Register 2023/24.

## **4. Implications/Socio-economic Duty**

### Financial

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

### Human Resources

4.2 None.

### Legal

4.3 None.

## **Equality/Socio-economic**

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

## **Climate Change and Carbon**

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

## **Key Priorities**

- 4.6 A successful risk management framework helps to underpin the delivery of the Council's strategic priorities in the Council Plan 2019-2024.

## **Community Wealth Building**

- 4.7 None.

## **5. Consultation**

- 5.1 The Strategic Risk Register has been reviewed in consultation with the Executive Leadership Team and the Corporate Risk Management Group.

Mark Boyd  
Head of Service (Finance)




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

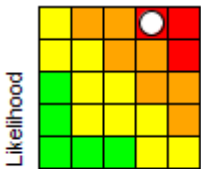
## **Background Papers**


None.

## Appendix 1 - Strategic Risk Report 2023/24

Risk Code	SRR2324_R01	Risk Title	Financial Environment		Latest Note Date	25-Jan-2023
Risk Owner		Mark Boyd				
Risk Proximity Factors		Consequences / Impact	Existing Risk Control Measures		Likelihood	Impact
<p>The risk is that the level of funding from Scottish Government to local government will require the Council to take increasingly difficult and challenging decisions, potentially operating with increased levels of risk to ensure service delivery and investment in assets align with available resources. The 2023/24 local government settlement represents an increase of 0.33% in core grant funding, this has to continue to be looked at within the context of financial pressures facing the council including pay, significant inflationary, contractual and demographic pressures over the short, medium and long term.</p> <p>Additional challenges are being faced where Scottish Government is ringfencing increasing areas of the budget settlement, and this is further exacerbated by the inclusion of some elements of the 2023/24 budget being conditional on certain criteria being met.</p> <p>The Budget gap for 2023/24 sits at £10.3m. The gap for 24/25 is estimated at £17m. The continuation of single year settlements makes effective medium and long term financial planning challenging. It is recommended that following the settlement and within the wider financial pressure context, the risk score remains unchanged at this time. Any consideration to change this will only occur following a sustained period of annual growth in core revenue funding, however, this will also have to be considered within the context of inflation and the resultant cost pressures.</p> <p>The Council is exposed to financial risk as a result of underlying cost pressures within the IJB; more detail on this is set out at risk SRR03.</p>		<p>Funding not keeping pace with demand and inflationary cost pressures means that there will be a reduction in some service areas potentially resulting in higher risks for service users. The future delivery of balanced budgets will become increasingly challenging.</p>	<p>Robust monitoring of the Council’s revenue and capital budgets is in place as well as regular reporting of financial performance of the IJB to Cabinet and Audit and Scrutiny.</p> <p>To assist financial planning The Long Term Financial Outlook (LTFO) to 2030/31 was approved at Council on 16 December 2020 - this is the cornerstone of the Council's financial planning in the medium to long term.</p> <p>The Council approved a balanced budget for 2022/23 on 2 March 2022. A range of additional finance pressures have been identified including additional national insurance contributions, energy cost inflation, contractual commitments as well as significant construction inflation coming through the capital programme. To help mitigate the impact of cost pressures in 2022/23 the Cabinet report dated 7 June 2022 included the earmarking of funds:-</p> <ul style="list-style-type: none"><li>• Contribution to the Loans Fund to support the 10 year Capital Investment Programme and address rising cost pressures, £2.569m;</li><li>• Provision for contractual electricity and gas price increases for 2022/23 to reflect current market inflationary levels, £1.066m;</li><li>• Provision for additional non-contractual inflationary pressures (e.g. food costs, fuel, etc.), £0.822m</li></ul> <p>Further, due to the creation of IJB unearmarked reserves, an acceleration of early repayment of IJB debt owed to the Council will be actioned during 2022/23, therefore releasing resources to help address the £10.3m Budget gap for 2023/24. Finally, the Budget for 2023/24 was approved at Council on 1<sup>st</sup> March 2023. The budget included savings of £5m, a 5% increase in council tax and use of reserves totalling £3.5m. The indicative gap for 24/25 is over £17m with use of reserves planned at £5m. This will continue to present significant challenges to the Council.</p>		4	5
Status		Risk Score	<div><div>Likelihood</div><div>Impact</div></div>		Change in Score	Approach
Stable		20			No change	Treat

Strategic Risk Action Plan			Date Updated	25-Jan-2023
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG
Regular financial monitoring of Revenue and Capital Budgets	<b>25 January 2023:</b> Bi-monthly monitoring	31-Mar-2024	Mark Boyd	
Deliver balanced Budget for 2023/24 and outline Medium Term Financial Plan	<b>1 March 2023:</b> 23/24 Budget approved 1 March 2023	01-Mar-2023	Mark Boyd	
Maintain Financial Governance Arrangements for IJB	<b>25 January 2023:</b> Bi-monthly monitoring.	31-Mar-2024	Mark Boyd	
Progress dialogue via COSLA with Scottish Government on a range of areas including fair funding, multi-year settlements, reduction in levels of ring-fenced resources, true costs of SG policy areas, financial flexibilities and a New Deal partnership with SG and local Govt	<b>25 January 2023:</b> Regular engagement through Directors of finance group	31-Mar-2024	Mark Boyd	

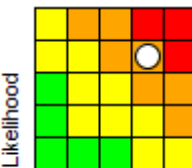
Risk Code	SRR2324_R02	Risk Title	Inequalities			Latest Note Date	25-Jan-2023
Risk Owner		Audrey Sutton/Caroline Cameron					
Risk Proximity Factors		Consequences / Impact		Existing Risk Control Measures		Likelihood	Impact
<p>North Ayrshire residents, and in particular certain excluded groups, will experience increasing levels of poverty and its effects, as a result both of the economic situation and Covid-19.</p> <p>Health inequality is closely linked to poverty, employment and people's earliest experiences as children, and will increase.</p> <p>The population of North Ayrshire is projected to fall over the next 10 years but there will also be a larger proportion of the population considered dependent (not economically active).</p>		<p>The impact on specific risk groups is greatest for our children, young people and families, unemployed people and those in in-work poverty and people exposed to the risks of drug and alcohol addiction.</p> <p>Demand for HSCP and Council Services will increase.</p> <p>As reductions in resources increase, early intervention and prevention activities are at risk, thus increasing the potential for an increase in costly crisis interventions.</p> <p>The local economy will be impacted by reduced spending power by economically inactive residents.</p>		<p>The HSCP re-affirmed its commitment to Tackling Inequalities by continuing to consider it a key priority with the Partnership's Strategic Plan.</p> <p>Through the HSCP strategic plan, the Partnership sets out actions to tackle inequality through its Partnership Pledge and across its strategic priorities. Tackling inequalities is addressed across HSCP service areas. An example of actions to help address local inequalities include:</p> <p>Establishing the Money Matters service in 9 GP practices and 7 local schools in the more deprived areas of North Ayrshire. This will improve accessibility of the service to those who would benefit most.</p> <p>Increase the number of employability mentors in Justice Services, to support those with experience of the justice service into meaningful employment or training opportunities and to help divert away from criminal behaviours.</p> <p>Working closely with Housing colleagues to ensure formerly looked after young people can access a positive and stable housing destination.</p> <p>In our Drug and Alcohol Services, we are implementing actions to reduce the number of local drug and alcohol related harms and deaths. This includes implementing the national MAT (Medicated Assisted Treatment) standards and increasing the number of ABIs (Alcohol Brief Interventions) delivered across North Ayrshire.</p> <p>Through the Caring for Ayrshire programme, we have set out a phased approach to improve local primary care premises (GP Practices and Health Centres). This will improve overall professional capacity within GP practices for Multi-Disciplinary Teams, ensuring the right support is available for local people with health concerns.</p>		5	4
Status		Risk Score	Heat Map			Change in Score	Approach
Stable		20				No Change	Treat





Strategic Risk Action Plan			Date Updated	25-Jan-2023
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG
<p>The Communities and Education Directorate considers reducing inequalities to be at the heart of its work.</p> <p>The Directorate leads the Community Planning Partnership for the Council and the CPP has recently developed a new Local Outcomes Improvement Plan, the purpose of which is reducing inequalities. The themes are Wellbeing, Work and World. Locality Planning priorities and CIF funded initiatives are also focused on a range of inequalities, including poverty, age-related inequalities and digital inequalities.</p> <p>The Directorate also leads the work of the Child Poverty and Cost of Living Board, chaired by the Council Leader. The four strategic themes of the Board to date have been:</p> <ul style="list-style-type: none"> <li>• No Wrong Door – access to services</li> <li>• Employability</li> <li>• Food</li> <li>• Islands</li> </ul> <p>Progress has been made with partners through a series of mini-enquiries, ensuring that lived experience influences developments and actions.</p> <p>The commitment to reducing inequalities is also reflected in the Communities and Education Directorate plans:</p> <ul style="list-style-type: none"> <li>• the Educational Service Improvement Plan</li> <li>• Connected Communities strategic plans and</li> <li>• Facilities Management plans.</li> </ul> <p>Examples of actions to reduce inequalities:</p> <ul style="list-style-type: none"> <li>• Deployment of Scottish Attainment Challenge funding to reduce the poverty related attainment gap in schools</li> <li>• Use of the Pupil Equity Fund to ensure equity of pupil experience in schools, at the discretion of head teachers</li> <li>• Cost of the School Day actions to reduce, for example, the cost of school uniforms and clothing, food and outings</li> <li>• Support for care experienced young people, both in schools and through youth services</li> <li>• The Fairer Food Network, with 14 community larders which support the needs of individual communities</li> <li>• A network of warm spaces and events to mitigate energy use and social isolation</li> <li>• Work to support “New Scots,” in schools, with families and in community settings through language support and capacity building, including women’s groups</li> <li>• LGBT support groups for young people and those over 18</li> <li>• Mentoring support for young people in secondary schools through a partnership with MCR Pathways</li> <li>• Participation strategies for children young people and adults to ensure our strategies and investment are informed by as wide a range of view as possible.</li> </ul>	<p><b>25 January 2023:</b></p> <p>Each of these strategies, taken together, and further developed and implemented, should make a significant contribution to inequalities.</p> <p>Actions are being progressed and remain within the Target date for completion.</p>	31-Mar-2024	Audrey Sutton; Caroline Cameron	

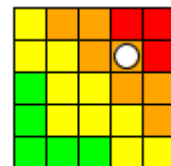
Risk Code	SRR2324_R03	Risk Title	Financial Sustainability of the Health and Social Care Partnership		Latest Note Date	23-Jan-2023
Risk Owner		Caroline Cameron				
Risk Proximity Factors		Consequences / Impact	Existing Risk Control Measures	Likelihood	Impact	
<p>Uncertainty of future funding against growing demand and demographic pressures.</p> <p>Resources have not kept pace with the demand for and cost of social care services. The budget settlement for 23-24 is extremely challenging with a gap of around £7.5m across the IJB.</p> <p>There remains uncertainty around Covid-related costs with no additional funding for these beyond the end of 22-23.</p> <p>In earlier years, the HSCP did not manage to contain spend within the delegated budget, but surpluses were achieved in 20-21 and 21-22. Current projections are that the Partnership will also achieve a small surplus in 22-23.</p> <p>Outstanding debt to the Council is currently £2.321m but it is planned to clear the debt by the end of the 22-23 financial year.</p> <p>Current Scottish Government proposals to introduce a National Care Service (NCS) by 2026 will significantly impact on the IJB.</p> <p>Significant inflationary pressures across employee pay and contractual costs will increase the financial challenges for the Partnership.</p> <p>Low-volume high-cost care packages continue to present a financial challenge to the Partnership.</p>		<p>Funding levels could result in savings being made that are not in alignment with the strategic plan. This could impact on the future demand levels e.g. reduction in early intervention and prevention means that future demand is increased.</p> <p>Funding levels increase the requirement to transform services at scale and pace.</p> <p>The impact of the National Care Service will become clearer as legislation is progressed.</p>	<p>The IJB actively monitors the financial position with regular detailed reporting. Directors of Finance of the Council and Health Board have oversight and regular updates are provided to the Council's Cabinet.</p> <p>There is an integrated approach to managing the totality of NHS and Council resources delegated to the IJB. The Medium Term Financial Outlook will be refreshed for 2023-26 and presented to the IJB in March 2023. Previous financial settlements have seen both partners meet the Scottish Government settlement conditions with any additional resources passed to the IJB.</p> <p>The IJB had uncommitted financial reserves of £7.248m at the beginning of April 2022, which equated to around 2.6% of the budget. This is towards the lower end of the good practice target of 2%-4%.</p> <p>Significant funding has been provided to IJBs for the Covid-19 response, supported by regular financial returns to the Scottish Government. Costs were fully funded in 20/21, 21/22 and 22/23.</p> <p>The Partnership has a Transformation Board overseeing the programme of service re-design.</p>	3	4	
Status		Risk Score	<div><div><div></div><div></div><div></div><div></div><div></div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div><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Strategic Risk Action Plan			Date Updated	23-Jan-2023
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG
Budget Monitoring - Regular budget monitoring reports to IJB are effective.	<b>23 January 2023:</b> No additional actions planned at this time but will keep under review	31-Mar-2024	Caroline Cameron; Paul Doak	
Corrective Action – Transformation Board is effective	<b>23 January 2023:</b> No additional actions planned at this time but will keep under review.	31-Mar-2024	Caroline Cameron; Paul Doak	



Risk Code	SRR2324_R04	Risk Title	Cyber Security		Latest Note Date	19-Jan-2023
Risk Owner		Fiona Walker				
Risk Proximity Factors		Consequences / Impact	Existing Risk Control Measures	Likelihood	Impact	
<p>The potential compromise of business operations or a data breach orchestrated via either digital channels or the IT infrastructure. This can include targeting of the user base. Risk derives from both Council operations and those of its supply chain.</p> <p>The increasing importance of delivering services through digital channels and maximising efficiency through effective and secure use of technology. This includes a growing adoption of cloud-based computing resources which extend processing capabilities, and associated risks, beyond the Council's network.</p> <p>The response to the Covid-19 pandemic resulted in the remote and mobile working by staff as effectively being the normal working practice. This is likely to continue as a hybrid approach becomes the new normal. Such a distributed work force increases the complexity of protecting against cyber and data protection risks.</p>		<p>Failure by Services to adopt and comply with strategies, policies and procedures may result in a failure to adequately ensure the desired levels of cyber-security required to maintain and protect council systems and data.</p> <p>There may be a significant impact on the authority through the release of personal and/or sensitive information resulting in a loss of public confidence and significant financial loss incurred through fines and service disruption.</p> <p>A successful cyber-attack (malicious external or internal action) on the Council's IT environments could also result in significant service disruption, loss of income streams and possible data loss/exposure.</p> <p>Impacts of a cyber-attack could include economic (i.e. inability to collect online payments), societal disruption (i.e. loss of diaries and client appointments), and reputational damage (i.e. loss of public confidence in digital services).</p>	<p>It is recognised that it is not possible for any organisation to expect to be completely protected against continually evolving cyber threats. A threat actor with sufficient motivation, resource and capability will be able to compromise the most secure system.</p> <p>The Council takes a sociotechnical approach to reducing risk by continually developing protective measures through technical, organisational and people-focused controls.</p> <p>Technical controls are implemented in areas such as network defences, secure configuration of systems, user authentication, malware protection, and vulnerability management. These are based on best practice and independently tested on an annual basis to confirm their effectiveness in accordance with compliance schemes.</p> <p>The Council maintains a comprehensive set of policies, standards, guidelines, metrics and reporting mechanisms as part of its information security governance structure. A comprehensive training and awareness programme is delivered to nurture a cyber-aware workforce and culture.</p>	4	4	
Status		Risk Score		Change in Score	Approach	
Stable		16		No change	Treat	



Strategic Risk Action Plan			Date Updated	19-Jan-2023
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG
Incident Detection and Response – Recent cyber-attacks on public sector organisations highlight the need for robust incident detection and response procedures and technologies. The current response procedures been shown to be effective based on incidents experienced so far, however detection capabilities will need to be reviewed and improved.	<b>19 January 2023:</b> In progress – A joint procurement of a Managed Security Operation Centre (SOC) service with other local authorities is being taken forward by the Digital Office. The procurement was expected to be completed December 2022 however the Digital Office recruitment of a new chief information security officer (CISO) has delayed this.	31-Mar-2024	Fiona Walker	
	<b>19 January 2023:</b> In progress – Work is ongoing to implement a security information and event management (SIEM) solution to allow log collection and detection by a SOC. A proof of concept (POC) is planned with a potential SOC provider to advance the SIEM implementation. Procurement of a SOC will also help to complete this action.	31-Mar-2024	Fiona Walker	
	<b>19 January 2023:</b> In progress – The investigation of potential options and quotes is still underway with Aon. The risk assessment is complete and will now be used in discussions to establish whether it is possible to broker for quotes.	31-Mar-2024	Fiona Walker	
Training and Awareness – The pandemic has impacted on the cyber training programme with the long-term cancellation of all classroom-based training. However, a new online course was launched to compensate for this.	<b>19 January 2023:</b> In progress – Face to face training has resumed with sessions being organised to tackle the backlog caused by the pandemic. Phishing simulations have also been restarted and will continue to be ran to test the effectiveness of training and raise awareness.	Ongoing	Fiona Walker	

Risk Code	SRR2324_R05	Risk Title	Transformation			Latest Note Date	25-Jan-2023
Risk Owner		Mark Boyd					
Risk Proximity Factors		Consequences / Impact		Existing Risk Control Measures		Likelihood	Impact
There is an overarching risk that transformation and change management activities, which are core to the future delivery models and long-term financial sustainability of both the Council and Health and Social Care Partnership, fail to deliver.		<p>Failure to deliver transformational change will impact on the Council’s financial sustainability, effectiveness of service delivery and delivery of the outcomes set out in the Council Plan 2019-24 and the Local Outcome Improvement Plan (LOIP).</p> <p>Failure to deliver the HSCP Transformation programmes across the Partnership, involving North Ayrshire Council (NAC) and NHS Ayrshire &amp; Arran (NHSAA) services may lead to the identified outcomes not being delivered; resulting in financial instability, reduced performance, deteriorating patient outcomes, and reputational damage within North Ayrshire Health and Social Care Partnership (NAHSCP).</p> <p>Failure to embed cultural transformation activities may lead to difficulties in building future workforce capacity and in ensuring we have an engaged, skilled and knowledgeable workforce to meet service demand.</p>		<p>The transformation programme aligns to the Council Plan and is monitored via the Transformation Board.</p> <p>Workstreams have been developed across Transport and Travel, Accessing our Council, Land and Property and Sustainability.</p> <p>HSCP have an established Transformation Board to closely monitor progress with plans, regular updates on programme to the IJB and regular meetings with the Chief Executive and S95 Officer to review progress and mitigation plans. IJB approved budget and Strategic Plan for 2022-23 which align with financial plans with transformational strategic change ambitions.</p> <p>Cultural transformation activities continue to evolve to support the Council’s transformation and improve effectiveness and capability. This includes sharing learning and skills, engagement, design experiments and a whole systems approach to transformation and change.</p> <p>Our workforce planning approach utilises a variety of tools and techniques, such as career development, succession planning, vacancy management, redeployment and early release schemes to ensure our workforce requirements for the future, in terms of skills and capabilities, are planned. Each Head of Service has a workforce plan, and these are monitored six-monthly with continued HR support and guidance to ensure service review and redesign of the workforce is on track.</p>		4	4
Status		Risk Score	Heat Map			Change in Score	Approach
Stable		16				No change	Treat






Strategic Risk Action Plan			Date Updated	25-Jan-2023
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG
Existing project level governance and controls remain effective and are constantly reviewed.	<b>25 January 2023:</b> Progress on Transformation projects continues to be governed and monitored via the Transformation Board which is chaired by the Chief Executive. Meeting at the end of March will consider the next phase of projects required for delivery to address the significant financial challenges in 2024/25	Quarterly	Mark Boyd / Chief Executive and Executive Directors	

Risk Code	SRR2324_R06	Risk Title	Climate Change			Latest Note Date	24-Jan-2023
Risk Owner		David Hammond					
Risk Proximity Factors		Consequences / Impact		Existing Risk Control Measures		Likelihood	Impact
<p>Climate change is expected to continue and worsen in the future if no action is taken, with increases to mean global temperatures, sea level rises and the increasing frequency and severity of weather events such as floods, heatwaves, droughts and storms.</p> <p>More frequent and intense heavy rainfall events increase the risk of soil erosion and flooding.</p> <p>Rises in mean sea level increases risks of coastal erosion, flooding, saltwater intrusion and soil salinisation (risk to agricultural land and freshwater habitats).</p> <p>Severe weather is already affecting public services across Scotland, with operational, reputational, financial and legal consequences.</p> <p>There is also an ongoing impact of severe winter weather including snowfall and freezing temperatures which impact service delivery and the integrity of our roads open space and buildings infrastructure. This shift in weather patterns caused by climate change is also affecting biodiversity across Scotland.</p>		<p>Increased frequency of severe weather conditions and flooding events may lead to more instances of damage to Council infrastructure and property, interruptions to service delivery and increased demands on services, often with little notice.</p> <p>Risk to life, transport disruption and pollution to the local environment, as well as impact adversely on the local economy if businesses are unable to operate.</p> <p>Council requirement to provide immediate response and manage the adverse effects of more frequent and severe weather emergency situations, including support to local communities and businesses.</p> <p>The Council is required to comply with the ‘Public Bodies Climate Change Duties’ under the Climate Change (Scotland) Act 2009. These duties require the Council to assess the risks, threats and opportunities associated with climate change and identify actions to increase resilience to climate change.</p>		<p>North Ayrshire Council declared a Climate Emergency in June 2019, committing to act on climate change and reduce carbon emissions. In January 2020 the Council approved the target to become net-zero carbon by 2030, for both Council estate emissions and area-wide emissions.</p> <p>The third iteration of the Environmental Sustainability &amp; Climate Change Strategy was approved by Cabinet in May 2021, providing a road map to achieve the net zero carbon emissions by 2030 target.</p> <p>Climate Change Adaptation has been included as a workstream within the new strategy, utilising Adaptation Scotland’s Capability Framework to ensure North Ayrshire takes a strong, proactive approach to adapting to climate change. Officers are participating in the Sustainable Scotland Network’s ‘Adaptation Scotland Benchmarking Group’ to learn and share best practice with other local authorities.</p> <p>The Flood Risk Management Strategy has been developed into a 6-year plan which began in 2016. A second plan, which will follow on, is in development.</p> <p>In addition, actions to mitigate Climate Change risk are held within strategies such as the Core Paths Plan, Outdoor Access Strategy, Local Biodiversity Action Plan, and Weather and Winter Emergencies Plan. Asset management plans are in place which are regularly reviewed for our Roads, Fleet, Housing, Property and Open Spaces.</p> <p>Furthermore, through the Ayrshire Civil Contingencies Team there are emergency planning arrangements in place in the event of severe weather and flooding conditions causing major disruption and damage to the area or to individual communities within it.</p>		4	4
Status		Risk Score	<div><div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><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Strategic Risk Action Plan				Date Updated	24-Jan-2023
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG	
<p>Reducing Carbon Emissions:</p> <p>North Ayrshire Council declared a Climate Emergency in June 2019, committing to act on climate change and reduce carbon emissions. In January 2020 the Council approved the target to become net-zero carbon by 2030, for both Council estate emissions and area-wide emissions.</p> <p>The Council has taken action against climate change since our first Carbon Management Plan in 2006/07, by working to reduce emissions associated with Council services, and using the baseline year of 2005/06 from which to measure progress.</p> <p>Since the baseline year of 2005/06, Council estate emissions have reduced by 67.8%, from 67,719 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) to 21,794 tCO<sub>2</sub>e (a reduction of 1,052 tCO<sub>2</sub>e from the previous year). Area-wide emissions are published by BEIS two years in arrears. Total emissions have reduced across North Ayrshire by 49%, from 1,437 kilotonnes of carbon dioxide (ktCO<sub>2</sub>) in 2005 to 730 ktCO<sub>2</sub> in 2020.</p> <p>To ensure North Ayrshire Council can develop a leading, cross-sector and community led approach we established a Climate Change Steering Group (CCSG) in 2021. The CCSG is chaired by the Cabinet Member for Economy and Climate Change and brings together young people, local businesses and community organisations from across North Ayrshire.</p> <p>Existing controls remain effective and are under review as our response to climate change develops and we progress towards achieving net zero by the 2030 target.</p>	<p><b>24 January 2023:</b></p> <p>Continuing the Implementation of the 3rd Environmental Sustainability &amp; Climate Change Strategy, which Includes a Roadmap with actions towards achieving the target. The ESCCS 3 contains workstreams:</p> <ul style="list-style-type: none"> <li>Affordable Warmth</li> <li>Green Economy</li> <li>Transport and Travel</li> <li>Natural Environment</li> <li>Sustainable Operations</li> <li>Carbon Absorption</li> <li>Climate Change Adaptation, which follows Adaptation Scotland's Capability Framework, to build a climate resilient North Ayrshire.</li> </ul> <p>Across seven thematic workstreams (Affordable Warmth, A Green Economy, Transport &amp; Travel, Natural Environment, Sustainable Operations, Carbon Absorption and Climate Change Adaptation), 65 actions have been identified and progressed over the course of the ESCCS 3 period. Updates on progress are provided through the Council's performance reporting system, Pentana, on a quarterly basis. These actions are designed to be directly and indirectly responsible for carbon reduction and deliver other socio-economic benefits.</p> <p>Officers started preparation of 4th Environmental Sustainability &amp; Climate Change Strategy.</p>	31-Mar-2023	David Hammond		
<p>Flood Risk Management Plan:</p> <p>Cycle 2 of the Ayrshire Local Flood Risk Management Plan has been developed and published on 31<sup>st</sup> December 2022.</p> <p>Studies and modelling will be undertaken to identify and prioritise vulnerable areas where financial damage and risk to life are most likely.</p> <p>There is an ongoing programme of monthly inspections of debris screens which have been installed to prevent vulnerable culverts from blocking and causing flooding. CCTV inspections of culverts are also undertaken to identify blockages and deterioration of assets that might cause flooding. This has been effective in reducing flooding, although there are capacity issues which this process cannot address.</p> <p>The Upper Garnock Valley FPS has been substantially completed and is currently providing flood protection.</p>	<p><b>24 January 2023:</b></p> <p>We will undertake the actions outlined in cycle 2 of the Ayrshire Local Flood Risk Management Plan. We will continue to look for opportunities to implement Natural Flood Management and we will develop a range of further flood protection measures which can be put forward as schemes for inclusion in cycle 3 of the ALFRMP.</p> <p>We will complete the Millport Coastal FPS and the Mill Burn FPS.</p> <p>Inspections and CCTV surveys of culverts and screens will continue, including prioritised maintenance. Efforts will be made to continue to identify unknown culverts and add them to the ongoing inspection and maintenance process.</p>	30-06-2028	Thomas Reaney		

Risk Code	SRR2324_R07	Risk Title	Community Capacity Building and Empowerment		Latest Note Date	20-Jan-2023
Risk Owner		Rhonda Leith				
Risk Proximity Factors		Consequences / Impact	Existing Risk Control Measures	Likelihood	Impact	
<p>Unrealistic timescales for implementation of aspects of legislation of the Community Empowerment Act (Scotland) 2015, such as Community Asset Transfer.</p> <p>Pressure to support community capacity building and the variation of needs within a reducing workforce.</p> <p>Duplication of effort across HSCP and Locality Partnerships to foster community participation and deliver engagement activities.</p> <p>Complying with the complex consultation legislation in service redesign.</p> <p>Rising energy and utility costs relating to property management.</p> <p>Budget savings and pressure on property maintenance budgets.</p>		<p>Where the risk is not managed effectively the potential benefits of community capacity building and empowerment may be lost.</p> <p>Widening inequality gap between those communities where levels of capacity and engagement with the empowerment agenda are high and those with less social capital where interest remains low, which constrains the ability to influence the planning and delivery service.</p> <p>Any disconnect between the Council’s aspirations, community appetite for increasing ownership of assets and what communities themselves feel able and prepared to commit to can result in community assets reverting back to Council.</p> <p>Accelerating asset transfer risks losing services and facilities.</p> <p>Over-engagement carries disengagement and engagement fatigue.</p> <p>Increased property costs can be a deterrent for organisations engaging and completing the CAT process.</p> <p>Lack of budget to undertake proactive maintenance may result in NAC buildings falling into disrepair detracting organisations from progressing to lease and or ownership of NAC assets.</p>	<p>Ongoing commitment to community empowerment and locality partnerships from CPP.</p> <p>Six locality partnerships and alignment with HSCP locality arrangements.</p> <p>Leadership of the CPP Senior Officers’ Group.</p> <p>Enabling approach with community partners and support with third sector interface to build capacity and identify opportunities for growth and sustainability.</p> <p>Reviewed guidance and processes relating to asset transfer, allotment and Community Councils.</p> <p>Participatory budgeting approach local grants, commitment to PB with partners and leading practice in mainstreaming participatory approaches</p> <p>External funding bid help for groups through regular meetings with third sector, funders and funding officers.</p> <p>Membership of The Consultation Institute.</p> <p>Additional investment of £1m for a Community Asset Transfer Start Up Fund, prioritising additional staffing capacity to support CAT in Connected Communities and TACT.</p> <p>A collaboration and shared resource approach across Connected Communities Teams will be taken to ensure the Service deliver on this priority.</p>	3	4	
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Strategic Risk Action Plan				Date Updated	23-Jan-2023
Analysis of Effectiveness of Controls	Further Action Required	Target Date for Completion	Officers Responsible	Current Status: RAG	
Implementation of CEA: Existing controls remain effective and are kept under review.	<b>23 January 2023:</b> Strategic CLD Plan 2021-2024 identifies priorities for capacity building and the programme of community support is addressing needs. Community larders and Community Cafes are being supported by the NA Food System and Connected Communities staff to ensure the network can be sustained and develop further. All other actions are being progressed and remain within the target date for completions.	31-Mar-2024	Rhonda Leith		
Implementation of CEA: Existing controls remain effective and are kept under review to monitor impact and performance.	<b>23 January 2023:</b> A New Local Outcomes Improvement Plan for 22-30 was approved by the CPP Board in March 2022. Work is now being undertaken to develop and implement the LOIP action plan to continue to work to improve outcomes for our communities across North Ayrshire.	31-Mar-2024	Rhonda Leith		
Staff capacity: Existing controls remain effective and are kept under review, Recruitment remains a challenge.	<b>23 January 2023:</b> Ongoing review and monitoring on progress of CAT applications.	31-Mar-2024	Rhonda Leith		
Alignment of engagement: Existing controls remain effective.	<b>23 January 2023:</b> Actions are being progressed and remain within the target date for completion. Ongoing focus to ensure the right balance of time and resource to community / stakeholder engagement aligning to the Consultation Institute frameworks.	31-Mar-2024	Rhonda Leith		
Consultation: Existing controls remain effective and hybrid engagement models have been implemented post covid to encourage and provide greater access to participation.	<b>23 January 2023:</b> Actions are being progressed and remain within the target date for completion. Ongoing focus to consultation and engagement.	31-Mar-2024	Rhonda Leith		



Risk Code	SRR2324_R08	Risk Title	National Care Service			Latest Note Date	25-Jan-2023
Risk Owner		Craig Hatton					
Risk Proximity Factors		Consequences / Impact		Existing Risk Control Measures		Likelihood	Impact
<p>The proposals for a National Care Service represent one of the largest reorganisations in local government since the creation of local authorities in 1995/96.</p> <p>Uncertainty around future delivery models and the scope of the National Care Service, leading to uncertainty around the level of local authority resources which will be transferred to the National Care Service and also the level of funding to cover the remaining local authority services, with the Social Care Budget accounting for almost one third of local government expenditure.</p> <p>Complexity in the transferring of one of local government’s most significant and important services, therefore resulting in considerable staff resourcing to undertake this task, as well as considerable financial cost.</p> <p>The arrangements for Children’s Services are still to be determined, but if these are removed from the local authority there are risks arising from the arm’s length proximity to Education.</p> <p>Tight timescales for implementation by the end of the current Parliamentary term in 2026, when boundaries and service scope are uncertain.</p>		<p>Impact on local government revenue and capital funding.</p> <p>Potential impact on all corporate support services.</p> <p>Delays in the implementation of existing priorities and commitments as a result of diverted resource.</p> <p>Potential loss of ‘whole service’ approach within local government that benefitted from shared leadership and links across essential services.</p> <p>Uncertainty created for the council’s workforce which may result in a loss of existing talent and experience as well as difficulties with recruitment.</p> <p>Risk to the ongoing work and service delivery by the Council into Children’s Services if these are removed from the local authority.</p> <p>Challenges around agreeing the funding of all historic borrowing attached to Social Care assets.</p> <p>Reducing the capacity of local authorities exposes civil emergency arrangements to new risks.</p>		<p>Engagement within the Health &amp; Social Care Partnership with lead professionals, input by Senior Managers within the HSCP and consideration by the Partnership Senior Management Team on the Scottish Government’s proposals for the National Care Service.</p> <p>The North Ayrshire Integration Joint Board approved their response to the consultation at their meeting of 21 October 2021.</p> <p>Cabinet approved their response to the consultation at their meeting of 2 November 2021.</p> <p>Participation in the annual National Care Service Forum, with the first meeting held on 3 October 2022.</p>		5	4
Status		Risk Score	<div><div><div></div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div><div></div></div><div><div></div><div></div><div></div><div></div><div></div></div></div> <div>Likelihood</div> <div>Impact</div>		Change in Score	Approach	
Increasing		20			New risk	Treat	

<b>Strategic Risk Action Plan</b>			<b>Date Updated</b>	27-Jan-2023
<b>Analysis of Effectiveness of Controls</b>	<b>Further Action Required</b>	<b>Target Date for Completion</b>	<b>Officers Responsible</b>	<b>Current Status: RAG</b>
<p>Further actions will be identified and undertaken once details are known around the scope of the National Care Service and timescales for implementation.</p> <p>A detailed response plan will be prepared which will detail the preparations required in order to mitigate any risk.</p>	<p><b>27 January 2023:</b></p> <p>Actions will be identified and progressed in due course.</p>	31-Mar-2026	Caroline Cameron/Mark Boyd/Craig Hatton	●

## NORTH AYRSHIRE COUNCIL

21 March 2023

### Cabinet

<b>Title:</b>	<b>Cost of Living: Financial Inclusion Strategy 2023-28</b>
<b>Purpose:</b>	To provide an update to Cabinet on progress with the Financial Inclusion Project and the development of a Strategy for North Ayrshire
<b>Recommendation:</b>	It is recommended that Cabinet notes the positive progress through the review of Financial Inclusion Advice Services and approves the Financial Inclusion Strategy for 2023-28.

### 1. Executive Summary

- 1.1 This report provides an update to Cabinet following the report presented in November 2022, providing an overview of the current position with the review of Financial Inclusion services and presents the North Ayrshire Financial Inclusion Strategy for 2023-28.
- 1.2 As part of the Council's Transformation Programme and in response to the incidence of poverty in North Ayrshire and the Cost-of-Living crisis, a review of Financial Inclusion services across the Council is being progressed at pace. The previous update to Cabinet outlined the intention to join up Money Matters and the Welfare Reform and Advice Team, and further to incorporate the key principles of the holistic approach of Better Off.
- 1.3 The review has now moved into the implementation phase. The new Senior Manager (Financial Inclusion) commenced in January and is now working with the Council's Transformation Team to develop and implement new systems and processes for the integrated team, which ultimately will support advisers to achieve better outcomes for beneficiaries of the service.
- 1.4 The Senior Manager has also collaborated with wider stakeholders, including through the Project Board, to develop a Financial Inclusion Strategy for North Ayrshire 2023-28. The Strategy is included as Appendix 1. The Strategy provides in some detail the intentions for 2023-24 and will be refreshed for 2024-28 following full consultation with key stakeholders, the public and with staff teams.

## 2. Background

- 2.1 As part of the Council's Transformation Programme and in response to the Cost-of-Living crisis, a review of Financial Inclusion services across the Council was progressed during 2022. The high-level outcomes were reported to Cabinet on 29 November 2022.
- 2.2 A new Senior Manager post was created, and the successful candidate took up post on 9 January 2023. The Senior Manager will lead the joined-up financial inclusion services across North Ayrshire, with responsibility for integrating the teams and developing the Council's financial inclusion strategy. The Financial Inclusion Project has Chief Officer Sponsorship within the HSCP, recognising the importance to ensure the delivery phase of integrating and developing financial inclusion services, is progressed at pace.
- 2.3 Project Board and Project Team membership has now been reviewed to support the delivery plan. The Project Board is chaired by the HSCP Director and the Project Team by the Senior Manager (Financial Inclusion). Membership of the Project Board will continue to be senior managers of advice services and key referring agencies, as well as of the Transformation Team. Advice service and Transformation Team managers will form the membership of the Project Team. Partnership Engagement (HSCP) and Communication Officers have been added to support consultations during 2023-24 and to develop and implement a communications plan.
- 2.4 In addition to the £258k funding approved by Cabinet in August 2022, the following additional funds have been aligned to to progress the Financial Inclusion Strategy, including the commissioning of debt advice services:

Funding agreed	Source
£258,000	Cost of Living budget
£380,000	Employability earmarked reserves (originally the Better Off demonstrator budget)
£15,000	NAC 'Islands Budget'
£100,000	Funding allocated as part of NAC budget 2023-24 (up to £100k)
<b>£753,000</b>	<b>TOTAL</b>

The above funds will be used to cover costs including:

- Commissioning of an independent debt advice service for North Ayrshire for 2 years
- Extension of the Better Off pilot as required to ensure smooth transition and continuity of service – currently agreed until end June 2023
- Development of case management system and IT infrastructure
- Salary plus costs for the Senior Manager post for 24 months
- Marketing materials associated with a Communications Plan

- 2.5 A Financial Inclusion Strategy has been developed detailing intentions for 2023-

24. They include an intention to undertake a strategy refresh for 2024-28, which will follow a series of consultations with key stakeholders and the public. Staff teams will be active participants in that process.

### **The Financial Inclusion Strategy and intentions for 2023-24**

- 2.6 The current cost-of-living crisis has necessitated an emergency response and the Financial Inclusion Strategy reflects on the impact of the current economic situation on our services and details our immediate response to meeting the needs of people in our communities in 2023-24. It also incorporates and builds on the work of the Transformation team in relation to the whole systems approach and streamlining customer journeys.
- 2.7 The cost-of-living crisis is having the greatest impact on low-income households, particularly people with disabilities or long-term health conditions, lone parent families and people in rural and island communities, who have higher costs for some goods and services including off-gas grid fuel costs and transport.
- 2.8 However, there is also increasing demand for debt advice from people who sit just above the benefits entitlement threshold and from people who were traditionally less likely to access advice services e.g. homeowners and professional people. Debt repayments are not deducted from income for the purposes of determining whether a household is living in poverty, but they do reduce the amount of disposable income available for essential goods and services and there is an increased risk of material deprivation.
- 2.9 Financial exclusion is closely linked with poverty and social exclusion and is a significant contributor to child poverty. Financial inclusion services enable and empower people to access the information, advice and support they need to maximise and effectively manage their disposable income, to be less likely to fall behind with bills, more able to deal with unexpected expenses, have improved mental and physical health and to become more active in their communities. Ultimately, they enable people to have the knowledge, skills and confidence to feel more secure and in control of their personal finances.
- 2.10 In North Ayrshire, the number of people reporting that they are managing well financially saw a significant drop between 2018 and 2019, having gone down from 62% to 49%, whilst across Scotland numbers remained relatively static. In addition, since 2017 there has been an increasing number of adults with no savings, against a slight reduction nationally. (Local Child Poverty Dashboard). In North Ayrshire, demand for both welfare rights and debt advice is continuing to increase.
- 2.11 Financial Inclusion services encompass a range of providers across the sectors. The primary focus in the Strategy for 2023-24 is on the main public sector funded welfare rights and debt advice services available to people in North Ayrshire. Over the next year, a full consultation process will be undertaken with the public and key stakeholders along with a detailed mapping and analysis of local financial inclusion services provision. Through this process the strategy will be reviewed and refreshed for 2024-28 and a longer-term cross-sector delivery plan

put in place encompassing wider financial inclusion services.

- 2.12 A key outcome will be the creation of a Financial Inclusion Partnership in North Ayrshire. The Partnership will be inclusive with representation from a range of key stakeholders including for example advice services, 1st Alliance Community Bank, fuel poverty advice services, employability, education and housing services, housing associations, community link workers, the Food Bank and Alcohol and Drugs Partnership. The creation of a Partnership will foster collaboration and enable a joint approach, making the best use of all available resources, to mitigating the impact of the cost-of-living crisis on individuals, families and communities in relation to entitlements, managing money, debt, financial literacy, digital inclusion, affordable lending, fuel poverty, health and more.

#### 2.14 Timeline for key deliverables in 2023-24

Key Strategic Milestones	Completion
Money Matters and Welfare Reform and Advice Team managers aligned to Senior Manager (Financial Inclusion)	Q1
Advice service organisational restructure as required for merged in-house service	Q1
Communications Plan developed and implemented	Q1
Financial Inclusion cross-sector Partnership established	Q1
Online Referral pathway live (Accessing our Council whole system approach)	Q1
Welfare Rights advice services embedded within Employability services	Q2
Universal Debt Advice service for North Ayrshire commissioned and taking referrals	Q2
Performance Management Framework developed for case management system	Q2
Development of interactive online map for location of advice and related services eg public wi-fi	Q2
Review and development of holistic approach including 'referrals out' pathways, access points	Q3
Implementation of integrated case management system which incorporates the quality assurance and performance management frameworks.	Q4
Strategy refreshed and agreed	Q4

### 3. Proposals

- 3.1 It is proposed that Cabinet notes the progress of the Financial Inclusion Project Board to date. It is further proposed that Cabinet approve the Financial Inclusion strategy which has now been developed to take forward the delivery phase of the transformation of Financial Inclusion services, together with the commissioning of debt advice services and more detailed analysis and consultations to refresh

the strategy for 2024-28.

#### **4. Implications/Socio-economic Duty**

##### **Financial**

- 4.1 The report outlines the plans to utilise the £753k available through the project to improve financial inclusion services in North Ayrshire. These services provide significant levels of additional income for local people, through supporting them to access benefits to which they are entitled. They also support people to reduce outgoings thus increasing their disposable income, to better manage their money and to put manageable debt strategies in place where this is required. Therefore the financial gain to our local area and communities will be in excess of the investment.

##### **Human Resources**

- 4.2 Creation of a joined-up financial inclusion team will result in the closer alignment of teams which are currently in separate structures in the HSCP and Housing. Appropriate engagement will be undertaken with teams and trade unions as part of the change process.

##### **Legal**

- 4.3 None.

##### **Equality/Socio-economic**

- 4.4 Financial inclusion services provide local people with a range of support services and access to financial benefits.

##### **Climate Change and Carbon**

- 4.5 None.

##### **Key Priorities**

- 4.6 Financial inclusion services support the Council priority - "Aspiring Communities".

##### **Community Wealth Building**

- 4.7 Maximising disposable income combined with improved financial literacy and budgeting skills for local people will support spend in the local economy.

#### **5. Consultation**

- 5.1 Consultation has taken place with the leads for financial inclusion services throughout the service review and in the gathering of information for this report.

**Caroline Cameron**  
**Director, Health and Social Care Partnership**

For further information please contact **Sheena Campbell, Senior Manager (Financial Inclusion), North Ayrshire HSCP**, on [sheenacampbell@north-ayrshire.gov.uk](mailto:sheenacampbell@north-ayrshire.gov.uk).

## **Background Papers**

**Financial Inclusion Strategy for North Ayrshire 2023-28**





# **North Ayrshire Financial Inclusion Strategy 2023-28**

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# North Ayrshire Financial Inclusion Strategy: Introduction

'Financial inclusion' refers to the ability of individuals to access appropriate financial services or products to manage their money effectively.

Financial inclusion services are intended to provide access to the best financial advice and products to support people to build their financial resilience and confidence to manage their money and deal with financial difficulties. Poor financial wellbeing impacts on all aspects of life and can leave lasting damage on future life chances. Advice and support services are delivered by a range of service providers across the sectors.

North Ayrshire Council and the Health and Social Care Partnership take pride in a co-production approach to strategic planning, through having meaningful engagement with our communities. However, the current cost of living crisis has necessitated an emergency response, and this Financial Inclusion Strategy reflects on the impact of the current economic situation on our services and details our immediate response to meeting the needs of people in our communities during 2023-24. Our most vulnerable citizens need a service that is accessible and meets their immediate needs, as well as improving their long-term economic outcomes.

Whilst financial inclusion services are delivered by a range of service providers across the sectors, this interim plan for 2023-24 will focus on the main local authority and HSCP-funded welfare rights and debt advice services

available to people in North Ayrshire.

Over the next year, a full consultation process will be undertaken with the public and key stakeholders, along with a detailed mapping and analysis of local financial inclusion services provision.

Through this process, the strategy will be reviewed and refreshed for 2024-28, and a longer-term, cross-sector delivery plan put in place encompassing wider financial inclusion services. Our staff teams will be active participants in this process.

The Financial Inclusion Strategy is closely aligned with North Ayrshire Council's strategic priority of 'Aspiring Communities', within which North Ayrshire has:

**Active and strong communities**

**Children and young people experience the best start in life**

**Inclusive, growing and enterprising local economy**

**People enjoy good life-long health and wellbeing**

**People and communities are safe**



**The vision of North Ayrshire Council is for a North Ayrshire that is 'Fair for All', with a mission of "working together to improve wellbeing, prosperity and equity in North Ayrshire." North Ayrshire Health and Social Care Partnership's vision is that "people who live in North Ayrshire are able to have a safe, healthy and active life."**

# Financial inclusion alignment with strategic ambitions to 2030

## Tackle inequalities

The cost of living crisis has further highlighted the negative impact of deprivation and poverty on our communities, and we will continue to work collaboratively with other service providers to deliver shared solutions.

We recognise those most vulnerable to the cost of living crisis are people living on low incomes, in particular lone-parent households and people with disabilities and long-term health conditions.

We will build on our holistic approach to providing advice where income advisors and frontline services are co-located to proactively support those hardest to reach in our communities.

## Improve health and wellbeing

We will continue to work with local communities to improve both physical health and mental wellbeing.

We recognise that in this cost of living crisis, many people are experiencing anxiety, depression, or worrying about their finances.

The free advice sector has an important role to play in ensuring people have access to services that will enable the maximising of disposable income, offer options for managing debt and support with managing money, whilst having established referral pathways to health and wellbeing services.

## Provide early and effective support

Financial inclusion services will continue to work with the most vulnerable in our communities, working to reduce the need for financial crisis interventions.

This requires a review of how financial inclusion services are delivered across North Ayrshire to ensure everyone has ease - and equity - of access to advice and related services so they can receive the right support at the right time within their community.

## Enable communities

Financial literacy support, which includes

understanding terminology, banking and broader money-related life skills, is an important element of financial inclusion services, forming the foundations for sustainable outcomes that will reduce the likelihood of clients facing financial crises in the future.

## Develop and support the workforce

North Ayrshire advice services have faced significant challenges over the last few years, not least in responding to the Covid-19 pandemic and ensuring continuity of service provision.

They rose to that challenge and found new, innovative ways to deliver services remotely when that was the only option. Going forward, we face new challenges with the cost of living crisis and the changing and expanding demographic of people who are accessing advice services. We recognise that many of our citizens are also our own workforce or from our delivery partners.

We must ensure that advice services have the capacity and capability to meet demand and to effectively respond to the multiple needs of many clients. We must therefore ensure that we can effectively plan and build a cross-sector, collaborative advice service that meets the needs of North Ayrshire residents.

### Our shared vision:

**"A financially healthy North Ayrshire where people have the knowledge, skills, resources and confidence to manage their money effectively and live fulfilling and healthy lives."**

### Our shared mission:

**"The provision of easy to access, joined up, quality advice services that work together and in partnership with related services, to ensure that all the needs of our customers are met."**



## Our guiding principles 2023-24

We know we are already reaching many people across North Ayrshire, and that most - if not all - have benefitted from our services to some extent, indeed many have expressed their gratitude, but there remains scope to do even better.

### To achieve our intentions for 2023-24, we will:

- Deliver a professional, in-house advice service and work towards accreditation to the Scottish National Standards for Information and Advice Providers, which will demonstrate high quality to both the public and funders.
- Commission independent debt advice services, in recognition of the rights of people in our communities to be able to choose to access independent and impartial debt advice.
- Reach out to people who are not using our services, particularly the most socially isolated, people living on the islands of Arran and Cumbrae, vulnerable families and those experiencing in-work poverty.
- Work collaboratively across third and public sector advice agencies.
- Adopt a 'named/key worker' approach across advice agencies.
- Be adaptable to meet clients' priority issues and be flexible in delivery of person-centred advice.
- Pro-actively identify root causes and wider needs of clients, take action to support engagement with other agencies as appropriate, and evidence outcomes from those actions.
- Improve referral pathways to advice services and build on our holistic approach to support for those who need to access multiple services.
- Develop systems and processes to standardise data recording and reporting and enable services to fully evidence outcomes for clients and achievements of services.



## What success will look like...

- Increase in local access points to advice services in our communities through building on our outreach model, ensuring any identified gaps are prioritised and aligned to need.
- Increased levels of engagement with advice services, in particular from:
  - Lone parents and other child poverty priority groups
  - People with disabilities and long-term health conditions
  - Residents in remote and rural locations, including the islands of Arran and Cumbrae
  - People experiencing in-work poverty
  - People from minority communities including gypsy/travellers
- Reduced levels of repeat presentations to advice services, indicating that we are succeeding in breaking cycles of debt and dependency.
- Establish new and streamlined referral pathways to support the holistic approach together with partner organisations and agencies.
- Performance management framework established, which will enable effective measurement of the difference our services are making for the people in North Ayrshire, including a single, person-centred record for supports and an integrated dataset to support robust performance reporting.
- Increased number of people, particularly those considered 'higher lending risk', accessing affordable loans and becoming regular savers through partnership with 1st Alliance Community Bank.
- Establishment of a North Ayrshire cross-sector Financial Inclusion Partnership, with a refreshed Financial Inclusion Strategy for 2024-28 agreed and published.
- Reduced levels of poverty, and in particular child poverty, for the most vulnerable people and families in our communities, to which financial inclusion services will have made a valued contribution.



# 1. What is financial inclusion

Financial inclusion can be described as the ability of individuals to access appropriate financial services or products to manage their money effectively.

This includes the ability to:

- Access welfare rights and money/debt advice from free and professional services
- Manage their money effectively
- Build savings for unplanned expenditures
- Access affordable credit when required
- Sustain their home
- Buy insurances to safeguard their home and family
- Open a bank account
- Make informed life choices
- Be financially resilient



Financial exclusion is closely linked with poverty and social exclusion and is a significant contributor to child poverty.

Low-income households are most at risk from the cost of living crisis, and people with disabilities or long-term health conditions and lone-parent households are the most financially vulnerable. They are less likely to have savings that would cover their outgoings for more than a month should they lose their job and are most likely to have unmanageable debt.

Other particularly vulnerable groups include minority ethnic people (more likely to live in larger households), gypsy/travellers (more likely to be in seasonal work) and refugees who face particular hardships.

There is also a gendered dimension to the cost of living crisis. Women are more likely to live in lone-parent households (92%), households with an unpaid carer and larger households, and can be more exposed to cost of living pressures.

Financial inclusion services enable and empower people to access the information, advice and support they need to maximise and effectively manage their disposable income, to be less likely to fall behind with bills, more able to deal with unexpected expenses, have improved mental and physical health and to become more active in their communities. Ultimately, they enable people to have the knowledge, skills and confidence to feel more secure and in control of their personal finances.

A financially healthy North Ayrshire is not only beneficial for individuals, but also for their families, communities, businesses and the economy.

**“Poverty means not being able to heat your home, pay your rent, or buy the essentials for your children. It means waking up every day facing insecurity, uncertainty, and impossible decisions about money. It means facing marginalisation – and even discrimination – because of your financial circumstances. The constant stress it causes can lead to problems that deprive people of the chance to play a full part in society.”**

**(Joseph Rowntree Foundation)**



## 2. Economic context - national

The need for financial inclusion services has never been greater than in the current cost of living crisis.

The Joseph Rowntree Foundation report 'UK Poverty 2023' found that: *"We are in the midst of a profound cost of living crisis with huge implications for society. Many of us are having to make difficult choices on what spending we prioritise, but some of us face increasingly bleak choices."*

They found that in October/November 2022:

- Around six in ten low-income families are not able to afford an unexpected expense
- Over half are in arrears
- Around a quarter use credit to pay essential bills
- Over seven in ten families are going without essentials
- Around four in ten families with children are spending less on food for their children

The Joseph Rowntree Foundation also forecast that whilst inflation is expected to fall during 2023, prices are expected to continue to rise along with rents and mortgage payments, and wages are not expected to keep up.

Scottish Government figures from 2019-20 showed that more than one in four of Scotland's children are living in poverty. The Resolution Foundation forecasts that the rate of child poverty in Scotland will be 29% by 2023-24 and Scottish Government projections indicate that, without significant change in national policy, the figure could reach 38% by 2030-31.

The Scottish Government's 2022 publication 'The Cost of Living Crisis in Scotland: An Analytical Report' found that low income households with little or no savings are most impacted and also made reference to the higher costs of living for people in rural and island households for some goods and services, including off-gas-grid fuel and transport.

While the most vulnerable members of our communities are continuing to access advice services in the largest numbers, there is evidence nationally, echoed by local advice services, that there are more people seeking help now who were traditionally less likely to access advice services, eg homeowners and professional people. These groups represented higher proportions during the Covid-19 pandemic and have remained higher than pre-pandemic levels.

Many people who sit just above the benefits entitlement threshold are facing financial difficulties. Increasing numbers of people who are in a debt solution (payment plan/debt arrangement scheme etc) are finding that they can no longer afford their contributions and more clients are presenting with complex debt.

The 2021-22 Common Advice Performance Management





Reporting Framework (CAPMRF) report for welfare rights and debt advice services funded by local authorities across Scotland showed that there was a 24% increase in the number of debt clients supported by services between 2020-21 and 2021-22.

### 3. Economic context – local

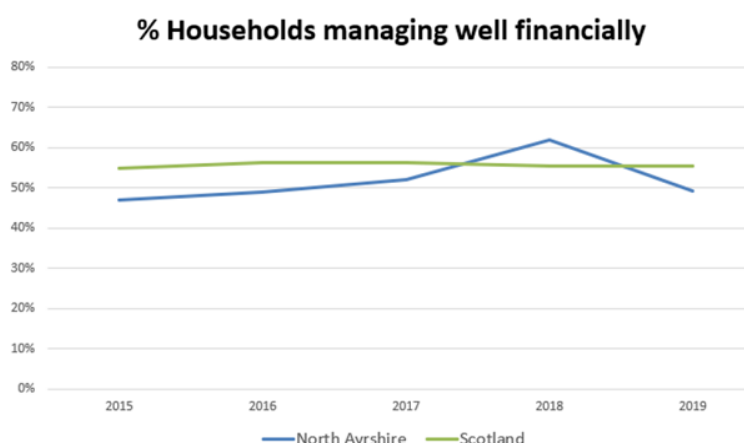


North Ayrshire is one of the most deprived areas in Scotland, with deprivation levels significantly higher than the national average, and has the second highest level of child poverty - after housing costs - of any area in Scotland.

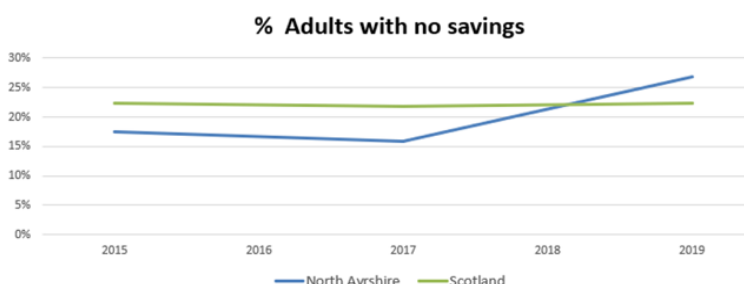
Child poverty statistics for 2019-20, released by Loughborough University, based on DWP and HMRC data, shows that an estimated 6200 children aged 0-16 years were living in poverty in North Ayrshire.

North Ayrshire has the lowest employment rate in Scotland (64.9%), the second highest unemployment rate, and the economic inactivity rate (29.7%) is the highest in Scotland and the 13th highest in Great Britain.

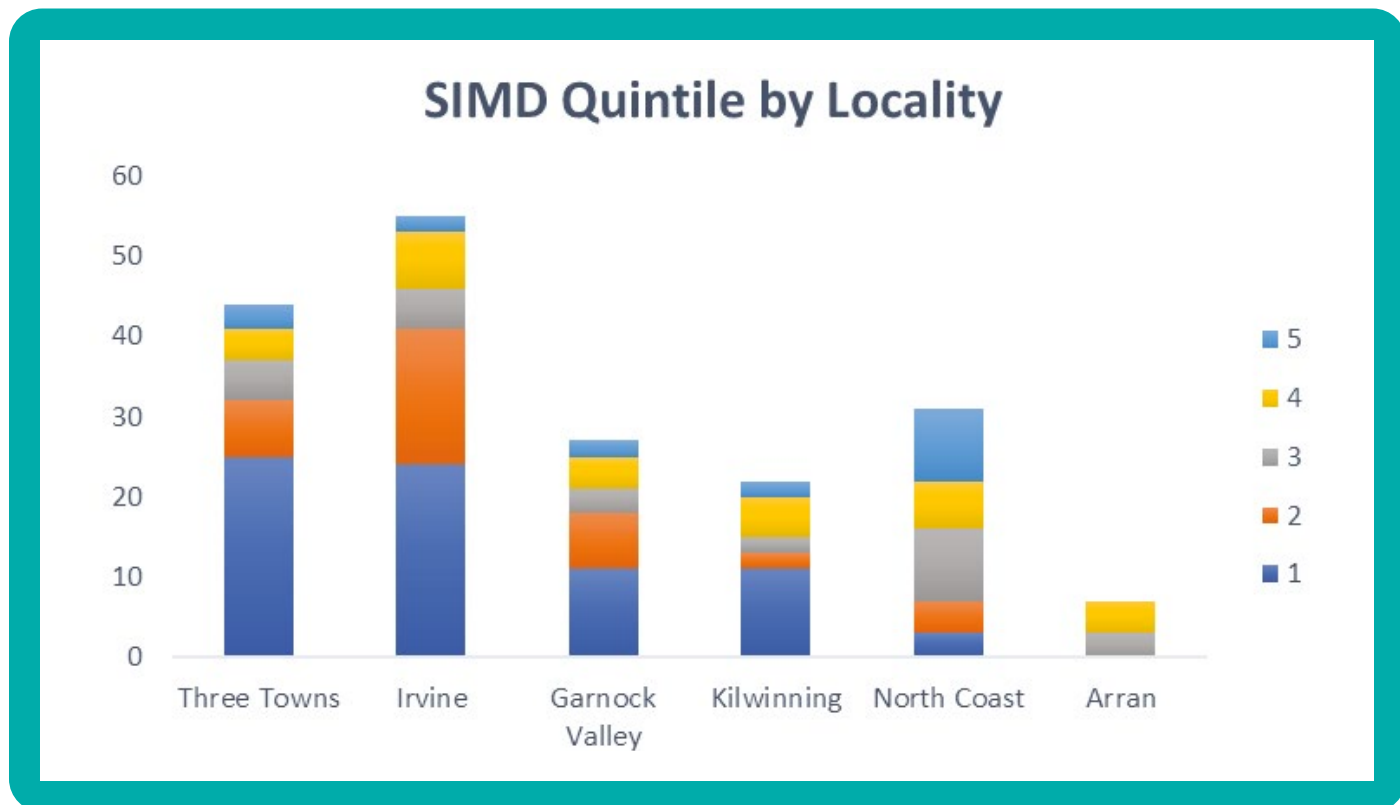
The Scottish Government Local Child Poverty Dashboard showed, between 2018 and 2019, a significant drop in the number of people in North Ayrshire who felt they were managing well financially, having gone down from 62% to 49%, whilst across Scotland numbers remained fairly static.



In addition, since 2017, the statistics show an increasing number of adults with no savings, against a slight reduction across Scotland.



The 2020 Scottish Index of Multiple Deprivation (SIMD) shows that of the 186 SIMD data-zones in North Ayrshire, 74 fall within the most deprived areas in Scotland (quintile 1). This represents 39.8% of all datazones in North Ayrshire, with 41.2% of the population living in those areas. The Three Towns has the highest proportion of datazones in quintile 1 (56.8%), as illustrated in the chart below.



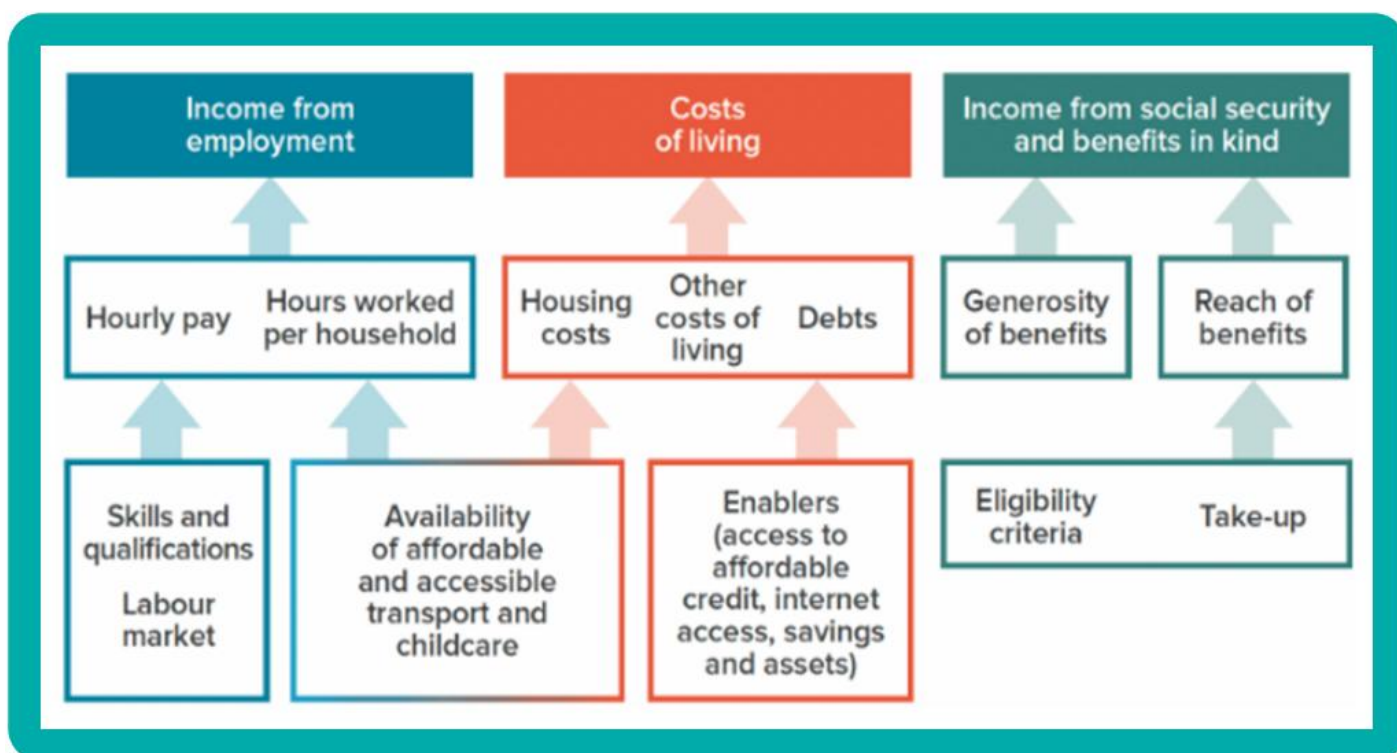
North Ayrshire Council’s ambition is for a North Ayrshire ‘where everyone has the same life chances to grow, prosper and have fulfilling and healthy lives’.

Financial inclusion services have an important role in ensuring that North Ayrshire Council achieves that ambition.



## 4. The role of financial inclusion services in tackling poverty

### Direct drivers of poverty



The direct drivers of poverty fall into three main categories – income from employment, costs of living and income from social security.

Therefore, advice services and the wider financial inclusion sector have a key role in tackling poverty.

- **Income from employment**

North Ayrshire has the lowest employment rate in Scotland (64.9%) and the second highest unemployment rate (5%). Economic inactivity is the highest in Scotland.

Embedding advice services within employability services enables their service users and clients to have direct access to advice services, which will address financial barriers to employment and enable progression in employment through increasing hours of work/hourly pay and thereby increase household income.



- **The 'take-up' of social security entitlements**

Unclaimed benefits across Britain were estimated to be around £20 billion in 2016-17. Only one in five were estimated to have claimed means-tested benefits and less than one third claims Working Tax Credit for households with no children.

Welfare rights advice enables people to better understand and claim their entitlements to maximise their income. Increasing benefits take-up and ensuring citizens are in receipt of income that they are due has a positive impact for North Ayrshire residents and the local economy.



- **Costs of living**

It is estimated that around 62% of Scottish households are now living in fuel poverty (paying more than 10% of their income on energy). This figure rises to 80% for low-income households. Another significant change is that almost half of all 'non-income' poor are now also likely to be fuel poor, up from 9.5% in 2019-20.

Referral pathways are in place from advice services to specialist fuel poverty/energy advice services to ensure that people get help with, for example, debts to utility providers. Interventions include support to access discretionary grants to write off energy debts, or to set up repayment plans. They also provide advice and support in resolving disputes with suppliers and with the replacement of prepayment meters with credit meters.

Local providers will be represented on the Financial Inclusion Partnership to be established in 2023.

- **Unmanageable debt**

Debt repayments are not deducted from income for the purposes of determining whether a household is in income poverty.

They do, however, reduce the amount of disposable income that households have to spend on goods and services, and therefore increase their risk of material deprivation, ie unable to afford goods and activities that are the norm in today's society.

Debt advice services offer options for managing debt more effectively, and part of the strategy for 2023-24 is to provide a universal debt advice service that will provide independent, impartial and accessible advice to all citizens in North Ayrshire.

- **Access to affordable credit and savings**

As a result of low incomes, and/or lack of credit history, many people are unable to borrow money from the same sources as other members of the population.

Many, as a result, turn to high-cost alternatives such as doorstep or payday lenders. Credit can therefore be the most expensive for those who can least afford it.

Access to affordable credit and savings can protect against problem debt and material deprivation as they safeguard against unplanned costs and changes in income.

Credit Unions/Community Banks are key providers of financial inclusion services and will also be represented on the Financial Inclusion Partnership to be established in 2023.



The Common Advice Performance Management Reporting Framework (CAPMRF) 2021-22 report (produced by the Improvement Service on behalf of Scottish Government) shows a national trend of declining welfare rights activity over the last two years, with fewer claims, mandatory reconsiderations and appeals supported in comparison with previous years.

However, they also report that one contributory factor may be the increasing number of complex welfare rights cases, which will impact on capacity. The complex nature of cases is reflected in the average time spent with a client/resolving their issue, which went up from 3.25 hours in 2020-21 to 5.35 hours in 2021-22.

Conversely, national trends relating to debt advice show that the number of people supported increased by 24% between 2020-21 and 2021-22, which may be due in part to the removal of Covid-19 support measures. *“Those who were struggling during the pandemic may have reached crisis point once creditors resumed collections.”*

The Common Advice Performance Management Reporting Framework also found that the most common type of debts presented, both nationally and locally, are *“Council Tax arrears, rent arrears and utility arrears, suggesting clients are more frequently struggling with essentials. It is possible this trend will continue as the effects of the cost of living crisis unfold”*.

### **The report concluded that:**

***“The findings of this report demonstrate the significant impact that local authority [funded] money and welfare rights advice services continue to make. These services have played a vital role through the instability experienced in the early 2020s and have supported increasing numbers of vulnerable households in the past year. Services are likely to experience continued pressure in the following years. Demand from debt advice clients has already increased in the most recent year and rising costs mean there is likely to be increased demand from those struggling to make ends meet.”***

In North Ayrshire, overall, demand for debt advice services is increasing, but unlike the national picture, demand for welfare rights advice is also increasing.

## **5. North Ayrshire financial inclusion services - current position**

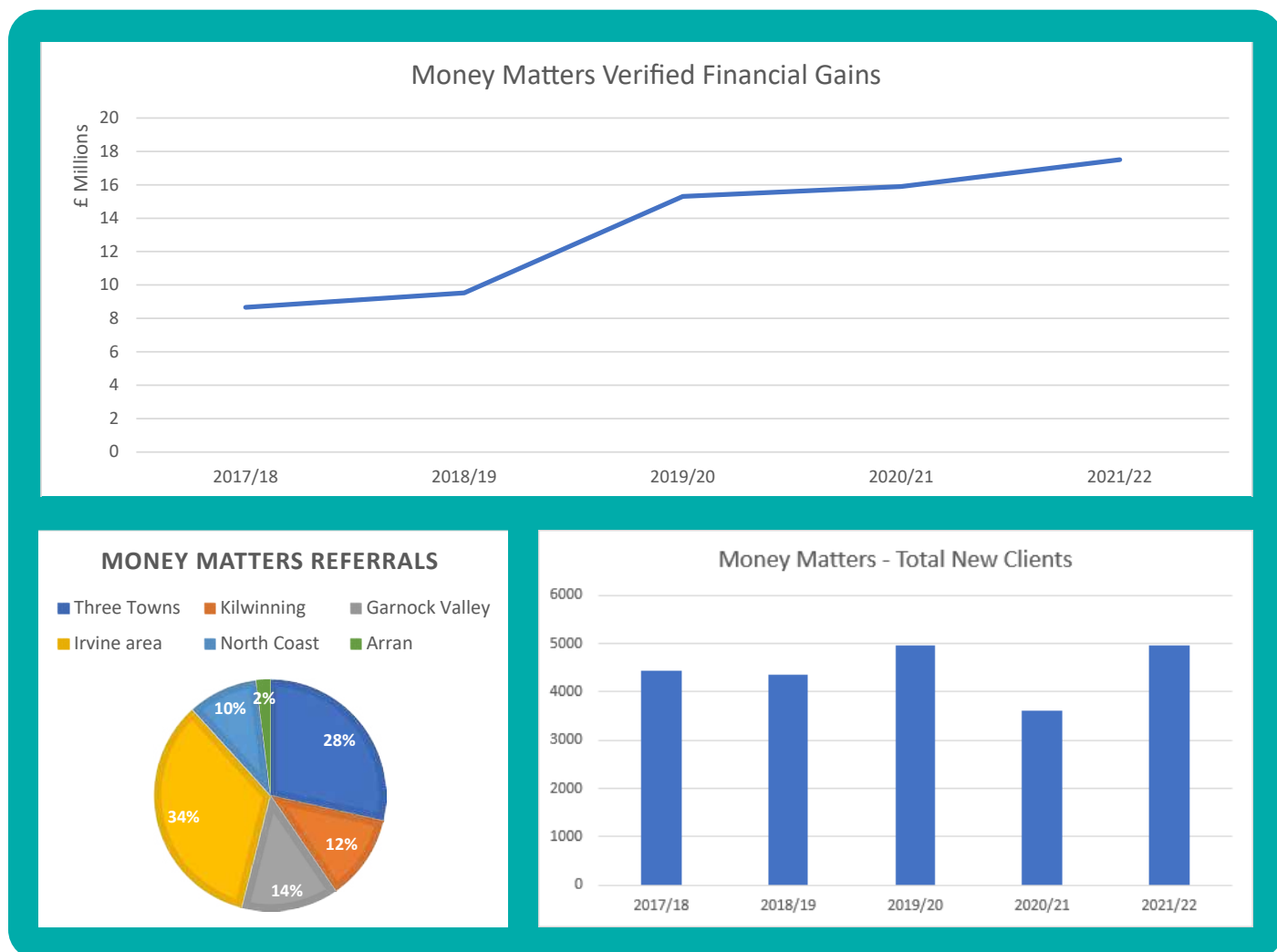
In comparison with many other local authorities, North Ayrshire has relatively few local providers of advice and wider financial inclusion services, but they are well-established in local communities. See Appendix 1 for locality maps illustrating access points across North Ayrshire. The main advice agencies/services are:

### **Money Matters**

With a North Ayrshire Health and Social Care Partnership investment of £1.4m, Money Matters provides a universal welfare rights advice service across North Ayrshire, supporting residents to ensure they receive their legal entitlement to benefits.

The team also undertakes financial assessments for non-residential social care services where charges apply and support social care service users to maximise benefits, for example supporting Kinship Carers to claim all benefits they are entitled to. It also provides free training to colleagues across public and voluntary sectors working in front-facing roles.

In 2021-22, the service received 4,958 initial contacts (including 526 financial assessments for non-residential charging). Of those, 1,672, or 34% of initial contacts, were from vulnerable families and 55% had a disability or long-term health condition. The Money Matters team secured over £17.5m in verified financial gains for their clients, more than double the financial gains achieved in 2017-18.



Money Matters can be accessed across North Ayrshire through its dedicated advice line, face to face in social services local offices and is co-located with frontline services including criminal justice, addictions, mental health, children's throughcare services and the learning disabilities team. The team also has an adviser based within the foodbanks, and since June 2022 has provided welfare rights advice in nine GP practices - with plans to expand this to Arran and Millport during 2023 - and in seven schools since Autumn 2021.

### Client feedback:

**"Thank you for helping us both claim Attendance Allowance... now we can pay for many tasks to be done for us which we no longer can do. Well done!"**

## Housing Services Welfare Reform and Advice Team

Funded by the Housing Revenue Account (£0.6m investment), the Housing Services Welfare Reform and Advice Team provides welfare rights and debt advice services for Council tenants.

In 2021-22, 1,528 individuals were referred, or self-referred, with 68% of referrals from housing

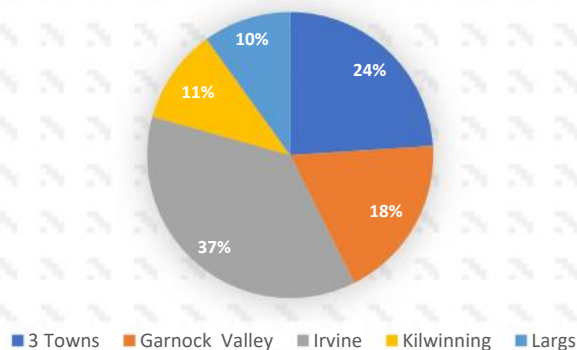
services and 25% self-referrals. Over the last three years, the team has received a significant increase in referrals for debt advice and this trend has continued into 2022-23. In 2020-21 the team achieved £2.2m in financial gains for Council tenants.

Advisers from the Welfare Reform and Advice team are based in housing offices across North Ayrshire. A breakdown of referrals received from the housing offices (below) shows that the service is reaching tenants across North Ayrshire.

### Client feedback:

**"Thank you so much for helping me today and every other time in connection with this. For the first time in a long time, I might be able to sleep properly without nightmares and fear keeping me awake. Once again, thank you."**

### Local Housing Office referrals

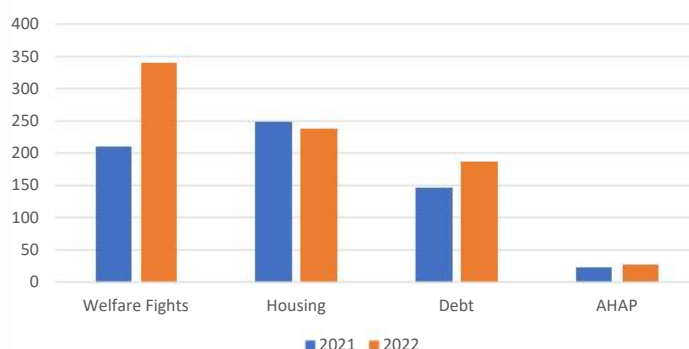


## CHAP

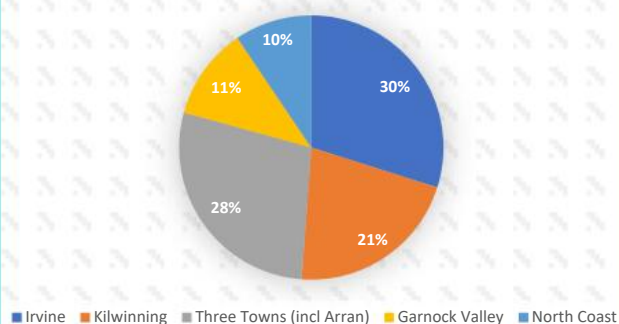
Based in Ardrossan, CHAP is a well-established charitable organisation that provides welfare rights, money/debt and independent housing advice for people across North Ayrshire. In 2023, it will also be delivering a new financial literacy programme, funded through the Council's Shared Prosperity Fund 'Multiply' programme.

Over the last five years, CHAP has been the key delivery partner for the Better Off North Ayrshire advice service projects, and as with public sector advice services the organisation is seeing increasing referrals for both debt and welfare rights advice. In addition, between 2021 and 2022, 33% more clients were identified as having debts to energy companies (referred on for specialist advice).

### CHAP Referrals (excluding Better Off)



### CHAP Referrals by locality



Note: AHAP (Ayrshire Homelessness & Prevention) is a partnership between CHAP and the Govan Law Centre through which homeowners can access advice and support when facing threat of repossession.

### Client feedback:

**"Staff always phone to check up. Members of staff really nice. Can't complain about anything, service was outstanding. I know I can call whenever I need any assistance in the future."**

## 1st Alliance Community Bank

1st Alliance Community Bank covers the West of Scotland and is based in Kilwinning. It is a not-for-profit cooperative that offers tailored financial solutions for its members.

In August 2021, North Ayrshire Council put in place a Service Level Agreement through which it invested £150k for the express purpose of enabling 1st Alliance to lend to those who are 'higher risk' due to past history, but who can afford repayments. This fund is being 'recycled' as each loan is cleared off, thereby providing a legacy funding which will enable 1st Alliance to continue providing low-cost loans to 'high risk' customers over a number of years.

In December 2022, it was agreed that the Service Level Agreement would be amended to enable the fund to also be utilised to encourage individuals/families to become more financial resilient by providing an incentive to start saving in the form of a one-off £25 payment, which is allocated to a new savings account. To date, 'higher risk' loans have been awarded to 165 people, 45% of whom were unemployed.

### Client feedback:

**"1st Alliance have been amazing. I really didn't know where to turn to after I had a flood in my house. I had no insurance and my credit isn't the best. A friend told me about 1st Alliance and the whole loan process was so straightforward."**

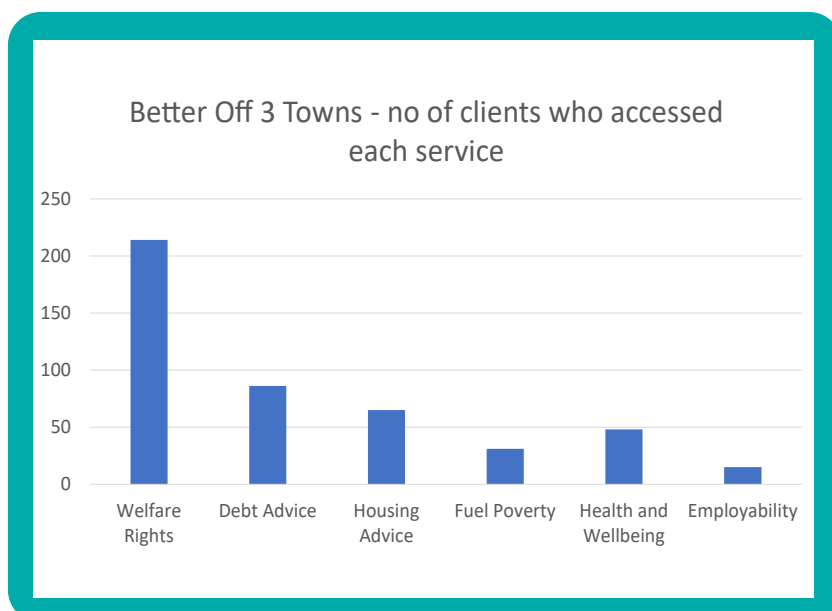
## Better Off North Ayrshire

Over the last five years, North Ayrshire Council has contracted out universal debt advice services to the third sector, initially through external funding. In October 2020, through learning from earlier programmes, North Ayrshire Council funded a pilot advice service (incorporating welfare rights, debt and housing advice) to be delivered through a Public Social Partnership, with annual funding of £0.2m.

The pilot was delivered within the Three Towns locality of Ardrossan, Saltcoats and Stevenston. It commenced in March 2021 and will come to an end in June 2023. A key worker/whole person approach was incorporated into a collaborative delivery model with online referral pathways established to/from third and public sector advice agencies, as well as Community Link Workers (attached to GP surgeries) and employability services.

In 2022, 306 Three Towns residents were referred, or self-referred, to the Better Off pilot advice service. There were a further 67 'drop-ins' who accessed immediate welfare rights help and support. 75% of those referred had a disability or long-term health condition, and 23% were from child poverty priority groups.

A total of 449 services were accessed by those referred, including 48 individuals who were referred on for health and wellbeing needs and 15 to employability services.





The project has worked closely with Money Matters and the Welfare Reform and Advice Team, as well as external partners. The pilot was designed to focus on those with complex and significant challenges.

The outcomes-focused approach of evaluating Better Off was evidenced in a Year One Social Impact Report produced by the Social Value Lab. Of those interviewed through the consultation, it was found that 74% had an improved financial situation and 82% had reduced stress and anxiety. In addition, of the clients interviewed:



These outcomes are an indication that the improved financial circumstances experienced are more likely to be sustained and that the beneficiaries of the services are less likely to have a financial crisis situation in the future.

The external evaluation of year one of the Better Off pilot highlights the financial and social benefits that services provided in a joined-up way can bring to people's lives. The single point of contact to access multiple services, benefits, budgeting, debt, employability, energy, digital, health and wellbeing and housing, supported by a keyworker, provides a holistic approach, and the principles of the Better Off pilot will be encompassed in the new approach moving forward.

### Client feedback:

**"This has made a huge difference to my life. If [Better Off] hadn't helped me I would have just went under."**

## Conclusion

It is clear that North Ayrshire has a number of financial inclusion services that are well-established in local communities and are accessed by residents across North Ayrshire, delivering significant financial gains and supporting the cost of living and poverty crisis in North Ayrshire. However, many of these teams and services are not delivered in a joined-up way considering the needs of our citizens first. Many of the teams deliver the same services and it is considered that by bringing them closer together, there is scope to streamline referral pathways into the services, to make services more accessible for our citizens and to reduce the number of cross-referrals between teams.

This should create a more integrated system and support people in a more holistic way. Caseloads for all teams and services are increasing and North Ayrshire Council and the HSCP need to maximise all resource and capacity available to support our communities.

## 6. North Ayrshire financial inclusion services - moving forward

### Our immediate intentions for 2023-24

To support North Ayrshire Council and the HSCP's strategic priorities, our immediate plans for 2023-24 are to:

**Review, develop and improve North Ayrshire advice services to ensure they are person-centred, responsive and meet the needs of all North Ayrshire residents, and particularly the more vulnerable groups of people. To achieve this we will:**

- Create a single advice service team by merging Housing Services Welfare Reform and Advice Team and Money Matters.
- Start to work towards achieving the Scottish National Standards for Information and Advice Providers (SNSIAP) for welfare rights advice to Type 111.
- Develop a new, integrated framework for measuring customer satisfaction and to obtain feedback and suggestions from customers.
- Review and develop the in-house delivery model to build on the holistic approach to pro-actively identifying underlying and associated issues and support engagement with other service providers as appropriate to individual needs.
- Ensure accessibility of support, building on the outreach and co-location model of delivering supports.
- Review and develop the Performance Management framework to support a standardised approach to data capture and reporting of outcomes, a systematic approach to service development, and to encourage a culture of continuous improvement.
- Identify and implement a new case management system that incorporates the quality assurance and performance management frameworks.



**Establish effective partnership working practices that will enable a more joined-up approach to service delivery and development, which also maximise resources and available funding. To support this, we will:**

- Establish seamless referral pathways to and between advice and key referral agencies, including community banking, financial literacy, housing, health, employability and social services.
- Develop and establish a closer working partnership with 1st Alliance Community Bank.

**Provide an independent debt advice service to all residents in North Ayrshire. To support this, we will:**

- Provide a service that will be available to owner occupiers, private rental sector tenants, Housing Association and North Ayrshire Council tenants.
- Develop a service specification that incorporates the key elements of the Better Off model, including the holistic approach, with a performance management framework to measure the impact of support.
- Commission through the Third Sector a universal debt advice service to provide independent, impartial and accessible debt advice services for a two-year period initially.

**Improve access to, and awareness of, advice services across North Ayrshire. To achieve this we will:**

- Develop and implement a communications plan targeting the more vulnerable groups of people, to promote advice and wider financial inclusion services and maximise awareness of access points.
- Develop an interactive online mapping tool that will enable ease of access to information about what advice services are available where, and when, in local communities.
- Investigate options to develop an App or a platform that provides information about local advice services, access to appropriate self-help tools and the option to submit a request for a follow-up call from advice services.
- Embed welfare rights provision within employability services.

**Develop and establish a cross-sector North Ayrshire Financial Inclusion Partnership, with representation from financial inclusion service providers and key stakeholders, which will:**

- Include representation from, for example, advice services, 1st Alliance Community Bank, fuel poverty advice services, employability, education and housing services, housing associations, community link workers, the food bank and the Alcohol and Drugs Partnership.
- Support the development, monitoring and evaluation of service developments, including referral pathways, and allow our citizens to more easily access information on the wide array of supports available.
- Enable a joint approach, making the best use of all available resources, to mitigating the impact of the cost of living crisis on individuals, families and communities in relation to entitlements, managing money, debt, financial literacy, digital inclusion, affordable lending, fuel poverty, health and more.
- Foster collaborations and the development of shared proposals to address identified gaps, as well as the development of funding proposals and opportunities.
- Enable the sharing of information, knowledge and expertise to support activities including:
  - Understanding and awareness, across the partnership, of the services offered by all providers and of the key needs of, and challenges faced by, their client groups.
  - Future developments, including the mapping of advice and wider financial inclusion services across North Ayrshire and identification of gaps in service provision.
- Provide access to a wider group of frontline workers and service users, which will help inform and support developments including the communications plan and consultations that will inform the strategy refresh.
- Support the monitoring and evaluation of service developments.
- Support the development of key themes and strategic objectives for the refresh of the strategy for 2024-28.

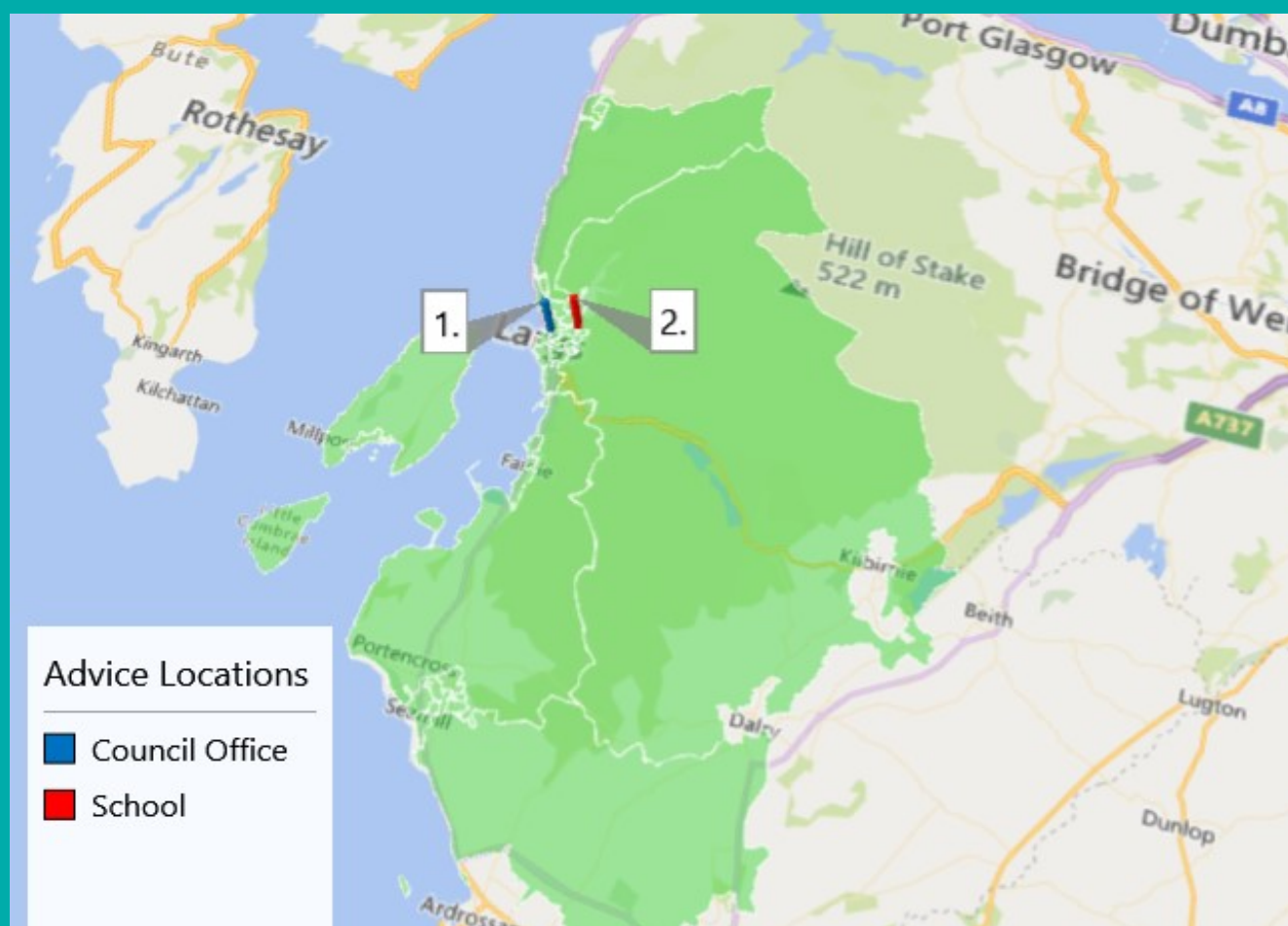
**Review and refresh the Financial Inclusion Strategy for 2024-28**

To achieve this we will:

- Encourage and support participation of staff teams in reviewing the vision and mission statements, agreeing our core values and the development of our ambitions for the next four years.
- Consult with key stakeholders and North Ayrshire residents.
- Put in place a robust performance management framework across services to ensure we can quantify and measure the totality of difference our services are making to the people of North Ayrshire.
- Undertake a mapping of all financial inclusion services and access points across North Ayrshire.
- Officially launch our North Ayrshire Financial Inclusion Partnership.
- Agree and publish a refreshed Financial Inclusion Strategy for 2024-28.

# Appendix 1: Advice service access points in North Ayrshire

## North Coast



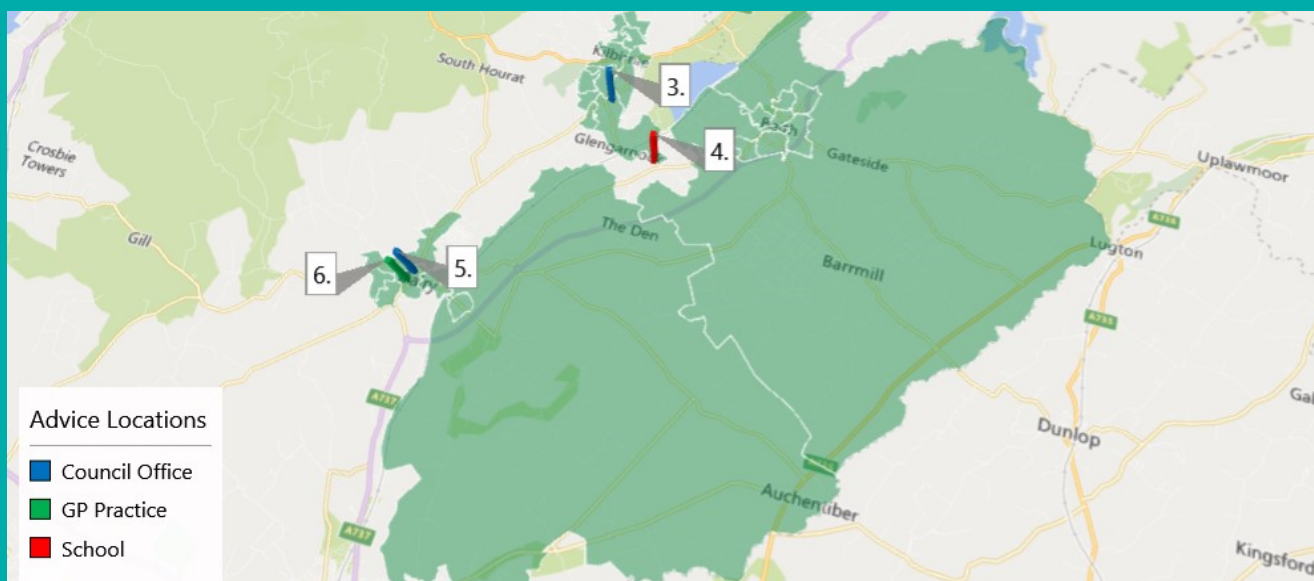
**1. Housing Services  
Welfare Reform and  
Advice Team:**  
Largs Area Office  
31 Brisbane Road  
Largs  
KA30 8LH

**2. Money Matters:**  
Largs Academy  
Alexander Avenue  
Largs  
KA30 9DR





## Garnock Valley



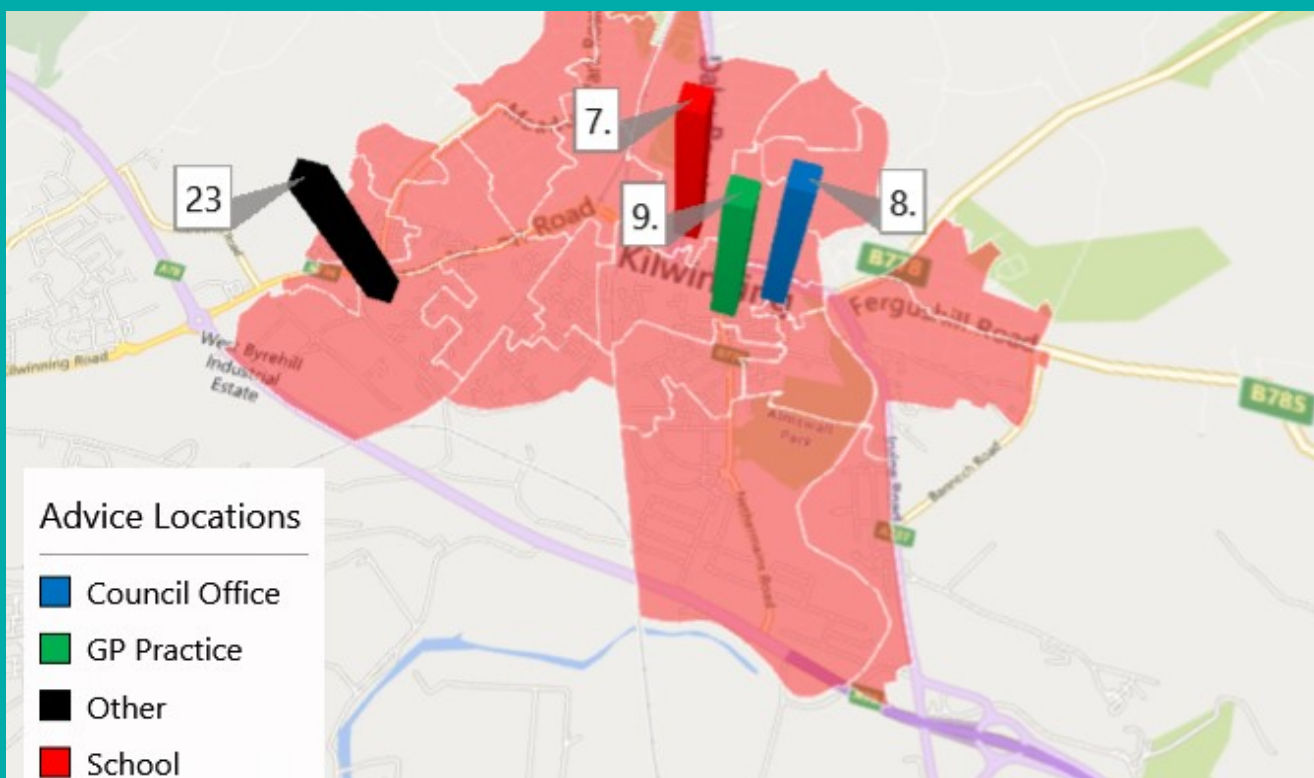
**3. Housing Services Welfare Reform and Advice Team:**  
Kilbirnie Area Office  
Craigton Road  
Kilbirnie  
KA25 6LJ

**4. Money Matters:**  
Garnock Community Campus  
Beith Road  
Glengarnock  
KA14 3BJ

**5. Housing Services Welfare Reform and Advice Team:**  
Dalry/Beith Area Office  
Sharon Street  
Dalry  
KA24 5DR

**6. Money Matters:**  
Dalry Medical Practice  
50 Vennel Street  
Dalry  
KA24 4AF

## Kilwinning



**7. Money Matters:**  
Kilwinning Academy  
Dalry Road  
Kilwinning  
KA13 7HD

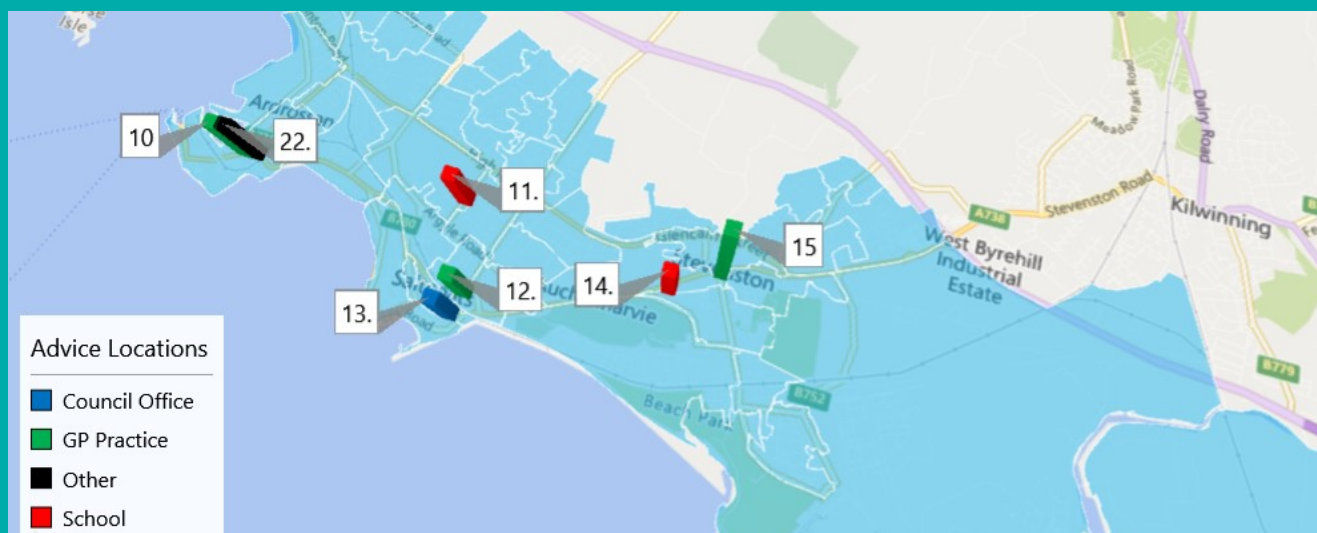
**8. Housing Services Welfare Reform and Advice Team:**  
Kilwinning Area Office  
35 Main Street  
Kilwinning  
KA13 6AN

**9. Money Matters**  
Kilwinning Medical Practice  
15 Almswall Road  
Kilwinning  
KA13 6BL

**10. Other Advice Services**  
Kilwinning Sports Club  
Pennyburn Road  
Kilwinning  
KA13 6LF

**23. 1st Alliance Community Bank**  
147 Main Street  
Kilwinning  
KA13 6EQ

## Three Towns



### 10. Money Matters:

South Beach Medical Practice  
8 Harbour Street  
Ardrossan  
KA22 8BS

### 14. Money Matters:

Lockhart Campus  
120 Boglemart Street  
Stevenston  
KA20 3JL

### 11. Money Matters:

St Matthew's Academy  
Jack's Road  
Saltcoats  
KA21 5NT

### 15. Money Matters:

Ayrshire Medical Group  
20 Main Street  
Stevenston  
KA20 3AB

### 12. Money Matters:

Saltcoats Medical Practice  
17-19 Raise Street  
Saltcoats  
KA21 5LX

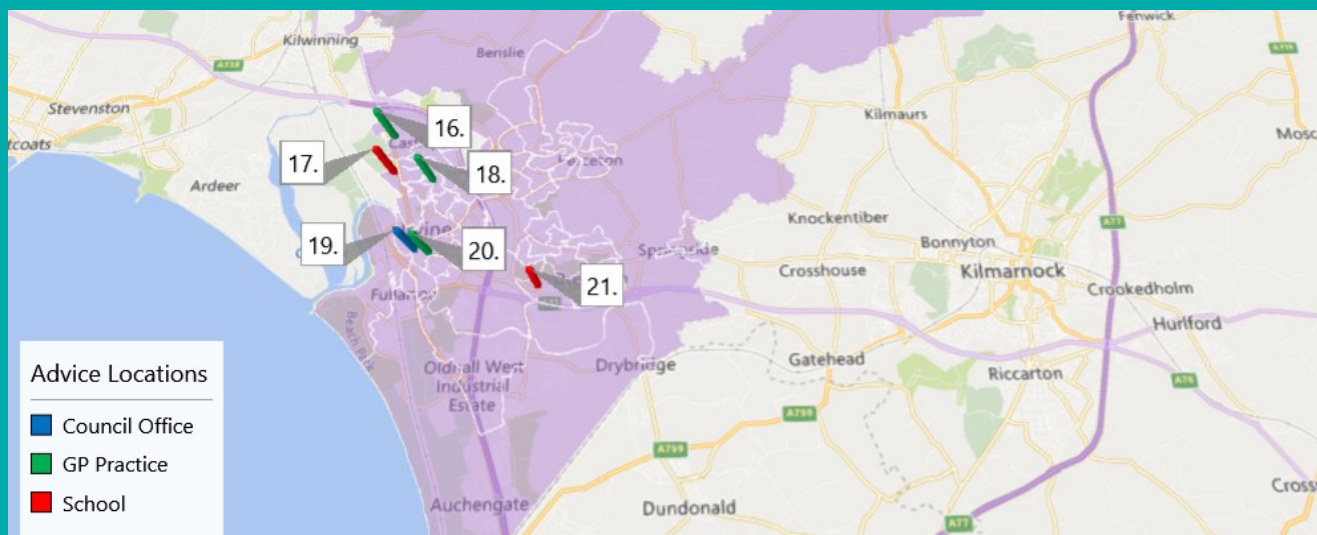
### 22. CHAP

71 Princes Street  
Ardrossan  
KA22 8DG

### 13. Housing Services Welfare Reform and Advice Team:

Saltcoats Town Hall  
Countess Street  
KA21 5HP

## Irvine



### 16. Money Matters:

Eglinton Medical Practice  
Ayrshire Central Hospital  
Kilwinning Road  
KA12 8SS

### 20. Money Matters:

Townhead Medical Practice  
6-8 High Street  
Irvine  
KA12 0AY

### 17. Money Matters:

Irvine Royal Academy  
Kilwinning Road  
Irvine  
KA12 8SJ

### 21. Money Matters

KA Campus Greenwood Academy  
Corsehill Mount Road  
Dreghorn  
KA11 4HL

### 18. Money Matters:

Frew Terrace Surgery  
9 Frew Terrace  
Irvine  
KA12 9DY

### 19. Housing Services Welfare Reform and Advice Team:

Irvine Area Office  
Bridgegate House  
KA12 8BD



## Appendix 2: Strategic links and references

### Strategic links

[Caring Together: NAHSCP Strategic Commissioning Plan 2022-2030](#)

[Child Poverty Report 2021-22 and Action Plan 2022-23 \(north-ayrshire.gov.uk\)](#)

[North Ayrshire Council Plan 2019 \(north-ayrshire.gov.uk\)](#)

### References

[How is the cost crisis affecting equality and fairness in Scotland? - Emergency Budget Review: equality and fairness - evidence summary - gov.scot \(www.gov.scot\)](#)

[What is poverty? | JRF](#)

[Wrong direction: can Scotland hit its child poverty targets? • Resolution Foundation Chapter 1. Introduction - Tackling child poverty delivery plan: forecasting child poverty in Scotland - gov.scot \(www.gov.scot\)](#)

[UK Poverty 2023: The essential guide to understanding poverty in the UK | JRF](#)

[The Cost of Living Crisis in Scotland: analytical report - gov.scot \(www.gov.scot\)](#)

[Cost of Living Report - December 2022 | Money Advice Scotland](#)

[Child Poverty Report 2021-22 and Action Plan 2022-23 \(north-ayrshire.gov.uk\)](#)

[Local child poverty dashboard - gov.scot \(www.gov.scot\)](#)

[Drivers of child poverty - Tackling child poverty - fourth year progress report 2021 to 2022: annex A - measurement framework - gov.scot \(www.gov.scot\)](#)

[SCoRSS benefits take-up final.pdf \(cpag.org.uk\)](#)

[Fuel poverty: estimates for the UK | CPAG](#)

[2021-22 Report | Improvement Service](#)



## Appendix 3: North Ayrshire financial inclusion services



### Money Matters

Bridgegate House  
Irvine  
KA12 8BD

To access advice and support:

**Call:** 01294 310456

**Email:** [moneymatters@north-ayrshire.gov.uk](mailto:moneymatters@north-ayrshire.gov.uk)

**Or use the online contact form at:** [Money Matters - North Ayrshire Health & Social Care Partnership \(nahscp.org\)](#)



### CHAP

71 Princes Street  
Ardrossan  
KA22 8DG

To access advice and support:

**Call:** 0300 002 0002

**Email:** [enquiries@chap.org.uk](mailto:enquiries@chap.org.uk)

**Or use the online contact form at:** [CHAP | Ayrshire Charity supporting housing, welfare and debt issues](#)



North Ayrshire Council  
Comhairle Siorrachd Àir a Tuath

### Housing Services Welfare Reform and Advice Team

To access advice and support:

**Call:** 0300 999 4606

**Email:** [welfarereformteam@north-ayrshire.gov.uk](mailto:welfarereformteam@north-ayrshire.gov.uk)

**Web:** [Welfare advice for council tenants \(north-ayrshire.gov.uk\)](#)



### 1st Alliance Community Bank

147 Main Street  
Kilwinning  
KA13 6EQ

**Call:** 01284 557123

**Email:** [info@allianceayrshire.co.uk](mailto:info@allianceayrshire.co.uk)

**Or use the online contact form at:** [1st Alliance Community Bank \(allianceayrshire.co.uk\)](#)





## Appendix 4: Drivers of poverty flowchart (alternative text)

The Scottish Government has identified three key drivers of poverty in Scotland and the key indicators relating to them. They are:

### Driver – Income from employment

#### Indicators:

- Hourly pay
- Hours worked
- Skills and qualifications
- Labour market
- Availability of affordable and accessible transport and childcare

### Driver – Costs of living

#### Indicators:

- Housing costs
- Other costs of living
- Debts
- Enablers including access to affordable credit, internet access, savings and assets

### Driver – Income from social security and benefits in kind

#### Indicators:

- Generosity of benefits
- Reach of benefits
- Eligibility criteria
- Take-up



Irvine

Any questions about this document,  
including requests for supporting documentation  
or information, should be directed to:

**North Ayrshire Health and Social Care Partnership  
Cunninghame House  
Friars Croft  
Irvine  
KA12 8EE**

If you have any comments that you would like to share  
with us, please get in touch by emailing  
**[whatmatterstoyou@north-ayrshire.gov.uk](mailto:whatmatterstoyou@north-ayrshire.gov.uk)**

## NORTH AYRSHIRE COUNCIL

21 March 2023

### Cabinet

<b>Title:</b>	<b>Islands Emergency Cost Crisis Fund</b>
<b>Purpose:</b>	To seek Cabinet approval for the allocation of the Scottish Government Islands Emergency Cost Crisis Fund.
<b>Recommendation:</b>	That Cabinet approves the proposed distribution of the Islands Emergency Cost Crisis Fund.

### 1. Executive Summary

- 1.1 The Island Cost Crisis Emergency Fund provided, from December 2022, an additional £1.4 million investment (£1.1 million resource and £300k capital) throughout the remaining 2022-23 financial year to specifically recognise and tackle the challenges faced by island communities.
- 1.2 This fund is being directly allocated to Local Authorities, through a 100% population formula as approved by the COSLA Settlement Distribution Group and COSLA Leaders.
- 1.3 The fund was allocated to local authorities for use in financial year 2022-23 in December 2022. This report outlines the criteria for the fund and the proposed arrangements for the North Ayrshire allocation.

### 2. Background

- 2.1 The Islands (Scotland) Act 2018 (“the 2018 Act”) introduced measures to underpin the Scottish Government’s objective to meet the needs of island communities. Section 3 of the 2018 Act places a duty on Scottish Ministers to prepare a National Islands Plan (NIP).
- 2.2 The National Islands Plan (NIP) is a Scottish Government plan and sets out how the quality of life will be improved for island communities, across Scotland’s 93 inhabited islands, through a collective responsibility to deliver its 13 Strategic Objectives and associated commitments.
- 2.3 Throughout 2022 high rates of inflation have contributed to a cost crisis, which follows on from the Covid-19 pandemic, Brexit and a period of prolonged austerity. Islands already experience higher costs of living. High fuel costs, a colder climate and the lack of consumer choice is further intensifying the impact of the cost crisis.

## **The Island Cost Crisis Emergency Fund**

- 2.3 Whilst island communities can access a wide range of existing funding from the Scottish Government, the Island Cost Crisis Emergency Fund represents an additional £1.4 million investment (£1.1 million resource and £300k capital) throughout the remaining 2022-23 financial year. This has been developed to specifically recognise and tackle the challenges faced by island communities.
- 2.4 This fund is being directly allocated to Local Authorities, through a 100% population formula as approved by the COSLA Settlement Distribution Group and COSLA Leaders. Allocations for are as North Ayrshire Council follows:

<b>Local Authority</b>	<b>Resource (£000)</b>	<b>Capital (£000)</b>
<b>North Ayrshire Council</b>	63	17

- 2.5 Local Authority decisions on where funding will be directed should be based on their local knowledge and understanding of the impacts of the cost crisis in their area. Local authorities have discretion to identify and support those most vulnerable and in need.
- 2.6 The targets/milestones against which progress in achieving objectives/expected outcomes shall be monitored are completion of the monitoring template by 31 March 2023.
- 2.7 Local Authorities responsible for islands should:
- Use this funding to target island areas only; and
  - Use the funding to target immediate need and help those who are struggling due to the cost crisis; and
  - Use the funding for existing schemes and/or other new support where they feel the need is greatest.
- 2.8 Given the flexibility around this funding, Scottish Government expects the administrative cost to local authorities to be minimal.

### **Proposed Allocation in North Ayrshire**

- 2.9 The proposed allocation in North Ayrshire is based on the criteria at 2.7 above. There are already arrangements in place for energy efficiency, energy crisis support and welfare rights advice for residents and it is proposed to use existing mechanisms to provide targeted support for islands communities. Schools have quickly identified potential areas of spend which will mitigate cost of living challenges which particularly affect island communities. Mini-enquiries on child poverty and the cost of living have recently been held on Arran and Cumbrae and key themes and potential mitigations have been identified. It is proposed that local third and voluntary sector organisations will be funded to address locally identified challenges. Therefore, the following arrangements are proposed:

Table 1

Purpose	Funding allocation
<b>EnergySmart</b> (existing service which supports energy efficiency measures in homes and crisis grants). In addition, £5,000 will also be contributed from Covid Recovery funding for this service.	£10,000
<b>Money Matters</b> (existing service which supports Welfare Rights assistance/representation to North Ayrshire residents to ensure they receive their legal entitlement to state benefits). In addition, £5,000 will also be contributed from Covid Recovery funding for this service.	£10,000
<b>Schools</b> (Arran High, Arran primary schools, Largs Academy and Cumbrae Primary School)  Proposed purposes include: <ul style="list-style-type: none"> <li>• Remote, online after school study support for islands pupils who are unable to attend in person due to costs and availability of transport;</li> <li>• The introduction of laundry and other family support initiatives in schools; and</li> <li>• The introduction of visiting specialists to broaden the experience of children due the unavailability or unaffordability of transport for visits to mainland facilities and experiences.</li> </ul>	£15,000 (total)
<b>Third and voluntary sector groups on Arran and Cumbrae</b>  Two mini-enquiries have been held on Arran and Cumbrae to identify key island challenges in relation to the cost of living crisis. Key themes have been identified, with potential mitigations which can be delivered locally, over and above the proposed support (above) for energy and welfare rights advice. Due to the timing of the award of the funding to councils, it is proposed that Arran CVS (in its role as a partner organisation in the Third Sector Interface) supports the identification of relevant delivery groups in the third and voluntary sector and supports the Council to award the funding in conjunction with the chairs of the North Coast and Cumbraes and Arran Locality Partnerships and Council officers, with the awards being reported to the Locality Partnerships and Scottish Government. Connected Communities will contribute £2,000 to the fund to provide a total allocation of £30,000 across the two islands.	£28,000

2.10 £17,000 capital has been allocated to North Ayrshire. The disbursement is being discussed with Scottish Government due to the short timescale for spend. It is anticipated that this will facilitate the purchase of items of equipment for community organisations. The outcome will be reported to the Locality Partnerships.

2.11 Discussion has taken place with Scottish Government and these proposals have been approved in principle.

### **3. Proposals**

- 3.1 It is proposed that Cabinet approves the proposed distribution of the Islands Emergency Cost Crisis Fund.

### **4. Implications/Socio-economic Duty**

#### **Financial**

- 4.1 The proposed funding allocations are fully funded by the Scottish Government Islands Emergency Cost Crisis Fund.

#### **Human Resources**

- 4.2 None.

#### **Legal**

- 4.3 The National Islands Plan (NIP) is a Scottish Government plan and sets out how the quality of life will be improved for island communities, across Scotland's 93 inhabited islands, through a collective responsibility to deliver its 13 Strategic Objectives and associated commitments.

#### **Equality/Socio-economic**

- 4.4 The Scottish Government Islands Emergency Cost Crisis Fund has been introduced to specifically recognise and tackle the challenges faced by island communities.

#### **Climate Change and Carbon**

- 4.5 The proposals include an allocation to the EnergySmart scheme which focuses on energy efficiency.

#### **Key Priorities**

- 4.6 The following Council key priorities will be progressed by these proposals:

- North Ayrshire's children and young people have the best start in life
- North Ayrshire's residents and communities are safe
- North Ayrshire's residents and communities enjoy good life-long health and well-being
- North Ayrshire is a sustainable environment.

#### **Community Wealth Building**

- 4.7 Funding awarded through the Scottish Government Islands Emergency Cost Crisis Fund will be allocated to local organisations, giving them financial power to support their own communities.

## 5. Consultation

- 5.1 Consultation has taken place with chairs of the North Coast and Cumbraes and the Arran Locality Partnership, the communities of Arran and Cumbrae through the Cost of Living mini-enquiries, the Third Sector Interface partners and Scottish Government. Progress will be reported to the relevant Locality Partnerships.

Audrey Sutton  
Executive Director (Communities & Education)

For further information please contact Audrey Sutton, **Executive Director (Communities & Education)**, on **(01294) 324414**.

## Background Papers

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## NORTH AYRSHIRE COUNCIL

21 March 2023

### Cabinet

**Title:** **Community Asset Transfer of the Toilet Block and adjacent land at Ardrossan South Beach.**

**Purpose:** To provide an update to Cabinet on progress relating to the Community Asset Transfer of the toilet block and adjacent land at Ardrossan South Beach; and  
Seek approval for the revised rent for the asset being transferred to Ardrossan Community Development Trust.

**Recommendation:** That Cabinet:

- a) Notes the ongoing progress of the Community Asset Transfer assessment process.
- b) Agrees a revised rent of £600 per annum (10% of the current valuation of £6,000 pa).

### 1. Executive Summary

- 1.1 At a meeting on 24 January 2023, Cabinet agreed in principle to a lease, under the Community Asset Transfer (CAT) process, of the existing toilet block and adjacent land at Ardrossan South Beach, South Crescent Road, Ardrossan between Ardrossan Community Development Trust and North Ayrshire Council.
- 1.2 The lease to Ardrossan Community Development Trust (ACDT) would allow the area to be developed in order to enhance local facilities including the delivery of the Ardrossan Promenade project funded under the Scottish Government's Regeneration Capital Grant Fund (RCGF).
- 1.3 There was a requirement to confirm Cabinet's agreement in principle for the asset transfer in the January 2023 Cabinet in order to access Lottery funding which has been previously allocated for Ardrossan.
- 1.4 Officers were authorised to progress the CAT assessment process with any outstanding issues brought back to Cabinet for decision.

## **2. Background**

- 2.1 Since approval in principle by Cabinet, the CAT process has progressed, with the following further information being provided:
- Submission of outstanding paperwork from ACDT
  - Satisfactory Locality Officers assessment of the full application where the application received a Medium score.
  - Satisfactory assessment by Legal in relation to ACDT governance documents
  - Satisfactory assessment by Finance and Business Team where it received a Medium score.
  - Agreement developed with Streetscene in relation to the ongoing care and maintenance of the site has been included in the lease.
  - Completion of the full statutory public consultation where no comments were submitted.
- 2.2 Since January, there has been substantial negotiation between North Ayrshire Council and lawyers representing ACDT regarding the lease. Mutually agreeable proposed amendments have been made through ongoing discussions between all parties.
- 2.3 A Business Plan pertaining to the applicant and the asset requested is required as part of the CAT process and should be submitted with the initial application. Information from the business plan is used to ascertain an appropriate level of discount to the valuation of the asset.
- 2.4 In the case of ACDT, the Business Plan was submitted on 2 March 2023. As this was not available prior to the Cabinet meeting of 24 January 2023, no discount could be advised at that time. Based on the information now available, it is recommended that a rent of £600 per annum be applied to this CAT – 10% of the current valuation. This takes account of the condition of the existing facility, investment to date and the potential social return on investment.

The community asset transfer process will not transfer from the Council. Leasing under the community asset transfer process permits the Council to exercise its rights under the Community Empowerment (Scotland) Act 2015 to evaluate its Best Value duty in terms of social value, rather than monetary best value. Granting a lease in this way means that the community organisation is not charged commercial rates, as the Council recognises that the greater opportunity is for the community to benefit from local community operational management. This CAT will facilitate the development of range of events and activities within the enhanced area, encouraging a wider range of people to get involved, giving opportunities for local volunteering and stimulating involvement in shaping and regenerating community life, building self-esteem and confidence. In addition, the creation of the beach huts will support local business enterprise, with profits being used to sustain ACDT's projects.

- 2.5 The Business Plan sets out the opportunities for ACDT to generate income, where external funding has been secured and where potential funding may be leveraged from. This includes the income from the travelling fairground, a key feature in the local events calendar.

2.6 The Ardrossan Promenade project is the first phase of works to regenerate Ardrossan Promenade at South Beach. This aims to create a vibrant seafront destination to encourage increased visitors, visitor dwell time and spend in the town. through the creation of:

- A community hub including café by repurposing the toilet block;
- Accessible toilet facilities including a Changing Places standard facility;
- A dynamic and inclusive destination play area for community and visitor use;
- Bike parking, bike maintenance and e-bike charging facilities; and
- Beach huts for use for community and commercial activities.

2.7 Cabinet approved the submission of an application to the Scottish Government's Regeneration Capital Grant Fund (RCGF) for the project in June 2021. A funding package of £1.008m has now been secured including £249,584 from the Big Lottery Fund and £748,000 from RCGF. This is matched with £10,416 from the Council towards active travel infrastructure. The award under RCGF requires the funding to be financially committed by 31 March 2023. The conclusion of the CAT process will allow the tenders to be awarded for the project and the required financial commitment.

### **3. Proposals**

3.1 That Cabinet:

- a) Notes the ongoing progress of the Community Asset Transfer assessment process.
- b) Agrees a revised rent of £600 per annum (10% of the current valuation of £6,000 pa).

### **4. Implications/Socio-economic Duty**

#### **Financial**

4.1 Through the transfer of the assets, the Council will achieve an income of £600 per annum. There is loss of income to NAC in relation to the transfer of these assets due to the loss of the income from the fair ground operator and other ad hoc events. The exact amount involved is commercially sensitive data. In the longer term, there will be cost-avoidance in other Council budgets.

In addition, in partnership with NAC, ACDT have already attracted RCGF funding totalling £748,000 to fund the hub. Big Lottery funding totalling £249,584 towards the play area has also been secured. Both funds require to be financially committed in the current financial year. Community Investment Funding totalling £ £53,100 has been agreed and North Ayrshire Council has allocated funds of £10,416 towards active travel infrastructure. North Ayrshire Council has also committed additional funding totalling £42,036 to assist in meeting a funding shortfall due to rising costs in the volatile construction sector.

#### **Human Resources**

4.2 None.

## **Legal**

4.3 The approval is subject to satisfactory negotiation by Legal Services.

## **Equality/Socio-economic**

4.4 There will be considerable socio-economic benefits from the transfers and the sum proposed reflects the community benefits. These include a variety of positive impacts, for the community of Ardrossan and the surrounding area.

## **Climate Change and Carbon**

4.5 The transfer seeks to provide sustainable community facilities.

## **Key Priorities**

4.6 The proposals contained within the original report support the following North Ayrshire Council Plan priorities:

- Active and strong communities
- Inclusive, growing and enterprising local economy
- People enjoy good life-long health and wellbeing.
- Vibrant, welcoming and attractive places

## **Community Wealth Building**

4.7 This proposal supports the following pillars of community wealth building:

- Advancing community enterprises;
- Advancing local ownership of underused land and buildings; and
- Supporting local business activities and increasing the variety of ownership models.

## **5. Consultation**

5.1 Consultation has taken place with Ardrossan Community Development Trust, local organisations, Economic Development and Regeneration, Streetscene, Finance, Estates, Facilities Management, Property Maintenance and Investment, and Legal Services.

Audrey Sutton  
Executive Director (Communities & Education)

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

## **Background Papers**

Appendix 1 – Business Plan



## BUSINESS PLAN MARCH 2023



Company No: SC634107  
Charity No: SC052209

## **Contents**

### **1. Executive Summary**

### **2. Background to Ardrossan Community Development Trust**

- 2.1 Formation, Legal Structure and Membership
- 2.2 Track Record and Key Projects

### **3. Vision, Mission and Values**

- 3.1 Vision
- 3.2 Mission
- 3.3 Values

### **4. Ardrossan - Our Community**

- 4.1 History and Heritage
- 4.2 Socio Economic Background and Challenges
- 4.3 Community Assets

### **5. Community Consultation**

- 5.1 Our Place Initiative
- 5.2 Three Towns Charrette
- 5.3 ACDT Community Workshops: WAVE particle
- 5.4 Community Survey and Market Research

### **6. Current and Future Projects and Opportunities**

- 6.1 Current Projects
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### **8. ACDT Strategic Objectives and Impacts**

- 8.1 Community
- 8.2 Physical/Environmental
- 8.3 Economic

### **9. Key Stakeholders and Partners**

### **10. Forward Plan 2023/2024**

### **11. Management and Governance**

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- 11.2 Staffing Roles and Responsibilities
- 11.3 Future Proposals

### **12. Premises and Resources**

- 12.1 Frank Sweeney Centre For Enterprise
- 12.2 South Beach Promenade

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## **14. Financial Projections**

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- 14.2 Operating Income and Expenditure Summary and Commentary

## **Appendices**

- Appendix 1 Trustee Summary Profiles

## 1. EXECUTIVE SUMMARY

Ardrossan Community Development Trust (ACDT) was formed in 2019 to engage in activities that benefit and support the community of Ardrossan - increasing opportunities, improving the physical environment of the town, attracting more visitors and reviving the sense of pride in the town. Currently we have more than 320 members and operate as a Charitable Company Limited by Guarantee. ACDT is managed by a board of 10 local people with a range of skillsets and significant experience within work and community settings. We have secured office space within the Frank Sweeney Centre For Enterprise from a key partner, Cunninghame Housing Association, and funding from North Ayrshire Council to support our Development Officer for an initial 18-month period.

Local deprivation levels and the protracted difficulties arising from the decline of our former shipbuilding and oil industries and tourism decline provide much of the backdrop and motivation for our work – but so too does the continuing development of the ferry port and marina, the visitor development potential of the South Beach promenade and the opportunities offered to redevelop the former oil refinery site at North Shore moving forward. ACDT aims to play a lead role in developing new projects while supporting our community partners to thrive and develop as well.

To guide our work over the foreseeable future we have adopted the following Vision Statement.

*“Our Vision is to develop projects that contribute to the development of our Town. making the most of its natural assets and creating an environment which encourages employment & volunteer opportunity; supports engagement, involvement, inclusion and general wellbeing; and continues to improve commercial, community, recreational and visitor facilities which meet the aspirations of Ardrossan residents.”*

We have identified a number of important changes we would like to help bring about in our community. These ambitious outcomes will motivate and challenge us, help give focus to our work and to prioritise the projects and initiatives which we develop. These are set out within this Plan under Community, Physical / Environmental and Economic themes.

These have been informed by several community engagement events and surveys over the past 7 years, identifying which have been prioritised to regenerate the town. These include:

- Development of the seafront and promenade;
- Securing better sporting, leisure and play facilities particularly for young people;
- Creating a town that tourists and visitors want to visit;
- Enhancing the natural and historical assets of the town; and
- Levering in funding & investment bringing employment opportunities

The initial projects which ACDT have prioritised at South Beach are the first phase of works to regenerate Ardrossan and help to create a vibrant accessible and inclusive destination for local communities and visitors. This Plan sets out our proposals for a fully accessible children’s playpark, cafe and Beach Huts on the Ardrossan South Beach area of the town – with in excess of £1.3m of capital funding from the National Lottery’s Our Place Programme and the Scottish Governments Regeneration Capital Grant Fund to put these in place in 2023.

Further project proposals are set out which ACDT will develop in the years ahead. These include operation of a Community Benefit Fund for Sorbie Wind Farm; further phases of Regeneration at South Beach; the Sustrans Ardrossan Connections project; plans to identify



and redevelop vacant and derelict properties into community assets; and an Advocacy project in partnership with other local agencies.

Finally the Plan sets out 5-year financial projections based on key assumptions on staffing, premises and overhead cost projections and the anticipated trading, contract and grant funding income necessary to sustain the organisation over this period. Overall our main income source over the Plan period will be grant income, which is consistent with ACDT's aim and purpose as a charity. Income generation from beach hut, crazy golf, cafe rental and events income will come on stream following the completion of the installation of all of the facilities at South Beach.

Staffing costs will, by some distance, be our largest cost category over the plan period – with discussions already underway to secure grant funding support for both core and temporary staff. We aim to continue to create opportunities for unemployed local residents in delivering both our core services and in managing the facilities we will soon have on site at South Beach. We have made provision for a lease payment to North Ayrshire Council for the site at South Beach, the terms of which are still under negotiation. and have ensured a growing annual provision for utility bills in the face of the current fuel crisis. Provision has also been made for repair and maintenance of South Beach premises and equipment following the end of defects liability and manufacturer warranty periods.

Based on these assumptions, we are budgeting for small annual surpluses across the Plan period to provide us with the ability to accumulate appropriate levels of reserves for contingency and organisational development purposes.

## **2. BACKGROUND TO ARDROSSAN COMMUNITY DEVELOPMENT TRUST**

### *2.1 Formation, Legal Structure and Membership*

Ardrossan Community Development Trust (ACDT) was formed in 2019 following significant community consultation within the Town via the Lottery funded Our Place Programme and the Three Towns Charrette - both of which identified a range of locally agreed development priorities. The Trust was formed to engage in activities that benefit and support the community of Ardrossan, increasing opportunities, improving the physical environment of the town, attracting more visitors and reviving the sense of pride in the town.

ACDT's objectives, as stated in the Articles of Association are:

- The advancement of community development, including the advancement of urban/ rural regeneration
- The maintenance, regeneration, and improvement of the communities physical, economic, social and cultural infrastructure.
- The advancement of education, training, arts, culture, heritage, sports, recreation, environmental improvement, social and economic wellbeing.

Membership of Ardrossan Community Development Trust is open to:

- Full members who are aged 16 and over and reside in the KA22 postcode area.
- Junior members who are aged between 12 and 16, with no voting rights.
- Associate members aged 16 years and over who do not reside in a KA22 postcode area, and to organisations with no voting rights.

Currently we have 320 adult members and 3 junior members and includes members from other community organisations within the Town, including Ardrossan Community Association, Ardrossan Castle Heritage Society, Three Towns Growers, Whitlees Community Centre & Ardrossan Community Sports Hub.

ACDT is managed by a board of 10 people with key links to other community groups and skills to progress projects for the town.

Ardrossan Community Development Trust are currently a Charitable Company Limited by Guarantee (Company No SC634107; Charity No SC052209).

### *2.2 Track Record and Key Projects*

Since 2019 Ardrossan Community Development Trust has undertaken a range of activity:

- Following on from the Lottery funded Our Place Programme and Three Towns Charrette, ACDT commissioned further community workshop activity through Mike Hyatt Associates and Wave Particle. Survey work was also completed by IBP Strategy and Research to identify preferred sites and activities for proposed playpark and other regeneration activity at the South Beach promenade.
- ACDT secured £53,100 from the North Ayrshire Council Community Investment Fund (CIF) to fund recruitment of a Development Officer for an initial 18-month period. The Development Officer came in to post in June 2022.
- We have a lease in place with Cunninghame Housing Association for the use of office space within the Frank Sweeney Centre For Enterprise. This location gives ACDT good visibility on the main street of the town, enabling the local public and trust members to drop

into the office during our opening hours from 9am to 5pm Monday to Friday, to engage with ACDT Development staff. The Centre also provides ACDT with access to much needed meeting and training space for our own use and for other community groups at no charge.

- We have developed detailed proposals for a fully accessible children's playpark, cafe and Beach Huts on the Ardrossan South Beach area of the town and have also generated a list of other attractions we intend on creating to help bring visitors to the area including the reinstatement of Crazy Golf to the Promenade.
- Following development of these proposals we secured £274,542 of capital funding from the National Lottery's Our Place Programme and a further £748,000 worth of funding from the Scottish Governments Regeneration Capital Grant Fund (RCGF) to enable ACDT to bring our South Beach regeneration projects to fruition. Works are scheduled to commence in March 2023.
- ACDT are key partners alongside North Ayrshire Council and Sustrans in the development and delivery of the Ardrossan Connections project which looks to improve the National Cycle Network through the Town, improve active travel and address key issues in relation to traffic movement and road landscapes.
- Over a period of time we have developed a good following on Facebook with 1165 followers engaging frequently with the page. We also have an informative website with newsletter sign up and monthly emails sent to keep Trust members and the local community up to date with our ongoing projects, future proposals and range of activities.

This Business Plan has been produced to set out the mission and objectives for ACDT going forward, establishing key issues and priorities identified by the local community, setting out details of the projects we are bringing forward and highlighting future opportunities. The Plan highlights the intended community, environmental and economic impacts we will be working towards and the range of agencies and stakeholders we will be working in partnership. Finally the plan provides information on our Board and proposed staffing arrangements, identifies projected capital costs and associated funding for our key current projects at South Beach and sets out 5 year income and expenditure projections, with detailed assumptions presented as an Appendix.

### 3. VISION, MISSION AND VALUES

#### 3.1 Vision

Ardrossan Community Development Trust have adopted the following Vision Statement.

*“Our Vision is to develop projects that contribute to the development of our Town. making the most of its natural assets and creating an environment which encourages employment & volunteer opportunity; supports engagement, involvement, inclusion and general wellbeing; and continues to improve commercial, community, recreational and visitor facilities which meet the aspirations of Ardrossan residents.”*

#### 3.2 Mission

*“Ardrossan Community Development Trust’s mission is to engage and work with local residents, local businesses, third sector and community organisations and partners to rebuild and regenerate the town. We will do this by establishing, sustaining and growing projects, groups, and premises for the benefit of residents and visitors alike, making Ardrossan a better place to live, work, volunteer and visit.”*

#### 3.3 Our Values

Our core values are the platform from which we work, outlining what is important to ACDT and guiding how we operate. These values will be reflected in the priorities, behaviours and decisions made by our Trustees, staff, and volunteers.

The key values for Ardrossan Community Development Trust are:

- To be open, honest and accountable
- To be led by our community
- To create opportunity
- To be collaborative and to work well in partnership
- To be entrepreneurial
- To be supportive, inclusive, creative and innovative in our approach
- To put emphasis on long term investment and legacy benefits
- To be sustainable
- To work in alignments with local and national policies and strategies including NAC Community Wealth Building strategy and the Scottish Government’s Community Empowerment Act.
- To supporting other groups and partners in achieving their goals
- To be accredited as a Real Living Wage employer

## 4. ARDROSSAN – OUR COMMUNITY

This section provides some background and insight into the development of the town of Ardrossan and some of the key socio economic challenges currently being faced by the community.

### 4.1 History and Heritage

Ardrossan is a coastal town in North Ayrshire, known locally as one the 'Three Towns' along with Saltcoats and Stevenston. It lies on the north side of Irvine Bay between Irvine and Largs. Its advantageous coastal location gave the town a strategic position as an industrial, transport and tourism centre since the 19th Century.

The town grew significantly as a result of the increase in the shipbuilding, fishing and chemical industries and new transportation connections developed to support the expanding harbour. A strong community spirit grew as a result and remains to this day. However shipbuilding declined in the 1950s and the harbour is now home to a busy ferry port with regular services to the Isle of Arran and Campbeltown and a marina with significant traffic and tourists passing through.

Ardrossan also housed foundries and an oil refinery. The Shell Mex oil refinery was operational from the early 20th Century before its closure in 1986. The last of the buildings located on the site were demolished in 2003 leaving a significant area of derelict land on the fringe of the town centre available to be remediated and brought back into use. A number of the shop units in the town centre now stand empty now, with the Asda superstore which opened in 2007 the principal retail offering in Ardrossan.

Finally, Ardrossan was also a popular holiday destination for Scots in the early 20th Century before the advent of cheap air travel and foreign holidays hastened its decline like other seaside resorts. The long beaches on either side of the Harbour remain important sources of leisure and recreation for locals and a draw for visitors to the area.

### 4.2 Socio Economic Background and Challenges

North Ayrshire is the fifth most deprived Council area in Scotland based on the Scottish Index of Multiple Deprivation (SIMD 2020). Of the 186 data zones in the 2020 index for North Ayrshire, 52 are in the 15% most deprived in Scotland, a slight increase of 1 since the index was previously published in 2016.

Within North Ayrshire the Three Towns locality, which contains Ardrossan and has a population of around 32500, has a relatively stable population and good examples of community cohesion and regeneration. Nonetheless the Three Towns are significantly affected by poverty and inequality:

- The Three Towns locality's claimant count (estimate of people claiming unemployment related benefits) for September 2021 was 8.1%, up from its pre-Covid-19 (February 2020) rate of 7.3%.
- Median gross household income in the Three Towns (£21,749) is the lowest in North Ayrshire (£24,090) and only 73% of the median Scottish figure (£29,786).
- 39% of the Three Towns' population live in areas falling in the top 15% most deprived in Scotland compared to 27.6% across North Ayrshire

Ardrossan has a population of 10,536 according to Scottish Index of Multiple Deprivation 2020 statistics – accounting for around a third of the wider Three Towns population.

When we drill down into demographic data at the localised Ardrossan level, the prevalence and intractability of a number of key challenges become very apparent. Out of 13 data zones in Ardrossan 4 rank within the worst 10% areas of deprivation in Scotland and 7 of the 13 rank within worst 20% areas. As a result around 55% of the Ardrossan Population live in areas officially recognised as experiencing multiple deprivation.

This deprivation comes in many forms:

- 5 of Ardrossan's 13 data zones are in the worst 10% in Scotland in terms of income deprivation – containing 38% of the local population.
- Ardrossan remains an unemployment blackspot. The neighbourhood of Ardrossan Central ranks the highest for both adult (9%) and youth (11%) unemployment in North Ayrshire. 7 of Ardrossan's 13 data zones are in the worst 20% for employment deprivation in Scotland.
- 5 of 13 data zones are in the worst 10% for health deprivation in Scotland – with Ardrossan Central having the lowest male life expectancy in North Ayrshire (68.2 years versus 75.3 years average) and the third lowest female life expectancy (75.2 years versus 80.1 years average)
- These health inequalities are reflected in well above average numbers of hospital stays due to alcohol and drug misuse per head of population, with 4 data zones exhibiting figures which are at least double the national average.
- 70% of the population of Ardrossan live in data zones where the number of people with no qualifications is above the national average

The social and economic challenges faced by Ardrossan and the wider Three Towns have been further exacerbated by the recent impact of Covid-19, particularly on health, income and employment. For example, travel restrictions and reduced ferry travel to Arran and Campbeltown resulted in reduced visits to the town - impacting on the financial viability of a range of local businesses reliant on ferry traffic and therefore local incomes and employment opportunities.

These are the key challenges which provide the backdrop and motivation for the work of Ardrossan Community Development Trust and its partners in promoting the regeneration of the area. The regeneration work being undertaken already by ACDT at South Beach aims to contribute to the town's recovery and addressing these challenges by building on the close working relationships between ACDT, local organisations and NAC Services to tackle the challenges faced. In particular the South Beach project will assist in addressing a number of important local challenges by:

- Supporting local people into work through the delivery of employability programmes, training and volunteering opportunities;
- Creating opportunities for local business and employment through the café and beach huts element of the project;
- Improving opportunities for social enterprise through the delivery of the project;
- Increasing visitor numbers and spend
- Improving health and well-being by promoting opportunities for physical activity and active travel via the improved infrastructure and facilities at the Promenade; and
- Increasing civic and community pride by creating opportunities to volunteer, engage with and inform the project and fostering a sense of ownership of the coastal environment

### 4.3 Key Community Assets

In recent years a lot of development work has taken place within Ardrossan by a number of organisations. As a result, there are now a range of community assets providing a platform to build on for the regeneration of the town. These assets are reflected in the map and table below. (There is a community group page on the ACDT website listing more organisations which exist in our town <https://www.ardrossantrust.org/community-group-map/> ).



The table below directly corresponds to the numbered locations featured on the map above, giving the name and a description of each local community asset.

Community Asset	Description
1. <b>Cunninghame Housing Association</b>	One of Ayrshires leading social landlords with nearly 3,300 properties in North and East Ayrshire and Dumfries and Galloway. The Association is headquartered in the town in modern premises at Ardrossan marina. In addition to housing management and development, CHA is very active in a range of community regeneration activities including the development and operation of three enterprise centres in the town and is committed to providing support to ACDT and other local community-based organisations.
2. <b>Ardrossan Library</b>	A local authority run library providing computers, public meetings, reading materials and hire. Resources for public learning.
3. <b>Michael Lynch Centre</b>	<p>The Michael Lynch Centre for Enterprise is an 8600 sq. ft facility located in Princes Street, Ardrossan developed by CHA to provide local business space for SME's and social enterprises. The Centre contains 18 offices and 2 training rooms over 2 floors and hosts a number of important local social enterprises including:</p> <ul style="list-style-type: none"> <li>• Community Housing Advocacy Project.</li> <li>• Ayrshire Independent Living Network .</li> <li>• Royal Association for Mental Health.</li> <li>• Triple Act Theatre and Arts</li> </ul>
4. <b>Frank Sweeney Centre for Enterprise</b>	<p>The Frank Sweeney Centre for Enterprise is a 10,800 sq. ft. facility located in Glasgow Street, Ardrossan. Managed by CHA, the Centre contains 23 quality offices and training rooms, over 2 floors providing office, training and meeting space for a number of important local social enterprises and training agencies including:</p> <ul style="list-style-type: none"> <li>• North Ayrshire Council Employability Hub.</li> <li>• Lennox Partnership.</li> <li>• Citrus Energy.</li> <li>• Penumbra.</li> <li>• Skills Development Scotland.</li> <li>• 3TFM.</li> <li>• Ardrossan Community Development Trust (ACDT)</li> </ul> <p>ACDT currently have office space here where our Development Officer and staff operate from and engage with the community.</p>
5. <b>Ardrossan Castle</b>	Ardrossan Castle is a distinctive feature of the town and a local visitor attraction based upon a hill overlooking the heart of the town. Built around 1140, the land is now maintained by the local authority. The Ardrossan Castle Heritage Society are developing proposals to improve and preserve the site to maximise visitors. They are also researching and sharing knowledge about the castle with locals and visitors.
6. <b>Ardrossan Civic Centre</b>	This facility operated by North Ayrshire Council. provides various hall spaces from 20 - 200 people capacity and host gym classes, public meetings, events, parties and other community activities on a regular basis.



<b>7. Ardrossan Winton Rovers FC</b>	<p>Ardrossan Winton Rovers Football Club established in 1900, play out of Winton Park located within the heart of the town. Ardrossan Winton Rovers are a Community Interest Company with Season Ticket holders as Members. The club also has a thriving and successful Youth Academy with 300+ local youths currently playing within 17 teams.</p> <p>Proposals are being developed to assemble capital funding to install a 3G Astroturf pitch at Winton Park, enabling much more intensive community use and promoting public participation in sport.</p>
<b>8. Ardrossan Bowling Club</b>	<p>Instituted in 1842, Ardrossan Bowling Club is located a few hundred yards from Ardrossan's South Beach. With 2 well maintained greens, the main objective of the club is to provide facilities for the local community to participate in the sport of bowls.</p> <p>Out with bowling, the club has a large main hall which provides a warm, comfortable and safe environment for members and the local community to socialise. Guests and non-members are welcome to hire the hall for private functions.</p>
<b>9. Ardrossan South Beach</b>	<p>Ardrossan South Beach is an important local site for leisure and recreation used by local residents and visitors alike. South Beach promenade is an area which ACDT are in the process of developing after numerous public consultations. This will include a coffee shop, events, disabled wheelers, playpark, beach huts for public rental and deck chair hire.</p>
<b>10. Ardrossan Academical Rugby Club</b>	<p>Ardrossan Rugby Club have pitches and a clubhouse on their site at Sorbie Road. The Club have a full time Development Officer employed to develop the sport and opportunities within the town. The club have men's teams and youth teams competing in local and regional leagues. The clubhouse is available for hire to locals for events and meetings.</p>
<b>11. James Moffat Centre</b>	<p>The James Moffat Centre for Enterprise provides 5600 sqft of childcare facilities in Glasgow Street, Ardrossan. Owned by CHA, the facility currently houses Busy Bees Nursery who provide childcare services for children aged 6 weeks to 5 years old. Over 3 floors the building offers good quality space within a convenient location and with good access to public transport and on street parking.</p>
<b>12. Three Towns Growers</b>	<p>Three Towns Growers is an allotment and community garden site situated in Elm Park, Ardrossan. There are 50 plots, 32 outdoor raised beds and 18 raised beds in the community polytunnel on site, as well as a pond and bat boxes.</p> <p>TTG are dedicated to providing growing space and educational opportunities to all members of the community. TTG pride themselves in helping members to live healthier, more sustainable lifestyles through gardening and social interaction.</p>

<b>13. Whitlees Community Centre</b>	Ardrossan Whitlees Community Centre is a thriving establishment in the middle of Ardrossan and welcomes everyone to use the facilities available. The Centre has a large hall, 2 small rooms, lunge area and ca café open from 9.00 to 13.00 Mon to Sat. The Centre organises and hosts a range of social events, fundraisers, clubs and classes for the people of the community to participate in.
<b>14. Ardrossan Youth Club</b>	The Ardrossan Youth Centre is a purpose-built centre in Stanley Road Ardrossan managed by the Ardrossan Youth Association (AYA).
<b>15. Ardrossan Community Sports Hub</b>	Ardrossan Community Sports Hub are a company limited by guarantee with charitable status. They have premises on Glasgow Street and operate a 7000 sqft Community Gym with over 300 local members in Eglinton Road. ACSH use physical activity and sport as a means of improving individual health, both physical and mental, and creating a sense of wellbeing and resilience in the community – working in partnership with many local organisations.
<b>16. Ardrossan Indoor Bowling Club</b>	Ardrossan Indoor Bowling Club sits at the heart of the town in Glasgow Street and is co-located on the Civic Centre site. It has many members with a thriving social club element which can hold comfortably 150 people.
<b>17. Ardrossan Scout Group</b>	ASG are a grass roots, volunteer led, organisation who have resided at their premises at Kilmeny Terrace in Ardrossan since 1967. ASG has played an important role in the growth and development of young people from in and around Ardrossan. Their Beaver, Cub and Scout sections are at work each week giving young people opportunities through activity and adventure.
<b>18. North Ayrshire Foodbank</b>	North Ayrshire Foodbank is a project of the Ardrossan Church of the Nazarene based at the Nazarene church in Glasgow Street. The foodbank is part of the Trussell Trust network of 428 foodbanks, working to tackle food poverty and hunger across the UK. North Ayrshire Foodbank provide three days' nutritionally balanced emergency food and support to local people who referred to them in crisis.

### Summary

Many years after the decline of its former shipbuilding and oil industries and the movement towards foreign holiday travel, Ardrossan continues to face a number of challenges outlined by many of the socio economic indicators referenced above . However the continuing development of the ferry port and marina, the visitor development potential of the South Beach promenade and the opportunities offered to redevelop the former oil refinery site at North Shore provide grounds forward optimism moving forward.

So too do the raft of community organisations and facilities which have emerged in recent years, reflecting our communities commitment and capability to create places and services which support and provide opportunities for local residents. ACDT aim to continue to play a lead role in developing new projects while supporting our community partners to thrive and develop as well.

## 5. COMMUNITY CONSULTATION

ACDT was formed back in 2019 following a series of community consultations which, taken together, played a key role in identifying a range of important local issues and priorities which ACDT are now working with partners to address. These consultations and the issues which emerged from each of them are set out in turn below.

### 5.1 *Our Place Initiative*

Back in 2013 the Big Lottery identified 7 deprived communities within Scotland with a lack of community capacity and a limited track record in securing Lottery and other funding for community-led activities. Ardrossan North East and Central was one of these areas. The initial Our Place work involved a series of community engagement activities, including listening surveys conducted by Community Renewal, the Our Place development agency appointed by the Lottery. A number of development ideas were generated during these events:

- Better play facilities in the town
- Events around arts, music, culture, and history
- Upgrade the main streets and tidy up local area
- More shops and amenities
- Activities and social space for young people
- Develop seafront and waste ground
- Opportunities for older generations
- Ardrossan to be a town that tourists come to visit
- More funding & investment bringing employment opportunities
- Sport and leisure facilities

These ideas provided the focus for Lottery funding for themed activities over a 5-year period from 2014 to 2019 which supported the community having more influence on decisions taken locally, having more sustainable services and facilities that reflected local priorities, and people feeling that their community was a better place to live.

A number of important local projects and facilities developed from the Our Place programme including, for example,:

- The Three Towns' Growers who secured funding to create their community allotment facility
- The Ardrossan Community Association who received funding to refurbish the Whitlees Community Centre
- Ardrossan Castle Heritage Society who received funding to help stage a Castle carnival recreating medieval scenes on the castle grounds, bringing the community together to celebrate its heritage,

### 5.2 *Three Towns Charrette*

A Charette was undertaken across the Three Towns in June 2017. Funded by North Ayrshire Council and the Scottish Government, the exercise involved the use of the Place Standard to help inform the emerging Three Towns Locality Plan.

The decision by the Scottish Government to retain Ardrossan as the ferry terminal for the Arran service, prior to the charrette, helped stimulate thinking around how to capture the economic benefit of the flow of through-traffic and place-based improvements (e.g. creation of civic space) to facilitate this, whilst the development of the Ayrshire Growth Deal bid included

proposals for the development of the Ardrossan North Shore site for both residential units and a community campus incorporating a replacement for Ardrossan Academy

The key points which emerged included the need to:

- To protect the natural assets of each town.
- To take advantage of local history as a tourism asset.
- To join up provision of facilities along the seafront, such as public toilets, play space, refreshments, changing space, beach huts.
- Encourage local enterprise along the seafront to attract visitors.
- Make use of the sea for sporting activities; and
- Give visitors a reason to visit the towns and motivate local people to use their town centres.

It identified a range of projects which subsequently helped inform ACDT's proposal for Ardrossan South Beach including:

#### *Centres and Hubs*

- Pop up spaces for social enterprises and start-ups
- Spaces for artists and creatives

#### *Shoreline*

- New Facilities
- Active Shoreline
- Accessibility
- Shelters
- Cycle facilities

#### *Greenspace*

- Better maintenance of open space

#### *Promotion*

- Developing year-round events and activity programmes
- Signage and promotion of site-specific features

### *5.3 ACDT Community Workshops: WAVE particle*

Following on from Our Place and the Three Towns Charrette, ACDT engaged in further consultations with the local community in February 2020 to help develop detailed proposals for an inclusive play park in the town – to be funded by Our Place Lottery funding.

ACDT commissioned WAVE particle to hold two workshops in early 2020 which considered 4 green spaces within the town as potential sites for the development of a playpark. South Beach was the preferred location for the with local people identifying a number of key issues including:

- Importance of creating a facility for both locals and visitors.
- Desire to create a destination Ardrossan residents would use for a day out.
- Desire to create an inclusive and accessible facility with an open space approach.
- Significant attraction of seaside and island views and local heritage.
- Desire for a safe, social outdoor space particularly for isolated groups in the community.
- Desire for specific facilities, including toilets and cafes.
- Recognition of the potential for the former toilets to be regenerated.
- Importance of lighting and signage;

- Aspiration for the facility to be unique to Ardrossan and grounded in the town's heritage.

#### 5.4 Community Survey and Market Research

By summer 2021 ACDT had secured Our Place Lottery funding to develop the inclusive play park and had developed more detailed proposals for other regeneration activities on South Beach promenade. The notion of the beach and its Promenade as a significant asset for the town, both for the local community and in attracting people into the town, has consistently emerged across all community engagement activity.

To help inform the community about the South Beach proposals, obtain feedback to refine them and to help support a submission to the Scottish Government for Regeneration Capital Grant funding, ACDT commissioned IBP Strategy and Research to undertake a large face to face survey - generating almost 450 responses from local residents, visitors and businesses.

This survey and consultation work concluded:

- Over half of survey respondents overall indicated that they visit South Beach promenade but the great majority of visitors from out with the KA postcodes (89%) said they visit only occasionally or less often. At present, use of the Promenade was most commonly for the “informal” activities of general relaxation, walking and dog walking .
- The average estimated time spent on a visit to the Promenade is 1.49 hours though this is higher (2.23 hours) amongst visitors from outside the KA postcode areas. Average spend in the shops and eating / drinking places of Ardrossan on a typical visit to the Promenade is estimated at £14.05 - relatively low for a typical “day out”.
- Respondents were asked whether various strands of the proposals developed by ACDT would be good for Ardrossan with responses summarised in the table below. A significant majority considered that each of these elements would be “good for Ardrossan”, ranging from 73% for a new and extended play park to 97% for a community-run café and, especially, 98% for fully accessible toilets. Families with children were particularly positive about the new and extended play park and about the “crazy golf” type facility, and younger groups were more enthusiastic than others about the retailer beach huts.

Element of Proposal	Yes	No	Don't Know	Base
Fully accessible toilets within this building	98%	2%	0%	434
Community-run café with internal and external seating in the current toilet block	97%	3%	0%	434
Provision of “disability wheelers” which allow wheelchair users access to beach	90%	7%	3%	433
Provision of free-of-charge deckchair hire	89%	6%	5%	434
Beach huts on the promenade that would be rented out to retailers for sale of beach items, toys, refreshments and so on	88%	9%	3%	434
A “crazy golf” type facility as a future extension of the play park	78%	15%	7%	434
New and extended play park	73%	22%	5%	434

- 60% of visitors to the Promenade indicated that a development such as this would make them visit more often – with 60% indicating it would encourage them to stay longer at the Promenade when they do visit.
- Respondents were asked about the potential impacts which the South Beach development would have on the local community and Ardrossan generally. The results are set out in the table below. A high proportion believe the project would have a positive effect on the local economy generally (92%), encourage others to invest in the town (92%) and increase the number of people that visit Ardrossan for leisure purposes (91%).

Potential Outcome	Yes	No	Don't Know	Base
Improving access to activities for disabled people (by, for example, helping people with mobility problems to access the Promenade and beach)	95%	1%	3%	433
Improving services and amenities for local people	92%	6%	2%	437
Revitalising the environment of the Promenade and beach front as a vibrant, accessible destination	92%	6%	2%	432
Having a positive effect on the local economy generally	92%	6%	3%	434
Encouraging others to invest in the town (for example, by providing new accommodation, shops or services)	92%	6%	2%	434
Increasing the number of people that visit Ardrossan for leisure purposes	91%	6%	2%	434
Encouraging residents of Ardrossan to stay locally for leisure purposes rather than going elsewhere	91%	7%	3%	435
Providing greater opportunities for people in the community to come together	89%	6%	5%	433
Increasing residents' pride and satisfaction in the community	89%	8%	3%	434
Improving the safety of the local area	87%	8%	5%	434
Making Ardrossan a more attractive place to live and work	86%	7%	7%	433
Improving levels of mental health by enhancing access to outdoor space	82%	7%	11%	433
Improving the social development of children by providing opportunities for them to learn through play	82%	6%	11%	433
Increasing levels of physical activity and fitness	77%	9%	14%	432

### Conclusion

As outlined above, over the past 7 years, Ardrossan residents have actively participated in a range of community engagement events and surveys to establish the issues which they feel should be prioritised to regenerate the town.

A number of consistent themes emerged which have provided real focus for the work of ACDT and other partners to date in developing new project proposals to date and in the years ahead. These include:

- Development of the seafront and promenade;
- Securing better sporting, leisure and play facilities particularly for young people;
- Creating a town that tourists and visitors want to visit;
- Enhancing the natural and historical assets of the town; and
- Levering in funding & investment bringing employment opportunities

## 6. CURRENT AND FUTURE PROJECTS AND OPPORTUNITIES

Since inception ACDT has been active consulting with the community to develop important new projects for the town. Fortunately, we have had a great response from funders and we are now on the verge of completing projects which will create important new facilities for the Town. Further details on these are provided below.

Moving forward we have proposals in mind for further phases of our work at South Beach, whilst the work we have been doing with Sustran's on an active travel network and the proposals for us to manage the distribution of Community Benefit Funds on behalf of a local Wind Farm, will come to fruition in the near future. Details of these are also provided below together with an insight into other potential opportunities on the horizon.

### 6.1 Current Projects

The 2 projects which ACDT have been working to bring to fruition at South Beach are part of a wider programme of regeneration across Ardrossan being delivered by ACDT and NAC. These projects are the first phase of works to regenerate Ardrossan Promenade at South Beach to create a vibrant accessible and inclusive destination for local communities, wider North Ayrshire population and visitors.

We aim to make South Beach a place for all the community to meet and to relax. The development will be unique to Ardrossan and aims to celebrate the people and history of the town. We will create an attraction for the large volume of visitors passing through the ferry port every day, so that they stop and add more to the local economy. The uniqueness will come from design input from the community and an art/landscape-based approach.

#### **South Beach Promenade (Phase 1) - Inclusive Playpark Facilities**

Using Our Place funding secured from the National Lottery, ACDT plan to install a new play park which will be connected to the existing playpark. Work on the new facility is scheduled to commence in Spring 2023 and to be completed within 3 months. The new playpark will have accessible basket swings; a swing for wheelchair users; inclusive wheelchair roundabout; inclusive trampoline; a boat swing; and safety surfacing – all together providing the people of Ardrossan with a dynamic and inclusive play facility. The swing park will be surrounded with additional landscaping which will include new trees and hedging.

A traditional hedged maze will also be installed, connected via a footpath to the main park with some play park equipment at its core.

We will also bring back to life the redundant crazy golf course. The bespoke 18-hole course will be brightly coloured with each hole having its own flagpole at a 2.4 metre height making the course easily visible from the surrounding area. The crazy golf will provide opportunities for competitive fun between all generations and be a great asset in attracting locals and visitors alike to the prom to enjoy simple easy activity and interaction.

The aims of this project, agreed with the National Lottery, are:

- To reduce inactive or sedentary lifestyles in children by increasing participation in play and healthy leisure activities - by providing free access to new play facilities and also involving Ardrossan Community Sports Hub to deliver free fitness activities within this area.



- To improve social development in children by creating new opportunities in a fully inclusive space for all ages & abilities; to enjoy and learn through play and meet and engage with other children and the wider community
- To redevelop and revitalise a tired beachfront, creating a new outdoor space to increase community engagement with their Town and its facilities and encouraging visitors to stop and spend within the local community

### **South Beach Promenade (Phase 1) – Regeneration Project**

ACDT have already been able to install new facilities on South Beach.

**Deckchair Project** – A successful Coastal Waters funding application allowed ACDT to commission 100 deckchairs for promenade users which are free to hire. Each deckchair is bespoke with the canvas specially created with colour, pattern, image, and/or text that is specifically relevant to Ardrossan.

The deckchair project was used as an engagement tool, whereby the schools and the local community were invited to participate in a series of workshops to generate the words, phrases, images and overall colour for the chairs. These workshops focused on learning more about our waters and coasts and how to look after them.

**Wheelers & Hippocamp project** – ACDT provide free use of disability chairs called Wheelers and Hippocamp chairs to enable disabled residents and visitors to have access to the sand and water at South Beach. This is a very exciting inclusive project which means that everyone can have access to the beach along the promenade

The project will be serviced from the rear of the planned Community Hub and is planned to be open all year round. We see this is the start of an inclusion for all project that will see more families access Ardrossan South Beach for a day out or a stroll along the beach.

ACDT have also secured funding from the Scottish Government RCGF programme to enable the development of a number of elements of our proposed programme of works at South Beach to commence in March 2023. This includes:

- Creation of a new Community Hub including café by repurposing the site of what is currently a semi derelict toilet block. This will be operated as a community venture via a lease to another local community organisation.
- This will build upon the existing beach wheelers and deckchair project which ACDT already have in place on the promenade and provide accessible toilet facilities including a Changing Places standard facility for café, community and visitor use.
- Beach huts for hire for commercial activities by local businesses, traders or community organisations. These will provide accessible facilities on the Promenade to encourage longer visitor dwell time and generate trading income from ACDT.
- Bike parking, bike maintenance and e-bike charging facilities to support active travel to and from the Promenade, through the towns and along the National Cycle Network routes.

The creation of the playpark, Community Hub, beach huts and the other facilities identified above will necessitate ACDT entering into a long lease (25 years) with North Ayrshire Council

for the relevant area of South Beach required to locate the development. This is currently under negotiation and is expected to be concluded in early 2023.

The facilities will encourage the local community to connect with the promenade and support the regeneration of Ardrossan by:

- Creating a vibrant, welcoming, inclusive sustainable and attractive seafront destination attracting tourism investment and visitors all year round.
- Bringing the existing vacant toilet block back into sustainable positive use.
- Creating a sustainable community café model which facilitates community interaction, reduces social isolation, and supports social enterprise.
- Improving local quality of life through increased opportunities for physical activity, volunteering, and employment.
- Addressing the deficit in facilities at South Beach towards achieving Blue Flag status.
- Supporting physical activity and sustainable travel on the Promenade and between the towns; and
- Creating opportunities for volunteering, social enterprise, business and employment including pop up shops via beach hut facilities.

### **Ardrossan Connections**

Ardrossan Connections is being delivered by Sustran's Scotland (a charity whose aim is to make it easier for people to walk, cycle and wheel) in partnership with North Ayrshire Council, The National Transport Agency for Scotland and Ardrossan Community Development Trust. The project partners take part in a Delivery Group with ACDT's involvement being important in ensuring the long term direction of the project represents the communities' priorities and aspirations.

The aims of the project are to

- Provide safe, accessible and attractive walking, wheeling and cycling route for residents and visitors and improve the attractiveness of the National Cycle Network Route 73 and 753 between the Three Towns.
- Create a sense of place in the centre of Ardrossan that celebrates local heritage and encourages more inbound visits to the town centre.
- Improve awareness of National Cycle Network and benefits of active and sustainable travel.
- Reduce transport poverty and allow more people to experience the health and wellbeing benefits of travelling actively and sustainably.
- Empower the local community to influence decisions affecting their daily lives and their local environment

### **6.2 Future Opportunities**

Whilst the procurement and physical work on the construction of the new facilities at South Beach and their subsequent operation will be a key focus in late 2022 and all of 2023, ACDT Board and staff members continue to work on several other projects will we hope to bring to fruition in the next few years.

### **Sorbie Windfarm Community Benefit**

ACDT have also entered into a Memorandum of Understanding in relation to managing a Community Benefit Fund on behalf of Energy farm UK Sorbie LLP UK in relation to the Sorbie

Wind Farm which is proposed to be sited approximately 2km north of Ardrossan. Current proposals are for a 3 Turbine Wind Farm which would generate c12 Mega Watts of wind power.

The developer proposes offering a Community Benefit Fund to the community based upon an annual payment of £5000 per MW of generation capacity installed on the Sorbie Wind Farm. This sum will be guaranteed for the lifetime of the development, which is intended to be twenty five years from the date of commissioning, and the payment would be distributed evenly between the Three Towns communities.

ACDT therefore anticipates receiving an annual payment for distribution based on £1,666.67 per MW of generation capacity installed on the Sorbie Wind Farm – potentially around £20,000 per annum. (Although the annual fund total will be dependent on the final installed capacity of the Sorbie Wind Farm).

The Trust will agree a funding criteria, a panel for decision making and ensure accurate records are retained in relation to the same allowing access to small local grant funds for individuals and organisations within the Town.

### **South Beach Promenade – Future Phases**

ACDT have secured planning permission from North Ayrshire Council to develop further phases of our South Beach proposal - although funding for this work has still to be secured. Our plans include:

- Mini Castles on Mounds - mini castles cast from sandcastles made by the local community located on grass mounds
- Washed Up on the Beach – play installations involving boulder stepping stones and seats, shipwreck timber, sand diggers/waterspouts, balancing logs and willow dens
- Climbing Boulders - Artificial boulders designed for climbing of all ages/rock works arch boulder and rock works mini boulder supplied by Sutcliffe play.
- Wavefield – low linear mounds for informal play rolling and climbing
- Ship Wind Vanes - Wind vanes designed by the local community representing the ship building history of Ardrossan/ along the path edge an informal palm tree avenue.
- Theatre Stage – A stage to allow concerts, theatre, a place to show movies and emerging talent in all areas of art.
- E-bikes / Charging – We will provide charging points for vehicles and bikes and provide Sheffield stands for bikes.

### **Safer Shores Project**

Connecting with other community groups, ACDT have joined forces with Voice of Ardeer (Stevenston) & S.A.L.T. (Saltcoats) to create a 3-pronged approach to promote community safety along the 3 towns shoreline.

The project involves the placing of CCTV cameras along the South Beach Promenade, Saltcoats Promenade and the Ardeer shoreline to aid public safety and to protect the community assets currently in place and those planned. The 3 groups are working collectively to fund the CCTV co-produced project Safer Shores.

### **Derelict Land and Buildings**

We are aware that every town centre faces the challenges of an evolving retail pattern, and we will work to make sure that our town centre becomes as vibrant and thriving as much as possible. We want to have a town centre that is diverse and sustainable and where our community and visitors can live, work, and enjoy. We can only do this through sustainable regeneration, achieved with collaboration and investment.

The Trust plan on looking at derelict properties and land within Ardrossan, and, where possible, bring into community ownership and develop plans to regenerate them into new community spaces, and valuable community assets.

### **Advocacy Project**

ACDT are in the process of setting up a partnership project with Ardrossan Community Sports Hub (ACSH) and the Community Housing Advocacy Project (CHAP) to provide the local community with an advocacy worker who will give advice on housing, benefits, money, and welfare matters. This will be vital support to the community during the cost-of-living crisis, particularly as we live in an area of multiple deprivation. The project partnership have been successful in seeking CIF funding and are advertising at present for an Advocacy Officer.

## 7. SWOT ANALYSIS

In order to summarise the key factors influencing the environment which ACDT currently will operate within, and pulling together all of the information set out in the Plan to date, a SWOT analysis has been created. This is set out below

<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>• Good premises secured in the town centre</li> <li>• Support from North Ayrshire Council</li> <li>• Experienced, committed &amp; pro - active trustees</li> <li>• Strong Membership base - over 320 local residents</li> <li>• Extensive Community Consultation to inform ACDT priorities</li> <li>• Excellent relationship with CHA</li> <li>• Good website and social media exposure</li> <li>• Significant turn outs at events and high level of community interest in projects run by ACDT</li> <li>• Successfully secured Lottery and Scottish Government Capital Grant Funding for South Beach Project</li> <li>• Recruitment of Development Officer</li> <li>• Good use of employability Programmes to support core staff</li> <li>• Very good relationships with local community-based organisations</li> <li>• Providing a unique opportunity for wheelchair users to get on the beach</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of local infrastructure to support community leisure and recreation facilities</li> <li>• High levels of deprivation locally in Ardrossan presents key challenge to be addressed</li> <li>• Time limited funding for current staff</li> <li>• Ongoing training and investment required to ensure staff development</li> <li>• Requirement for ongoing grant funding support over the next 5 years to sustain current business model</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• Chance to enhance local sense of civic pride and identity</li> <li>• Develop infrastructure to stimulate growth in local economy</li> <li>• Improve local mental health and social isolation</li> <li>• South Beach Promenade is a visible location helping to raise profile of ACDT</li> <li>• Creation of jobs for local people</li> <li>• Opportunity for coffee shop to be outsourced to local operators</li> <li>• Ability to put on exciting events for locals</li> <li>• Increase income generation to increase ACDT sustainability and core staff costs</li> <li>• Beach Huts would provide hire income potential</li> <li>• Charitable status will provide benefits in terms of accessing more funding streams</li> </ul>	<ul style="list-style-type: none"> <li>• Very competitive capital and revenue funding climate</li> <li>• Expertise required to operate as a SCIO that can obtain funding successfully</li> <li>• Need to continue and develop the strength of the ACDT board of Trustees</li> <li>• Need to complete negotiations with NAC on South Beach Lease</li> <li>• Reliant on agreement with NAC for maintenance of facilities on South Beach in current austerity climate</li> <li>• Need to ensure availability of town centre premises beyond current lease with CHA</li> </ul>

## 8. ACDT STRATEGIC OBJECTIVES AND IMPACTS

Based on the Vision and Mission we set out earlier in this Plan, we have identified a number of important changes we would like to help bring about in our community. These describe positive differences and impacts we want to work towards with the community and our key partners and will provide a focus for our activities over the duration of this Plan.

These ambitious outcomes will motivate and challenge us, help give focus to our work and to prioritise the projects and initiatives which we develop.

These are set out below under Community, Physical / Environmental and Economic themes.

### 8.1 Community

Help empower the Ardrossan community to have a positive identity and strong voice in local decisions to maximise community well-being and resilience:

- Continue to develop as a key community anchor organisation offering effective support to community based groups to secure funding and resources to sustain important services
- Provide effective means for the Ardrossan community to be involved in designing and delivering the services that affect them and which meet their needs and aspirations
- Work collaboratively with partner organisations across the community to ensure strong and effective community networks are in place
- Help promote and celebrate community achievements and events to promote confidence and a sense of civic pride
- Work to support the aims of community wealth building and asset development to ensure the community can play a lead role in community regeneration
- Ensure opportunities for involvement in ACDT's activities from the widest spectrum of local people to ensure diversity and inclusion are at the heart of ACDT's approach
- Work with partner organisations to promote initiatives to tackle poverty and inequality and developing community resilience and well being
- Help improve local residents and visitors awareness and understanding of climate change, sustainability, and the natural environment through ACDT programmes and projects

### 8.2 Physical / Environmental

Promote physical and environmental regeneration projects which promote transformational change for Ardrossan:

- Improve the appearance and attractiveness of the community, promoting Ardrossan as a place where people want to live, work, volunteer, socialise and invest
- Help create new spaces for community, enterprise, learning and retail activities within the town, easily accessible by public transport and on foot.

- Bring redundant/ derelict land, buildings or facilities back into productive community use where this is feasible and viable.
- Assist in the development of new community assets and facilities which can act as a focal point for services which benefit the community and its residents.
- Capitalise on Ardrossan's location, natural environment, coastline and heritage as a basis for developing new spaces, events and initiatives which help develop local identity and civic pride.
- Ensure physical regeneration projects are developed in line with best practice guidelines promoting efforts to move towards Net Zero in terms of carbon emissions.

### *8.3 Economic*

Contribute to the regeneration of the town and deliver economic benefit for all sections of the community:

- Source and lever in capital and revenue funding to create and sustain projects and services which provide benefits to the community from this investment.
- Develop initiatives and facilities which attract visitors, residents, businesses and enterprising activity to Ardrossan, increasing footfall and spend in the town.
- Work in partnership with local business and other key stakeholders to help diversify the local economy and extend the range of employment, retail and leisure and recreation opportunities available to local people
- Help create and sustain jobs and training opportunities for local residents through ACDT and partner activities and projects
- Support the creation of a range of volunteering and learning opportunities for local residents, increasing local employment potential.
- Further develop ACDT's role as a social enterprise and provide advice, guidance and developmental support where required to other local organisations
- Support the development of transport and digital connectivity for local residents, improving access to employment, education and cultural opportunities.

## 9. KEY STAKEHOLDERS AND PARTNERS

Since our formation in 2019 we have been able to develop a range of productive partnerships with key stakeholders and partners. The support and assistance secured, and some of the potential opportunities for future partnership working, are set out in the table below.

Partner	Current / Future Partnership Activity
North Ayrshire Council	<ul style="list-style-type: none"> <li>• Ongoing support from NAC Connected Communities Staff to support ACDT to develop and grow as an organisation and to develop key projects</li> <li>• Funding support for market research and social return on investment survey work to support RCGF funding bids for South Beach Promenade project</li> <li>• Strategic partner and match funder (£10,000) for South Beach Promenade Regeneration Project</li> <li>• Assistance to secure funding from Kickstart programme to support ACDT temporary employees</li> <li>• Contribution of £53100 funding towards salary costs of ACDT's Community Development Officer</li> <li>• NAC will enter into a 25 year lease with ACDT for South Beach site on which playpark, café, beach huts and other facilities will be located.</li> <li>• NAC gardeners will continue to maintain the natural environment at South Beach as part of the lease agreement arrangements. ACDT will work in partnership with Streetscene to employ a modern apprentice to assist on-site day to day. Further negotiating will take place with NAC in relation to future phases of development as funding is secured.</li> <li>• ACDT as a community anchor association will also seek to be involved in the planning and design stage of the new North Shore Campus providing input from local people on issues such as transport, leisure facilities management, library service etc</li> </ul>
Cunninghame Housing Association	<ul style="list-style-type: none"> <li>• £5000 Match funding contribution to Stage 1 Our Place/Lottery Funding</li> <li>• Provision of Office, meeting and training space for ACDT within Frank Sweeney Enterprise Centre at peppercorn rent</li> <li>• Service level agreement for ACDT to provide managed reception service at the Frank Sweeney Centre.</li> <li>• Ongoing development support to ACDT Board from CHA's Head of Social And Economic Development</li> <li>• Annual funding to ACDT overheads and operational costs from 23/24</li> </ul>
Whitlees Community Centre	<ul style="list-style-type: none"> <li>• Development opportunity for Whitlees to operate new community café at South Beach project</li> </ul>
Three Towns Growers	<ul style="list-style-type: none"> <li>• Opportunities to identify linkages and volunteering opportunities between the community café and the allotments and associated projects</li> </ul>



Sustrans	<ul style="list-style-type: none"> <li>Ardrossan Connections project team have identified opportunities to design and implement high-quality public space and upgrades to the National Cycle Network (the Network) and the area it serves. Improving the Network in Ardrossan will build on recent and ongoing transport and planning developments in the area, enabling the route to act as a high-quality connection to the centre of Ardrossan, ferry terminal and also as a strategic route between the Three Towns in North Ayrshire.</li> </ul>
Ardrossan Community Sports Hub	<ul style="list-style-type: none"> <li>Delivery by ACSH staff of fitness activities and partnership events on the South Beach Promenade site and elsewhere within the town</li> </ul>
Ardrossan Castle Heritage	<ul style="list-style-type: none"> <li>Anticipate partnership working to establish a partnership with Ardrossan Castle Heritage Society to improve the local tourist infrastructure by highlighting links between the South Beach Promenade and the nearby Ardrossan castle</li> </ul>
National Lottery	<ul style="list-style-type: none"> <li>The National Lottery Our Place Programme provided Funding of £274,542 towards the construction of an Inclusive Playpark on the South Beach Promenade in Ardrossan.</li> </ul>
Energyfarm UK Sorbie LLP	<ul style="list-style-type: none"> <li>ACDT will work with this windfarm developer to manage a Community Benefit Fund for Ardrossan, overseeing and administering the distribution of funds to community groups.</li> </ul>
South Beach Care Home	<ul style="list-style-type: none"> <li>Providing opportunities for local Care Home Residents to be able to get onto the beach on Disabled Wheelers</li> </ul>

## **10. FORWARD PLAN – 2023/2024**

Annual Action Plans will be developed by the Community Development Officer and presented to the ACDT Board of Trustees for approval. This section summarises some of the key tasks which ACDT require to undertake in the 2023/2024 period in response to the issues set out in the SWOT above.

### **Community Forum**

Create a community forum that will bring together community members and groups to promote working together to improve the local community, addressing many of the issues and concerns that we have. This will help underpin the relationship not only with community groups but with our key partner Cunninghame Housing Association.

The Community forum can be used to:

- Provide an opportunity to share all the great things which are happening in the local area, as well as to discuss and collectively address local issues and concerns.
- Support individuals and groups to be actively involved in the community through connecting with other people and groups, enabling the sharing of ideas, and providing access to support and funding.
- Engage with each other about local priorities and provide opportunities to influence plans and services which will impact on our local area.
- Focus on wider community issues rather than individual complaints or individual case work issues.

### **Continued Promenade development**

Continue the regeneration of the South Beach Promenade, promoting use and public participation in community wealth building.

- Continue to seek uplift in funding to finance Phase 1 of the plans detailed previously
- Construct the new Playpark, Maze, Crazy Golf and Community Hub & Beach Huts within the agreed timelines. This will see construction start February and be completed by the end of July.
- Seek funding to complete phase 2-4 of the promenade regeneration in.
- Plan for phase 2-4 of the South Beach regeneration to take place.
- Hire a modern apprentice in partnership with Streescene to care for the landscaping of the area covered in phase 1.

### **Employability & Staff Development -**

As it continues to develop ACDT will seek to find funds and use employability programmes to sustain the employment of existing staff and provide paid opportunities for unemployed local residents within the planned projects at South Beach, its main base at the Frank Sweeney Centre and its satellite office at 6 Glasgow St, Ardrossan. This will include:

- Securing further funding to maintain the Community Development Officer Position which is fundamental to the day to day management of the organisation.
- Manage/staff to ensure full time provision on the Crazy golf and Wheeler/Hippocamp/Deckchair project full time during peak season, 7 days per week 11 am – 6 pm.

- Provide reception cover at its main base, The Frank Sweeney Centre 82-84 Glasgow St, Ardrossan, 9am – 5pm weekdays.
- Develop staff, providing worthwhile qualifications/training that allow personal growth.

### **Advocacy Project -**

ACDT are in the process of setting up a partnership project with Ardrossan Community Sports Hub (ACSH) and Community Housing Advocacy Project (CHAP) to provide the local community with an advocacy worker who will give advice on housing, benefits, money, and welfare matters. Based at the 6 Glasgow Street satellite office, this will be a vital support to the community during the cost-of-living crisis, particularly as we live in an area of multiple deprivation.

### **Event Organisation**

Lead the community in an event calendar promoting all that takes place within the community, incorporating new events and promote community well-being initiatives in general. These events could be based on the following range of activities:

- Debt, money advice and benefits support
- Short term financial help in a crisis
- Housing advice
- Access to low-cost food
- Practical support to improve mental health
- Finding employment/Advice on employment issues
- Keeping active and healthy
- Achieving a healthy weight for the whole family
- Improving your cooking skills on a budget
- Managing type 2 Diabetes
- Stopping smoking
- Practically and emotionally support to help you build confidence, independence and connecting you to your local community

## 11. MANAGEMENT AND GOVERNANCE

### 11.1 Board of Trustees

Ardrossan Community Development Trust's Board meet on a monthly basis on 2<sup>nd</sup> Monday of the month. We currently have 10 Board members, with a range of skillsets and significant experience within work and community settings – ranging from senior management within a local housing association, university lecturing, training management, engineering and the social care sector to retailing, managing community based organisations, tenant and resident associations and neighbourhood watch schemes.

Summary profiles for each Board member are contained in Appendix 1.

### 11.2 Staffing Roles and Responsibilities

ACDT is keen to ensure paid employment opportunities are created for local residents and to this end have the following staffing structure in place.

#### Community Development Officer

During early 2022 ACDT secured £53,100 funding from North Ayrshire Council's Community Investment Fund to support the initial 18 months of salary and expenditure for a Community Development Officer to ensure existing projects move forward to completion and respond to emerging needs for further development opportunities. Recruitment to the Community Development Officer post was completed in June 2022, with a local Ardrossan resident appointed to the role.

The main duties of the Community Development Officer post, which reports directly to the Board, include:

- Initiate and develop projects and services to meet identified community needs
- Carry out feasibility work, identify potential funding sources, and manage resources as required.
- Implement project planning, including defining deliverables, setting goals and objectives, producing schedules and timescales, identify and manage risks.
- Supported by the ACDT Board, facilitate and motivate teams formed for individual projects (which may involve Directors / Volunteers / Contractors / Staff / Funders), ensuring clear communication of key information and supporting good governance.
- Work with the Company Treasurer to ensure project budgets are defined, managed and adhered to in line with funding requirements.
- Carry out monitoring and control activities to track the progress of projects and record outcomes, reporting progress regularly to the ACDT board
- Attend meetings to deliver updates to the ACDT and the Community.

In addition we have recently appointed a full time Receptionist based at the Frank Sweeney Centre for Enterprise. ACDT have entered into a service level agreement with Cunninghame Housing Association to provide a managed reception service for the Sweeney Centre.

Consequently our Receptionist undertakes a range of duties including:

- receiving visitors;
- managing room bookings for training and conference facilities;
- liaising with CHA regarding report of repairs;

- and provision of administrative and clerical support to ACDT's Community Development Officer.

### Temporary Employees – Employability Programme

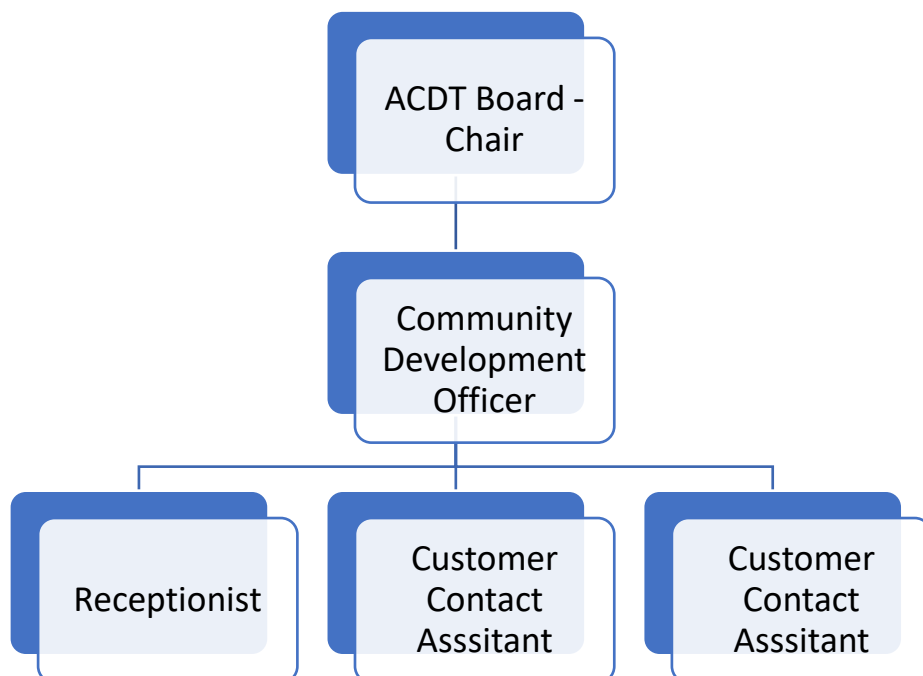
We have also managed to create posts for 2 temporary Customer Contact roles at our South Beach, funded via local and national employability programmes, and who carry out the following range of duties on the basis of 25 hours per week:

- opening and securing at the beginning and end of the day of ACDT's storage facility housing the disabled wheelers and deckchairs;
- issuing disabled wheelers to wheelchair users to access the beach, completing associated paperwork;
- issuing deckchairs to customers, completing records and ensuring chairs are returned;
- taking payment for the issue of golf balls and putters to be used on crazy golf site and cashing up at the end of the day;
- cleaning/sanitizing items on return to the facility
- any other general duties required by the Community Development Officer

These posts are for fixed time periods of 6 months in the first instance, with the possibility of extensions subject to progress and the availability of additional funding.

ACDT are a Real Living Wage employer and will formally pursue this accreditation going forward.

Our current staffing structure is summarised in the chart below



### 11.3 Future Staffing Proposals

Going forward ACDT aim to:

- Secure funding to extend the contract for our Community Development Officer beyond the initial 18-month period and are currently pursuing grant funding opportunities in this regard including the Scottish Government's Strengthening Communities Fund
- Secure funding to extend the contract for our Receptionist at the Frank Sweeney Centre for Enterprise, with grant funding being pursued to supplement the fee income secured from CHA for the provision of the managed reception service.
- Work with North Ayrshire Council's Employability service to provide temporary employment opportunities for 2 staff, both on a 25 hour per week basis, at Ardrossan South Beach in order to oversee the operation and administration of the new playpark and beach hut facilities scheduled for completion in mid-2023, in addition to the existing deckchairs and disabled wheelers facility.

In preparing the Plan we consulted with North Ayrshire Council Employability Services as they will be the key agency who will manage access to employability funding.

During 22/23 a long term unemployed paid placement programme was created within North Ayrshire which ACDT were able to use to support our existing temporary staff posts. It is possible that a similar programme will continue next year but, at the time of writing, funding allocations for next year are still to be confirmed as are potential programmes.

North Ayrshire, like all other local authorities, have been given an allocation of UK Share Prosperity Funding and have submitted a prospectus with outline proposals on how this will be funded. It is anticipated that over the 22/23 to 224/25 period c£2.9m of People and Skills funding will be available through this source, in addition to funding from the Scottish Government No One Left Behind programme. Funding is likely to continue to be targeted towards young people, parents and generally those furthest from the labour market – with significant emphasis being place on community engagement and working with community based organisations to create opportunities.

On this basis within the income assumptions underpinning this plan we believe it is realistic to:

- Provide for wages costs for 4 trainee posts per annum – with wages set at National Living Wage levels as would be required through these grant programmes
- Provide for employability income which covers c 90% of these wages costs – experience to date indicates that it is realistic not to expect full cost recovery and consequently the Business Plan assumes net costs (after employability income) to support these 4 posts per annum of c£7000 per annum

## 12. PREMISES AND RESOURCES

ACDT currently lease office premises within the heart of Ardrossan which provide access to excellent resources and are also expanding our operations by taking further occupancy of the South Beach promenade within Ardrossan in the near future.

### *12.1 Frank Sweeney Centre For Enterprise*

This is where we currently base our Development Officer and other core staff. This building measures in total at 7,675 sq. ft over two floors. The centre is based in an ideal town centre location on Glasgow Street for ACDT to operate out of and consult with the local population and our members.

The office space that ACDT occupy within this building measures is over 600sq ft. These Office premises have been secured by ACDT on a three-year lease starting April 1<sup>st</sup> 2022 – with the Trust having negotiated a peppercorn rent of £1.00 per annum with local landlord Cunninghame Housing Association for the duration of the lease. These premises allow ACDT to gain access to modest office space, state of the art meeting room facilities, common areas and off street car parking facilities from 7am to 10pm on weekdays. In addition ACDT's lease is fully inclusive of rates, heat and light charges, office cleaning, buildings insurance and commercial refuse collection charges – reflecting the significant developmental support provided by CHA to the Trust.

The office space is used as an organisational base from 9am – 5pm during its weekly opening hours. Furthermore ACDT currently utilise the 2 large meeting/training rooms which can be used flexibly for a range of purposes from board meetings, training sessions, seminars, conferences and workshops. When opened together into one space the rooms can host up to 100 people theatre style for community events.

The Centre has a large reception space with 3 adjacent communally available interview rooms for tenants to use as and when required. The facility is also fully accessible and DDA compliant with lifts installed to maximise free movement around the building. ACDT have access to a large, shared kitchen area providing canteen facilities for staff and catering facilities for meetings, training, and events.

### *12.2 South Beach Promenade*

ACDT are currently in negotiations with North Ayrshire Council on a 25-year lease on an area of land at the South Beach Promenade in Ardrossan. This lease will enable ACDT to act on previously developed community consultation information that highlights the need to further develop the local infrastructure in the Ardrossan area to benefit the lives and leisure facilities for Ardrossan's local residents and ACDT trust members. The Trust have already secured a substantial amount of capital grant funding and aim to secure a lease on the area before developing new facilities on the site including a coffee shop, a new crazy golf course, playpark and beach huts.

These will complement the existing resources which ACDT currently operate on this site – namely a 2x6 metre container that is split into 2 sections with 1 section being a small office space and the other being storage space for our disability Wheelers, Hippocamps and Deckchairs which can be rented by the public. The container has external advertising promoting the project to passers-by and the general public. This facilities operating times/periods are May – September between 11 am and 6pm and available for groups at all times via e mail application.

### 13. RISK ANALYSIS

Following a range of important development work during 2021 and 2022 ACDT has now established significant momentum and has begun to assemble and manage significant capital and revenue funding; employ full time and temporary staff; take on leases with CHA and North Ayrshire Council; will shortly undertake a procurement exercise prior to entering into contracts with main constructor contractors; and will be responsible for the subsequent operational management of important new facilities at South Beach.

As part of its approach to governance the ACDT Board have identified a number of key risk set out in the table below – together with actions planned to mitigate these.

Using these as an initial platform, an organisational risk register will be developed and maintained going forward by the Community Development Officer with regular updates provided to enable the ACDT Board meetings to review risks and the measures in place at Board meetings.

Risk Description	Mitigating Actions
Reputational Risk: Cost inflation may increase scale of capital funding which ACDT need to secure to deliver on community aspirations re playpark and other facilities at South Beach	<ul style="list-style-type: none"> <li>• Lottery, RCGF and NAC funding already in place</li> <li>• Maintaining effective working relationships with key funders and partners including Lottery, Scot Govt and NAC – keeping them up to date</li> <li>• In principle agreements in place with Lottery and RCGF regarding potential for ACDT to approach them for top up capital funding once tender exercises have established final costs.</li> <li>• Potential for cost savings exercises to be undertaken in consultation with Design Team and funders if required</li> </ul>
Financial Risk : Potential for contractual delays and potential cost overruns	<ul style="list-style-type: none"> <li>• Detailed cost plans produced by Design Teams include provision for contingencies and price increase</li> <li>• Regular progress meetings will take place between project team including ACDT representatives, Design Team and contractors to identify issues early and agree and implement solutions</li> <li>• Design Team will produce frequent valuations/cost reporting and variations checking – with resultant feedback to identify and agree cost control measures and early remedial actions</li> </ul>
Financial Risk: Failure to meet income and funding targets required to sustain ACDT business model	<ul style="list-style-type: none"> <li>• 5 year income and expenditure projections based on clear assumptions and realistic targets to be adopted by ACDT Board in late 2022 – to be updated annually based on actual income and expenditure from previous year.</li> <li>• Business Plan to ensure dedicated Community Development Officer post built into expenditure projections and grant funding sought for this post to ensure ACDT has staff capacity to deliver Business Plan</li> <li>• Ensure effective marketing and promotion of ACDT and its services and facilities using range of mediums including social media and community networks</li> <li>• Ensure continued development of a strong identity and brand for ACDT, recognition within local community and</li> </ul>



	<p>maintain effective relationships with potential funders and stakeholders such as NAC and CHA</p> <ul style="list-style-type: none"> <li>• Ensure effective financial monitoring in place by staff and Board of progress in relation to income and expenditure targets within Business Plan</li> </ul>
<p>Reputational and Financial Risk: Failure to deliver activities and outcomes within funding bids and Business Plan as agreed with funders. Management of disparate funding sources requires compliance with associated conditions of grant</p>	<ul style="list-style-type: none"> <li>• Ensure clear and shared understanding amongst Board and staff of terms and conditions of funding and funder expectations</li> <li>• Put in place effective project monitoring framework to track progress against targets and ensure variations are reported to the Board timeously</li> <li>• Maintain effective reporting procedures and management relationships with funders to enable effective discussion and resolution of potential issues</li> </ul>
<p>Business Risk: Increasingly competitive funding environment for future revenue monies to extend key staff contracts, leading to loss of core staff</p>	<ul style="list-style-type: none"> <li>• Effective relationships developed with key funding intermediaries e.g. CEiS to secure funding to sustain and develop ACDT organisational capacity over next 3 years</li> <li>• Consistent scanning of funding environment to be undertaken by Community Development Officer to identify new potential funding streams as they arise</li> <li>• ACDT Board will ensure projects and funding bids designed and developed in close alignment with strategies of key local agencies and that outputs would make direct contribution to funder targets</li> </ul>
<p>Business Risk: Continual need to sustain active and healthy Board of Trustees, with diverse range of skillsets and experience to effectively lead the organisation</p>	<ul style="list-style-type: none"> <li>• Carry out organisational health check and Board skills and training needs analysis to identify development needs and potential gaps.</li> <li>• Ensure resources available to support Board learning and development programme and ensure ACDT make most of resources available from sector membership bodies such as DTAS and Social Enterprise Scotland</li> <li>• As and when necessary activity advertise and recruit for Board members to address identified skills gaps and/or maintain effective Board representation</li> </ul>
<p>Reputational Risk : Adverse media publicity impacts on ACDT standing and profile within community</p>	<ul style="list-style-type: none"> <li>• ACDT Board and staff to continue to hold communication and consultation events with ACDT members and Ardrossan residents to provide feedback on progress, new ideas and establish ongoing priorities</li> <li>• Continued effective use of social media and website to manage ACDT's profile within community, promote positive messaging, celebrate successes and highlight partnership working</li> </ul>

## 14. FINANCIAL PROJECTIONS

ACDT have worked to secure major capital funding to deliver the play park facility, the redevelopment of the toilet block at South Beach into a café and the installation of a range of other facilities including beach huts, disabled wheelers, deckchairs and crazy golf. This final section of the Plan outlines the indicative capital costs associated with the project and the proposed funding package.

ACDT is now moving to a new stage in its development:

- Town centre premises have been secured;
- A staffing structure is now in place;
- A lease on the site at South Beach promenade is being finalised with North Ayrshire Council to enable works on a major capital project to begin which will create new facilities and income and expenditure streams for ACDT

This section, therefore, also sets out 5-year financial projections based on key assumptions on staffing, premises and overhead cost projections and the anticipated trading, contract and grant funding income necessary to sustain the organisation over this period.

### 14.1 Capital Project Funding and Finance

Based on the most recent cost plans produced by Mike Hyatt Associates (playpark facility) and TCS Construction Consultants (toilet block conversion and beach huts), the table below summarises the projected capital costs for these developments.

Expenditure Item	Cost as per Cost Plans
Play Park Construction	£285,100.00
Play Park Consultancy Fees	£ 30,641.63
Toilet Block Rebuild including Consultancy Fees	£759,216.37
<b>TOTAL COST</b>	<b>£1,074,958.00</b>

The associated capital funding package is also set out in the table below.

Funder	Funding Sought	Status
National Lottery Our Place Programme	£274,542.00	Secured
Scottish Government Regeneration Capital Grant Fund	£748,000.00	Secured
North Ayrshire Council	£52,416.00	Secured
<b>Total</b>	<b>£1,074,958.00</b>	

At the time of writing, in February 2023, ACDT have received tender responses in relation to the playpark and await tender responses in relation to the toilet block rebuild. Discussions are also underway with key funders – the National Lottery, Scottish Government Regeneration Capital Grant Fund and North Ayrshire Council – regarding the potential to access additional capital funding. Following receipt of tender responses for the Playpark, the National Lottery agreed an additional 10% over the initial funding agreed due to material price increases caused by the pandemic and the war in Ukraine. Tender responses in relation to the toilet block rebuild may also require to be reviewed with ACDT working with funders to secure additional funding where possible and with the Design Teams to value engineer if required to ensure project delivery. This process could therefore lead to further revisions in the anticipated costs and associated funding package shown above.

## 14.2 Operating Income and Expenditure Summary and Commentary

5 year operational income and expenditure projections from April 23 are summarised below – with a full set of assumptions and an operational cash flow set out in a separate reference document to this Plan. The projections identify income and expenditure associated with the Core Team and the operation of the Playpark and South Beach projects. ***(Please note: these projections do not include capital expenditure or income associated with the Playpark installation or South Beach Works which are funded from a mixture of National Lottery, Scottish Government Regeneration Capital Grant Fund and North Ayrshire Council monies. The capital expenditure and income associated with this are however shown in our 23/24 Cash Flow.)***

Overall our main income source over the Plan period will be grant income, which is consistent with ACDT's aim and purpose and anticipated charitable status. Grant income – including employability grants to support temporary employees - is expected to contribute c86% of overall income in Year 1 dropping to 72% in Year 5 as income generation from the South Beach project grows.

Grant income has already been secured towards the Development Officer post until late 2023 whilst the Service Level Agreement contract income secured from CHA to manage the Sweeney Centre contributes significantly towards our Receptionist costs. Additional but as yet unidentified grant income will be required of £15,000 in Year 1. Positive approaches have already been made to CEiS, who manage the Scottish Government's Strengthening Communities Fund to secure grant funding of c£35,000 pa to support extensions of the posts from Year 2 to 4, before further grant funding of c£30,000 will be required in Year 5.

ACDT has worked successfully to date with North Ayrshire Council Employability Service to secure grant funding to support paid employability opportunities and this is expected to continue over the duration of the plan – whether this be from local or national employability programmes, with income assumptions based on current contribution levels with annual uplifts to reflect associated wage cost increases and based on the New National Living Wage from April 23.

We have also had excellent development support from Cunninghame Housing Association for a number of years, reflected not only in rent free premises within the Frank Sweeney Centre but also in terms of recent discussions for an annual financial contribution of £10,000 shown in the projections from Year 1 onwards.

In terms of income generation, this will come on stream following the completion of the installation of all of the facilities at South Beach. In Year 1 beach hut, crazy golf, cafe rental and events income is estimated to contribute just under £20,000 before growing to almost £49,000 by year 5 as the site becomes established and visitor numbers and usage increases. We believe realistic hire rates have been assumed for our beach huts, with the hire season running for no more than 30 weeks.

Our intention is to lease the café within the hub building on the beach front to a local community organisation with experience in this area to operate – generating a steady rental income of c£8-9000 per annum from Year 2. South Beach is an attractive open space which has and will continue to offer the potential to host a series of events including a fairground and music events. We have made prudent assumptions about the level of income – ranging from £6000 in Year 1 to £8000 in Year 5 – which can be generated from the hire of the space/site to event organisers but believe this can be exceeded. Finally as part of the negotiations with North Ayrshire Council to conclude the lease for the South Beach site, ACDT have agreed to keep the toilet block at South Beach open to the public for the period April to July 2023 until demolition works commence to enable construction of the new facility. NAC have agreed to

make a funding contribution over this period equivalent to the costs incurred by ACDT to subcontract this to an appropriate maintenance company.

Staffing costs will, by some distance, be our largest cost category over the plan period – accounting for 88% of costs in Year 1 before dropping slightly to 85% by Year 5. ACDT overhead costs are reduced significantly due to the provision by Cunninghame Housing Association of office, meeting and training space at a nominal charge. Based on consultation with the local authority we have made provision for a lease payment for the site at South Beach, based on a value estimated as a percentage of the rateable value of the site. Given recent fuel cost hikes we have also made a growing annual provision for utility bills at South Beach with sizeable stepped increases in Years 2 and 3 before lower increases kick in in Years 4 and 5. As the South Beach project comes on stream in 2023 we have provided for additional insurance provision, telephone and IT costs and a budget amounting to £13500 over 3 years (Yrs 3 to 5) for repair and maintenance of South Beach premises and equipment following the end of defects liability and manufacturer warranty periods

As part of our core activities we expect to continue to carry out a range of community engagement and survey work with local residents and groups as we identify priorities, seek feedback and develop projects. Often we will be able to secure grant funding to support this activity but to be prudent we have also provided for £6000 of expenditure within our planned budget in Years 2 and 4 to help support this activity.

Based on these assumptions, we are budgeting for small annual surpluses across the Plan period to provide us with the ability to accumulate appropriate levels of reserves for contingency and organisational development purposes.

Adrossan Community Development Trust Income and Expenditure Projections					
	YEAR	YEAR	YEAR	YEAR	YEAR
	1	2	3	4	5
INCOME	23/24	24/25	25/26	26/27	27/28
<u>Core Team Income</u>					
CIF Grant Funding -Development Officer	£27,725	£0	£0	£0	£0
Strengthening Communities - Staff Costs	£0	£35,000	£35,000	£35,000	£0
CHA Grant Funding	£10,000	£10,000	£10,000	£10,000	£10,000
Other Grant Funding	£15,000	£0	£0	£0	£30,000
SLA income	£17,000	£17,510	£18,035	£18,576	£19,134
Employability Grant	£56,000	£58,800	£61,740	£63,592	£65,500
	<b>£125,725</b>	<b>£121,310</b>	<b>£124,775</b>	<b>£127,169</b>	<b>£124,634</b>
<u>South Beach Project Income</u>					
Beach Hut Hire	£5,940	£15,750	£16,650	£18,000	£18,150
Crazy Golf Hire	£5,720	£9,724	£10,696	£11,766	£12,943
Café Lease	£2,100	£8,400	£9,600	£9,600	£9,600
Events Income	£6,000	£6,000	£7,000	£8,000	£8,000
NAC Funding - Toilet Block Servicing	£6,000	£0	£0	£0	£0
	<b>£25,760</b>	<b>£39,874</b>	<b>£43,946</b>	<b>£47,366</b>	<b>£48,693</b>
<b>TOTAL INCOME</b>	<b>£151,485</b>	<b>£161,184</b>	<b>£168,722</b>	<b>£174,535</b>	<b>£173,326</b>
<u>EXPENDITURE</u>					
<u>Core Team Expenditure</u>					
<b>Staffing Costs</b>					
Development Officer	£37,170	£39,029	£40,590	£41,807	£43,062
Receptionist	£24,780	£25,771	£26,544	£27,341	£28,161
Trainee Allowances	£31,427	£32,998	£34,318	£35,348	£36,408
Volunteers Expenses	£500	£500	£500	£500	£500
	<b>£93,877</b>	<b>£98,298</b>	<b>£101,952</b>	<b>£104,996</b>	<b>£108,130</b>
<b>Premises and Overhead Costs</b>					
Rent and Rates	£300	£306	£312	£318	£325
Insurance	£1,700	£1,751	£1,804	£1,858	£1,913
Heat and Light	£0	£0	£0	£0	£0
Refuse and Waste Collection	£0	£0	£0	£0	£0
Telephone / IT	£0	£0	£0	£0	£0
Hardware and Software	£1,500	£500	£1,250	£500	£1,250
Printing, Stationery & Office Supplies	£750	£773	£796	£820	£844
Premises & Equipment Repair and Maintenance	£0	£0	£0	£0	£0
Cleaning and Cleaning Supplies	£0	£0	£0	£0	£0
Advertising & Marketing	£1,000	£500	£500	£500	£500
Accountancy and Audit	£1,500	£1,545	£1,591	£1,639	£1,688
Bank Charges	£250	£258	£265	£273	£281
Professional Fees including Legal Costs	£2,500	£2,575	£2,652	£2,732	£2,814
Subscriptions	£750	£773	£796	£820	£844
Training and Development	£600	£800	£800	£800	£800
Health and Safety	£500	£515	£530	£546	£563
Event Costs	£1,000	£1,000	£1,500	£1,500	£1,500
Community Consultation/Survey Costs	£0	£3,000	£0	£3,000	£0
Sundry Costs	£500	£515	£530	£546	£563
	<b>£12,850</b>	<b>£14,810</b>	<b>£13,327</b>	<b>£15,852</b>	<b>£13,885</b>
<u>South Beach Project Expenditure</u>					
<b>Staffing Costs</b>					
Trainee Allowances	£31,427	£32,998	£34,318	£35,348	£36,408
	<b>£31,427</b>	<b>£32,998</b>	<b>£34,318</b>	<b>£35,348</b>	<b>£36,408</b>
<b>Premises and Overhead Costs</b>					
Rent and Rates	£900	£909	£918	£928	£938
Insurance	£890	£917	£944	£973	£1,002
Heat and Light	£2,000	£3,000	£3,750	£4,125	£4,538
Telephone / IT	£720	£720	£742	£742	£742
Premises & Equipment Repair and Maintenance	£0	£0	£4,500	£4,500	£4,500
South Beach Toilet Servicing	£6,000	£0	£0	£0	£0
	<b>£10,510</b>	<b>£5,546</b>	<b>£10,854</b>	<b>£11,267</b>	<b>£11,718</b>
<b>TOTAL EXPENDITURE</b>	<b>£148,663</b>	<b>£151,651</b>	<b>£160,451</b>	<b>£167,462</b>	<b>£170,142</b>
<b>ANNUAL SURPLUS / DEFICIT</b>	<b>£2,822</b>	<b>£9,533</b>	<b>£8,271</b>	<b>£7,073</b>	<b>£3,184</b>
<b>CUMULATIVE POSITION</b>	<b>£2,822</b>	<b>£12,355</b>	<b>£20,626</b>	<b>£27,698</b>	<b>£30,882</b>

## **Appendix 1     ACDT Board of Trustees – Summary Profiles**

### **Scott Mould – Chairperson ACDT**

Scott moved from Glasgow to Ardrossan in the early noughties and immediately made it his home. Family commitments seen Scott move back to Glasgow late 2021 however he still works & volunteers in the Town and is planning a return in the coming years. With a lifetimes experience in retail management, as an entrepreneur and experience in marketing Scott set up two local businesses. Scott is now Head of Social and Economic Development with a local Housing Association as well as acting as Operations Manager for the Association's furniture re-use social enterprise. Scott was also a Director of Ardrossan Community Sports Hub SCIO, and played an integral role in creating a new community asset by developing a new community gym within Ardrossan. In his current role as Gym Lead Scott takes a key role in helping the organisation sustain and develop this asset and in securing its future.

### **Christine Powell – Company Secretary / Vice Chair**

Christine has lived most of her life in Ardrossan, aside from a short period in Saltcoats and worked in Saltcoats Jobcentre for 35 years from the age of 17 and left after a period of critical illness. Christine is now a training manager working to train people in ASN childcare and has helped create several local companies to assist the local economy. Christine and her husband set up home back in Ardrossan and created the Neighbourhood Watch Scheme for the area and then progressed into a Resident and Tenants Association.

### **Hugh Delahunt – Secretary**

Hugh joined the Board at our AGM in 2022 and is a 59 year old Senior Project Manager and former Senior Site Engineer employed in large Rail Engineering projects and has worked around the UK in this field for some 23 years. Prior to that he obtained degrees in both Civil Engineering and Construction Management from Glasgow Caledonian University after returning to academic studies in his late thirties after various jobs in transport and construction. He resides in Ardrossan on South Beach and has a keen interest in the potential for upgrades to the community areas around the town.

### **Steven Higgins – Treasurer**

Steven lives in Ardrossan with his family and is the Co-Founder of award winning PowerTek Utilities and E&S Utilities. Under his leadership they have grown rapidly and employ over 100 people. Steve is committed to helping to deliver a net-zero carbon future.

For years Steven has been involved in the construction of renewable projects from single wind turbines to large scale wind farms as well as hydro and solar farms. Steven is also an early pioneer in the build out of electrical vehicle (EV) charging infrastructure across the UK. Steven brings a depth of business management to the Trust that will serve it well in the years to come.

### **Viki Powell - Director**

Viki was nominated to the Trust Board in June 2021. She moved from Saltcoats to Ardrossan at the age of two with her parents who set up a local Neighbourhood Watch scheme in Ardrossan; and later the Residents and Tenants Association. Viki grew up with a strong sense

of local community and empowerment and as an adult has become more and more involved in community activities and projects and now wants to have a more direct impact in Ardrossan's growth and future. She is passionate about her Town, its shorefront and stunning views to Arran and Ailsa Craig.

### **June Strang - Director**

June joined the Board of the Trust on 30th June 2021. June was born in Glasgow, and as most Glaswegians do came to the coast during the Glasgow fair before moving to Saltcoats and then Ardrossan at the age of 14 age which has been her home ever since. Aspiring to be active in making Ardrossan a better place to live, June followed the Ardrossan Town Centre Initiative (ATCI) and then became a member of Ardrossan Community Development Trust (ACDT) to get involved in a totally new experience making Ardrossan a better place for residents and visitors alike. June looks forward to continuing the work already started by the Trust and get actively involved to further develop and progress the communities' ideas.

### **Elizabeth Hardie - Director**

Elizabeth joined the Board of the Trust on 30th June 2021. A local resident all her life, Elizabeth left school and, amongst other things, worked at Abbotsford Nursing Home in the Town for 10 years as a cook. Elizabeth has also been heavily involved in the operation of the Whitlees Centre for many years and was also the café cook for 3 years before retiring. She is inspired in her retirement to continue to assist at the Whitlees Centre and helps out wherever she can. After learning of the Community Development Trust, their engagement with the community and plans to raise funds and develop Ardrossan for its residents and visitors she had to get involved.

### **Julia Gray – Director**

Julia joined the Board of the Trust on 30th June 2021. Julia was born and brought up in Ardrossan and was educated at Stanley Primary School and Ardrossan Academy. After leaving school she spent 22 years working in McLaren Nursery followed by a few years in retail before going into the care sector. Julia has been involved in the Whitlees Community Centre since 2014 initiating huge improvements in what the Centre delivered for Ardrossan and its local community and she is still heavily involved in the activities of the centre to this day. Aside from this Julia is also a mother of 3 and is involved in other local community groups. Julia is passionate about her Town and it's future, helping its residents wherever she can ensuring that local residents are at the heart of change and have their voice.

### **Marisa Stevenson - Director**

Marisa joined the Board of the Trust on 30th June 2021. Marisa's family has always been born and bred in Ardrossan and apart from her living for 5 years as a 'Doonhamer' in Dumfries in the late eighties she has always lived here. She is a Nurse Lecturer at the University of The West of Scotland responsible for teaching Post graduate Specialist Community Health Nurses from all over the United Kingdom. Marisa also has a strong sense of Community and is passionate about the Town, in particular the Shore front and the Cannon Hill.

### **Michael McCulloch – Director**

Having lived in Ardrossan all of his life, Michael has spent the last 2 years in Saltcoats. Michael spent all his childhood and early adulthood in Princes St, right in the heart of the Town, with South Beach, down the “inches” and Ardrossan harbour as his playgrounds and remembers Ardrossan as a busy place “full of life” and a great place to live. Having served his apprenticeship in engineering with ICI in Stevenston, Michael went on to work in many engineering projects at home and away before expanding his career into Social Services. Michael has always been involved in local groups and issues of importance and was involved in the successful campaign to keep the Arran Ferry sailing from Ardrossan. Having a great interest in local history he is a trustee of the Castle Heritage Society.



# **Ardrossan Community Development Trust Business Plan**

## **Appendix**

### **5 Year Financial Projections**



## Ardrossan Community Development Trust Operational Income Projections

These assumptions set out anticipated revenue income sources for the core operation of Ardrossan Community Development Trust and its premises at the Frank Sweeney Centre, Glasgow Street, Ardrossan and the operation of the South Beach promenade facilities. Capital and income expenditure assumptions for the South Beach Project are not included as these will be funded separately via Lottery Funds, Scottish Government RCGF and North Ayrshire Council with the intention being that these are delivered at zero net cost to ACDT. The capital income and expenditure for these will be shown in the Yr 1 cash flow.

### Core Team Income

#### Grant Funding - Staff

#### Staff Funding

ACDT secured NAC Community Investment Fund monies of £53100 for 100% of salary costs of a Development Manager for 18 months beginning in June 2022. Based on expected 22/23 salary commitments we anticipate that £27725 will be available to support the posts in 2023/2024. ACDT have been approached by CEIS to bid for Strengthening Communities Funding from April 24 onwards with up to £40k pa available for 3 years. This is expected to be successful to support Staffing Costs from Yrs 2 to 4 - we have assumed a £35k pa contribution. An amount of as yet unidentified grant funding has been provided for in Year 1 and 5 of £15k and £30k respectively - we believe this to be realistic given ACDT's track record in securing funding and given expected charitable status with applications to programmes such as Investing in Communities, the Lottery, Trust Funders and other local and national sources to be submitted for ongoing grant support for Staff Costs as necessary.

CHA pay service level agreement income to ACDT to manage the Frank Sweeney Centre of £17000 per annum - assume this increases at 3% per annum over 5 year period. ACDT also expect to secure an annual Grant contribution of £10,000 from CHA.

#### Employability Funding - Trainees

ACDT plan to host 4 paid trainee posts annually paid for by Employability Funding available through local/national programmes. Each placement will be for 26 weeks. The wage recovery rate (employability grant) shown below for NAC Long Term Unemployed Grant programme for 22/23 was £10000 per post over 26 weeks. However it is uncertain whether this will be replicated. For the purpose of this Plan we have assumed a figure of £14000 across 52 weeks per post for Year 1. Thereafter Employability income per placement is assumed to rise in parallel with the associated wage increases for these posts assumed within the expenditure projections

Grant Income Summary for Core Staff Costs	YEAR	YEAR	YEAR	YEAR	YEAR
	1	2	3	4	5
	23/24	24/25	25/26	26/27	27/28
CIF Grant Funding - Development Officer	£27,725	£0	£0	£0	£0
Strengthening Communities Grant Staff Costs	£0	£35,000	£35,000	£35,000	
Service Level Agreement Income	£17,000	£17,510	£18,035	£18,576	£19,134
CHA Grant Funding	£10,000	£10,000	£10,000	£10,000	£10,000
Other Grant Funding	£15,000	£0	£0	£0	£30,000
Employability Grant	£56,000	£58,800	£61,740	£63,592	£65,500
Wage Recovery Rate Increase Per Annum		5%	4%	3%	3%

### South Beach Project Income

#### Beach Hut Hire

The South Beach Promenade will provide beach huts for hire by local traders. The table below shows projections for the no of huts, no of weeks hire per annum and weekly hire cost.

One of the 6 huts will be used to support electric bike charging and cycle parking to provide a maintenance/repair hut and will not therefore generate any income.

			YEAR	YEAR	YEAR	YEAR	YEAR
			1	2	3	4	5
			23/24	24/25	25/26	26/27	27/28
No of Huts			5	5	5	5	5
No of weeks hire per annum			12	30	30	30	30
Weekly Hire Cost			£99	£105	£111	£120	£121
<b>Total Income from Beach Hut Hire</b>			<b>£5,940</b>	<b>£15,750</b>	<b>£16,650</b>	<b>£18,000</b>	<b>£18,150</b>

<b>Year 1</b>	<b>12 weeks</b>	<b>10% increase</b>
Rental from 1st August to 28th October 23		
£16.50 daily rate x 6 days weekly		
<b>Year 2</b>	<b>30 weeks</b>	
Rental from 1st April to 28th October 24		
£17.50 daily rate x 6 days weekly		
<b>Year 3</b>	<b>30 weeks</b>	
Rental from 31st March to 27th October 25		
£18.50 daily rate x 6 days weekly		
<b>Year 4</b>	<b>30 weeks</b>	
Rental from 30th March to 26th October 26		
£20.00 daily rate x 6 days weekly		
<b>Year 5</b>	<b>30 weeks</b>	
Rental from 30th March to 26th October 26		
£20.00 daily rate x 6 days weekly		
<b>Free access 2 weeks pre-Xmas</b>		

#### Crazy Golf Hire

Crazy golf will be provided with hire of clubs and access to course at £2 per round. It is anticipated this will be busier during better weather. Estimates are based on 12 months income with July to September being the peak period followed by April to June and limited income over the winter. Assumed Crazy Golf hire will not proceed until July 23 due to installation works on South Beach

			YEAR	YEAR	YEAR	YEAR	YEAR
			1	2	3	4	5
			23/24	24/25	25/26	26/27	27/28
April - June Hire		Number of Days		6	6	6	6
		Number of Rounds		22	24	27	29
		Cost Per Round		£ 2	£ 2	£ 2	£ 2
		Number of Weeks		13	13	13	13
		Total Income		£3,432	£3,775	£4,153	£4,568
July - Sept Hire		Number of Days	6	6	6	6	6
		Number of Rounds	30	33	36	40	44
		Cost Per Round	£ 2	£ 2	£ 2	£ 2	£ 2
		Number of Weeks	13	13	13	13	13
		Total Income	£4,680	£5,148	£5,663	£6,229	£6,852
Oct - Mar Hire		Number of Days	2	2	2	2	2
		Number of Rounds	10	11	12	13	15
		Cost Per Round	£ 2	£ 2	£ 2	£ 2	£ 2
		Number of Weeks	26	26	26	26	26
		Total Income	£1,040	£1,144	£1,258	£1,384	£1,523
		Total Income	£5,720	£9,724	£10,696	£11,766	£12,943

<b>Café Lease</b>							
ACDT intend to lease the café on site at South Beach to a community partner / SME to operate. It is assumed this will generate annual rental income as shown in the table below based on Yrs 1 and 2 lease income of £700/month rising to £800/month in Yrs 3,4 and 5 . In Year 1 it is assumed the cafe will be operational for only 3 months to allow for an initial rent free period.							
			<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
			<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
	Amount Per Month		£700	£700	£800	£800	£800
	Number of Months		3	12	12	12	12
	<b>Café rental income</b>		<b>£2,100</b>	<b>£8,400</b>	<b>£9,600</b>	<b>£9,600</b>	<b>£9,600</b>
<b>Events Income</b>							
ACDT will lease the South Beach promenade from North Ayrshire Council and will be able to generate net income (ie after costs) hiring the site for a series of local events . It is believed that c£4k per income is generated per annum from the annual fairground which comes to the site during the summer. The plan also assumes additional events related income from Music events, Gala Days events - with the table below outlining anticipated income streams.							
			<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
			<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
	<b>Events Income</b>		<b>£6,000</b>	<b>£6,000</b>	<b>£7,000</b>	<b>£8,000</b>	<b>£8,000</b>
<b>NAC Funding - Toilet Block Servicing</b>							
NAC will provide funding support to enable ACDT to assume responsibility for keeping the South Beach toilet block open over the period April to May 23 until demolition works commence.							
			<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>
			<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
			<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
	<b>NAC Funding - Toilet Block Servicing</b>		<b>£6,000</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>

## Ardrossan Community Development Trust Operational Expenditure Projections

These assumptions set out anticipated revenue income sources for the core operation of Ardrossan Community Development Trust and its premises at the Frank Sweeney Centre, Glasgow Street, Ardrossan and the operation of the South Beach promenade facilities. Capital and income expenditure assumptions for the South Beach Project are not included as these will be funded separately via Lottery Funds, Scottish Government RCGF and North Ayrshire Council with the intention being that these are delivered at zero net cost to ACDT. The capital income and expenditure for these will be shown in the Yr 1 cash flow.

### Core Team Expenditure

#### **Staff Costs**

ACDT have a Development Officer in post to take forward the work of the organisation within the local community. The current annual salary for the post is set out below together with assumed uplift per annum.

#### *Training Opportunities*

ACDT had an existing Trainee in 22/23 who will convert to Full Time Receptionist in April 2023. ACDT also aims to create paid employment and training opportunities for local unemployed residents through local and national employability programmes, with 1 paid trainee posts assumed each year of the Plan period. Assume 2 New trainees go through the post each year (ie Each Trainee gets 26 weeks). The wage rate for these post is equivalent to the National Living Wage which for April 23 is £10.42. Grant income associated with these posts is set out within the Income Assumptions Section.

CORE OPERATION STAFF COSTS	No. Staff	No. Hrs	No Wks	Wage Rate Per Hr	Sub Total Per Annum	Ni and Pension@ 18%	Total
Development Officer	1	35	52		£30,000	£5,400	£35,400
Receptionist	1	35	52		£20,000	£3,600	£23,600
Trainees Funded by Employability Grants	2	25	52	£10.42	£27,092	£4,335	£31,427

	YEAR	YEAR	YEAR	YEAR	YEAR
	1	2	3	4	5
	23/24	24/25	25/26	26/27	27/28
Wage Increase Per Annum		5%	4%	3%	3%
Development Officer	£37,170	£39,029	£40,590	£41,807	£43,062
Receptionist	£24,780	£25,771	£26,544	£27,341	£28,161
Trainees Funded by Employability Grants	£31,427	£32,998	£34,318	£35,348	£36,408

#### **Volunteer Expenses**

A nominal annual provision has been made of £500  
This is to cover out of pocket travel and subsistence expenses

### Premises and Overhead Costs

#### **Rent and Rates**

ACDT lease office space from CHA in the Frank Sweeney Centre for Enterprise in Ardrossan. The annual cost of the combined rent and service charge is £3404. However CHA provides this office space free of charge - as a result no expenditure provision for rent is required.

An annual provision of £300 for water rates has also been assumed. An annual uplift of 2% has been assumed.

ACDT is seeking charitable status and on this basis the Plan assumes 100% business rates relief.

	YEAR	YEAR	YEAR	YEAR	YEAR
	1	2	3	4	5
	23/24	24/25	25/26	26/27	27/28
Rent and Rates	£300	£306	£312	£318	£325

[illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible]

<b>Hardware and Software</b>								
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Further hardware provision has been assumed in Yr 3 and 5 of	£750					
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Plus annual licence/mgt costs have been assumed of		£500					
--	--	------	--	--	--	--	--

[illegible]

<b>Printing, Stationery &amp; Office Supplies</b>						
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A nominal annual provision has been made for these costs of	£750				
Assumption of 3% uplift provision per annum					

[illegible][illegible]

<b>Premises &amp; Equipment Repair and Maintenance</b>								

Building maintenance at the Frank Sweeney Centre is CHA's responsibility and part of the service charge.				
ACDT only have a single office within the facility and limited equipment	Annual Provision of	£0		

[illegible][illegible]

<b>Cleaning and Cleaning Supplies</b>										
Cleaning Costs for ACDT's core operation at the Frank Sweeney Centre for Enterprise are included within the service charge which forms the annual rent costs. Therefore no annual provision has been made within these projections										

[illegible][illegible]

<b>Advertising &amp; Marketing</b>								
In order to market and promote ACDT throughout the local community a sum has been provided for of								£1,000
within these projections for Year 1. Further annual provision has been made of						£500		

These costs are assumed to include Website and other mediums and also provision for South Beach Project.

[illegible][illegible]

<b>Accountancy and Audit Fees</b>									
Annual provision for accountancy and audit costs - based on previously incurred levels for similar Third Sector Organisations									

Assume Annual 3% uplift provision						
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[illegible]



<b>Bank Charges</b>						
A nominal annual provision has been made for these costs of			<b>£250</b>			
Assume Annual 3% uplift provision						
		<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
		<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
<b>Bank Charges</b>		<b>£250</b>	<b>£258</b>	<b>£265</b>	<b>£273</b>	<b>£281</b>
<b>Professional Fees including Legal Costs</b>						
ACDT are likely to incur professional legal fees as the organisation is established and evolves						
An annual provision of		<b>£2,500</b>	has been assumed for this purpose			
Assume Annual 3% uplift provision						
		<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
		<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
<b>Professional Fees</b>		<b>£2,500</b>	<b>£2,575</b>	<b>£2,652</b>	<b>£2,732</b>	<b>£2,814</b>
<b>Subscriptions</b>						
ACDT will have membership fees and subscriptions for sector bodies in order to access information, good practice, training and networking benefits. An annual provision of has been assumed for this purpose of						
						<b>£750</b>
Assume Annual 3% uplift provision						
		<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
		<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
<b>Subscriptions</b>		<b>£750</b>	<b>£773</b>	<b>£796</b>	<b>£820</b>	<b>£844</b>
<b>Training and Development</b>						
ACDT will want to provide access to training and development for all staff and Board Members.						
An annual staff development allocation of			<b>£100</b>	per staff member has been assumed		
In additon an annual provision has been made for Committee development of				<b>£300</b>		
		<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
		<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
<b>No. of staff</b>		<b>3</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>Staff Development Provision</b>		<b>£300</b>	<b>£500</b>	<b>£500</b>	<b>£500</b>	<b>£500</b>
<b>Committee Development Provision</b>		<b>£300</b>	<b>£300</b>	<b>£300</b>	<b>£300</b>	<b>£300</b>
<b>Total Training and Development Provision</b>		<b>£600</b>	<b>£800</b>	<b>£800</b>	<b>£800</b>	<b>£800</b>

<b>Health and Safety</b>									
A small annual provision for Health and Safety has been made of				£500					
This includes provision for the Frank Sweeney Centre and the South Beach promenade									
Assume uplift of 3% per annum									
		YEAR	YEAR	YEAR	YEAR	YEAR			
		1	2	3	4	5			
		23/24	24/25	25/26	26/27	27/28			
Health and Safety		£500	£515	£530	£546	£563			
<b>Event Costs</b>									
As part of its core operation ACDT will run numerous local events ranging from community workshops and training to public meetings, AGMs, project development sessions, local celebrations etc. Whilst specific funding may be able to be accessed for particular events, it is also felt to be prudent to make a provision within the Plan for a general Events budget to draw on when specific funds are not available. The following provisions have been made across Years 1 to 5.									
ACDT will incur costs in running events at the South Beach Promenade. Within this Business Plan we have chosen to account for these by providing a net income figure for Events Income for South Beach (ie Income = the profit after costs have been incurred).									
		YEAR	YEAR	YEAR	YEAR	YEAR			
		1	2	3	4	5			
		23/24	24/25	25/26	26/27	27/28			
Event Costs		£1,000	£1,000	£1,500	£1,500	£1,500			
<b>Community Consultation/Survey Costs</b>									
ACDT anticipates ongoing consultation and communication with local residents and groups as part of its core work, supplemented by occasional survey work to help establish, quantify and evidence local needs, priorities and preferences. On that basis the following provisions have been made to provide resources to support this activity - as set out below.									
		YEAR	YEAR	YEAR	YEAR	YEAR			
		1	2	3	4	5			
		23/24	24/25	25/26	26/27	27/28			
Consultation		£0	£3,000	£0	£3,000	£0			
<b>Sundry Costs</b>									
A nominal annual provision has been made for these costs of				£500					
Assume Annual 3% uplift provision									
		YEAR	YEAR	YEAR	YEAR	YEAR			
		1	2	3	4	5			
		23/24	24/25	25/26	26/27	27/28			
Sundry Costs		£500	£515	£530	£546	£563			
<b>South Beach Project Expenditure</b>									
<b>South Beach Staff Costs</b>		No. Staff	No. Hrs	No Wks	Wage Rate Per Hr	Sub Total Per Annum	NI Pension@ 18%	Total	
2 Trainees Funded by Employability Grants		2	25	52	£10.42	£27,092	£4,335	£31,427	
		YEAR	YEAR	YEAR	YEAR	YEAR			
		1	2	3	4	5			
		23/24	24/25	25/26	26/27	27/28			
Wage Increase Per Annum Yrs 2 to 5		5%	5%	4%	3%	3%			
Trainees Funded by Employability Grants		£31,427	£32,998	£34,318	£35,348	£36,408			

[illegible]

<b>Premises &amp; Equipment Repair and Maintenance</b>					
Playpark maintenance. Assumed provision from Year 3 onwards as warranty covers 1st 2 years.					£3,000
Annual Beach Huts, Deckchairs and Disabled Wheelers maintenance assumed to be					£1,500
	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
Playpark Maintenance			£3,000	£3,000	£3,000
Beach Hut Maintenance			£1,500	£1,500	£1,500
Total	<b>£0</b>	<b>£0</b>	<b>£4,500</b>	<b>£4,500</b>	<b>£4,500</b>
Cafe will be leased on basis of a fully insuring and repairing lease agreement - no expenditure					
<b>South Beach Toilet Servicing</b>					
ACDT will assume responsibility for keeping the South Beach toilet block open over the period April to May 223 - until the works at South Beach commence and the toilets are demolished to make way for the new facility. A provision of £1500 month has been made for ACDT to sub contract servicing to a maintenance/cleaning company					
	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>	<b>YEAR</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>
South Beach Toilet Servicing	<b>£6,000</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>





**Cabinet**

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**Title:** Home Office Asylum Dispersal

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**Purpose:** To advise Cabinet of the Home Office's plans for asylum dispersal across the United Kingdom and highlight the potential impact for North Ayrshire, taking into consideration the humanitarian resettlement schemes already being supported.

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**Recommendation:** That Cabinet:

- i. notes the support being provided within North Ayrshire across the various humanitarian resettlement schemes.
- ii. notes the current pressure on Housing and wider services.
- iii. notes the Home Office rollout of a 'full dispersal' model for asylum seekers across the UK and the implications this has for North Ayrshire.
- iv. agrees that the Council is not in a position to offer social rented housing as part of the wider dispersal programme.
- v. approves the approach taken by Council officers to support Mears with the asylum dispersal programme by working in partnership through the North Ayrshire Refugee Task Force.

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**1. Executive Summary**

- 1.1. North Ayrshire is currently supporting several humanitarian / resettlement programmes in relation to the evacuation from Afghanistan, various Ukrainian visa routes, Unaccompanied Asylum-Seeking Young People and the UK Resettlement Scheme (Legacy of the Syrian Resettlement Scheme).
- 1.2 Given the extreme pressure on asylum accommodation in the south of England resulting from the significant and sustained increase in asylum arrivals, the Home Office has redesigned its long-term approach for the asylum dispersal programme. The 'full dispersal' model includes regional/ national asylum seeker allocations, aligned to their UK population share.
- 1.3 Based on assumed UK arrivals of 100,000 by December 2023, the population share for Scotland amounts to 9,000 asylum seekers, with the allocation for North Ayrshire being 111 arrivals to be accommodated over a two-year period. However, it should be noted that the number of asylum seekers arriving in the UK on an annual basis is continuing to grow, which means the North Ayrshire share is subject to change.
- 1.4 The dispersal of asylum seekers across North Ayrshire will have significant implications

in relation to housing, health, education and other support services, alongside staffing and financial resources.

## **2. Background**

- 2.1 A letter from the Minister for Safe and Legal Migration, Kevin Foster MP, was sent to all local authorities in April 2022 informing councils of changes being made to the asylum system in order to move away from the use of temporary contingency accommodation for asylum applicants. This change is intended to ensure a fairer distribution model is utilised across the country; this new approach is being described as 'full dispersal'.
- 2.2 All local authority areas in England, Scotland and Wales will participate in the new system of full dispersal to allow the move from hotels to more suitable dispersed accommodation.
- 2.3 The Mears Group have been contracted by the Home Office to implement and support the UK dispersal programme in Scotland. The proposed approach will require them to work in partnership with councils, under the auspices of the national Asylum Partnership Board, to identify suitable accommodation and deliver on the full dispersal plans.
- 2.4 For over twenty years Glasgow City Council has - both directly and indirectly - supported asylum dispersal in the city. It remains, by a considerable margin, the largest host authority for asylum applicants in the UK, with well over 5,000 people currently being accommodated in the city. The Home Office and Mears commenced an initial phase of widening dispersal to councils neighbouring Glasgow during Summer 2022.
- 2.5 In November 2022 COSLA Leaders agreed that any widening of dispersal would need to take place across all 32 local authorities on a proportional and equitable basis.
- 2.6 This approach will allocate a proportionate share of the additional c. 4,000 bed spaces that the Home Office has allocated for Scotland across 31 councils. This is on the basis that Glasgow already has a disproportionate share of asylum applicants, reflecting its position as the largest dispersal authority in the UK.
- 2.7 The North Ayrshire share based on the proportion of the population, discounting Glasgow, is 2.78%; this amounts to 111 asylum seekers arriving over a two-year period.
- 2.8 The roll out pertains to asylum seekers who have been assessed as having grounds to make an asylum application, with temporary provision being made for up to 18 months whilst the asylum process is undertaken. Should an asylum seeker's application be approved, they will be awarded the status of refugee, giving them the right to remain in the country and to access housing and welfare benefits.

### **The impact of asylum dispersal on local authorities**

- 2.9 Mears, as the Home Office contractor, is responsible for procuring accommodation. They are required to work in partnership with local authorities to ensure that they understand the local area including regeneration regions, particular characteristics of a neighbourhood, service provision across the local authority, areas of challenge, suitable properties for procurement and possible opportunities within registered social landlord



and local authority housing stock that are underutilised.

- 2.10 Mears mainly procure private rental accommodation; however they are interested in any other options available in a local area including hotels, care homes and buildings which can be reprovioned.
- 2.11 As Mears identifies properties for procurement, they will liaise with both the local authority and Police Scotland, as part of the procurement protocol which needs to be followed for each property.
- 2.12 Mears has already commenced procurement activity in some council areas, as well as operating 'contingency accommodation' (hotels) in Perth and Kinross, Falkirk, Edinburgh, Renfrewshire, Glasgow, Inverclyde and South Lanarkshire.
- 2.13 Mears has confirmed that there are currently 6,000 asylum seekers within the Scottish system and they have already secured 79 bedspaces of their 2,500 Scottish target for the calendar year 2023. They have a further 250 units in the development pipeline, 9 of which are within North Ayrshire.
- 2.14 An Asylum Partnership Board chaired by Glasgow City Council has been set up for local authorities to understand the legal processes and to share emerging best practice and discuss arising issues.
- 2.15 Until March 2023, any bedspaces Mears procures will attract funding for the local authority of £3,500. This is a one-off payment per bedspace and can be used by the local authority as required. The aim of the funding is to provide support to services that are impacted by the widening of dispersal. COSLA are continuing to work with the Home Office to ensure there is sustainable funding beyond March 2023 which reflects the true cost of asylum to a local authority.

### **Rights of asylum seekers**

- 2.16 Asylum seekers have no recourse to public funds; therefore they are not entitled to mainstream benefits and housing except in exceptional circumstances. In addition, they do not have a right to work and are provided with £40.85 per week for food, clothing, and toiletries.
- 2.17 Local authorities have a statutory duty, as they would with anyone moving into the area, to provide any social care and social work support to asylum seekers if needed and provide accessible education for children within asylum seeking families.
- 2.18 Local health partners (NHS and HSCPs) have a statutory duty to provide appropriate health care to asylum seekers; this includes registration with a GP.
- 2.19 Mears is considering how they can link in with partners to support integration and support. This will include guidance on accessing ESOL, community support and orientation and access to religious activities. Mears is keen to work with Police Scotland, local authorities and third sector partners to ensure that any issues of community cohesion are addressed quickly.

2.20 Asylum seekers will stay in accommodation until the outcome of their application has been finalised (including the appeal process). If their application is refused, they must return to their country of origin; support and accommodation will be discontinued after 21 days. If their application is approved, they have the same rights as all other refugees including access to benefits and housing; asylum support ends after 28 days, with the duty being passed to local authorities and wider partners.

### **What does the asylum dispersal programme mean for North Ayrshire?**

2.21 Since 2015 the Council and community planning partners have supported a total of 211 households, comprising of 596 individuals, to resettle in North Ayrshire across the various humanitarian programmes, broken down as follows:

- 2015 - Afghan Locally Engaged Staff Ex Gratia Scheme – 6 households (26 individuals)
- 2015 to 2021 - Syrian Resettlement Programme (SRP) – 41 households (201 individuals)
- 2021 to date - UK Resettlement Scheme (UKRS) – 2 households (10 individuals)
- 2021 to date - Afghan Relocation & Assistance Programme (ARAP) – 2 households (10 individuals)
- 2022 to date - Ukrainian resettlement schemes 160 households (349) individuals

2.22 The resettlement to date equates to 161 social rented tenancies being utilised to accommodate households across all schemes, 110 of which have been utilised since May 2022 to accommodate families fleeing the war in Ukraine.

2.23 The Scottish Government has a deadline of 31 March 2023 to rehouse the remaining 983 Ukrainian individuals currently residing on the MS Ambition cruise ship docked in the Clyde. Attention will then focus on assisting with the relocation programme from the Ms Victoria docked at Leith.

2.24 North Ayrshire Council currently support a Ukraine welcome hub at the Riverside Lodge, Irvine and officers are in discussions with the Scottish Government to develop further temporary accommodation at Boyle Street, Irvine to help accommodate Ukrainian displaced people leaving both ships.

2.25 In addition, the Council has an outstanding commitment to accommodate a further three ARAP (Afghan) and four UKRS families.

2.26 It is imperative that the Council maintains and protects its statutory homelessness duties. There is significant pressure on temporary accommodation for homeless people, with an average six month wait for an offer of permanent housing in the last nine months. The Homeless Service experienced extreme pressure in the provision of temporary accommodation at the beginning of February 2023, which almost resulted in a failure to meet our statutory responsibilities.

2.27 Mears aim to utilise private sector accommodation within North Ayrshire and are

working with both private landlords and investors to build up their accommodation portfolio. They have approached the Council to ascertain whether there is an opportunity to utilise Council and RSL social rented housing, however given the current pressures being managed by the Homeless service as detailed above, officers are not able to recommend this to Cabinet.

- 2.28 Asylum seekers subject to relocation via the full dispersal model will already have had their asylum application lodged and will therefore have a right to remain in the country pending full approval. Initial screening and health checks will have been undertaken prior to their arrival in North Ayrshire.
- 2.29 60% of all asylum applications are from single male households, therefore this is likely to be the profile of the majority of cases arriving in North Ayrshire. Mears have offered reassurance that they will provide Council officers with the profile information of asylum seekers arriving in North Ayrshire.
- 2.30 Should asylum seekers be awarded refugee status, they will have the right to make a homeless presentation locally and therefore be entitled to both temporary and permanent accommodation. This will increase the pressure on housing detailed above.
- 2.31 There are significant resource pressures across North Ayrshire for key services, with GP demand outstripping clinical capacity in some areas and capacity pressures in some schools.
- 2.32 Council officers have provided Mears with an overview of the pressures across North Ayrshire. Mears have agreed that they will not pursue procuring accommodation on the island communities and that they will work with officers on a property-by-property basis on the mainland to ascertain suitability for use for the asylum dispersal programme.
- 2.33 Mears are currently screening three two-bedroom properties in North Ayrshire with a view to procuring them; two are in Irvine and the third is in Kilwinning. It is likely that each flat would accommodate three asylum seekers, amounting to the resettlement of 9 people against the year one target of 57.
- 2.34 Mears have confirmed that they are working to disperse asylum seekers across North Ayrshire, as opposed to having clusters of households in one area. They have also offered assurance that if an asylum placement breaks down for any reason, they can remove the asylum seeker with immediate effect, minimising the impact on the community.
- 2.35 Council officers are keen to engage with Mears in a positive and supportive manner and have invited them to have a space on the agenda at each North Ayrshire Refugee Task Force meeting. This will ensure that there is a strategic overview of emerging issues, with the ability to work in partnership to secure the best outcomes for asylum seekers.

### **3. Proposals**

#### **3.1 That Cabinet:**

- i. notes the support being provided within North Ayrshire across the various humanitarian resettlement schemes.
- ii. notes the current pressure on Housing and wider services.
- iii. notes the Home Office rollout of a 'full dispersal' model for asylum seekers across the UK and the implications this has for North Ayrshire
- iv. agrees that the Council is not in a position to offer social rented housing as part of the wider dispersal programme.
- v. approves the approach taken by Council officers to support Mears with the asylum dispersal programme by working in partnership to support the integration process through the Refugee Task Force.

### **4. Implications/Socio-economic Duty**

#### **Financial**

- 4.1 Until March 2023, any asylum seeker placed into North Ayrshire will attract Home Office funding of £3500. The purpose of the funding is to provide support to services that are impacted by the widening of dispersal. COSLA are continuing to work with the Home Office to ensure that there is sustainable funding in place beyond March 2023 which reflects the true cost to the local authority.

#### **Human Resources**

- 4.2 Officers will monitor the impact of the asylum dispersal programme on existing staffing resources. Should additional resources be required, the costs will be met from the UK Government funding allocated for this purpose.

#### **Legal**

- 4.3 The UK is a signatory to the 1951 UN Convention relating to the status of refugees and is obliged to consider properly any application for asylum made in the UK by a person who claims to be fleeing persecution.
- 4.4 Asylum is a matter reserved to the UK Government and handled by the Home Office. Scottish Government and local authorities are responsible for devolved matters, including access to essential services like healthcare and education, that enable the integration of refugees and asylum seekers in Scottish communities.

#### **Equality/Socio-economic**

- 4.5 Should the asylum seekers be granted full refugee status, they will be entitled to secure employment. Many of the refugees and displaced people who have settled within North Ayrshire to date have arrived with a variety of skills and attributes which enrich our communities, and, in a local context, this may help to address some of the demographic challenges within North Ayrshire.

## **Climate Change and Carbon**

4.6 None

## **Key Priorities**

- 4.7 All asylum seekers arriving in North Ayrshire will be supported to resettle here in the short and - subject to award of refugee status – long term. This will support delivery of the Council Plan priorities of 'Active and strong communities' and People and communities are safe'

## **Community Wealth Building**

4.8 None

## **5. Consultation**

- 5.1 Discussions have taken place at the North Ayrshire Refugee Task Force to ensure all partners are aware of the likely implications of the asylum dispersal programme.

RUSSELL McCUTCHEON  
Executive Director (Place)

For further information please contact **Janeine Barrett, Senior Manager (Homelessness and Community Safety)**, on [janeinebarrett@north-ayrshire.gov.uk](mailto:janeinebarrett@north-ayrshire.gov.uk)

## **Background Papers**

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## NORTH AYRSHIRE COUNCIL

21 March 2023

### Cabinet

<b>Title:</b>	<b>Roads, Structures and Street Lighting Maintenance Programme 2023/24</b>
<b>Purpose:</b>	To seek Cabinet approval of the proposed Roads, Structures and Street Lighting Maintenance Programme for 2023/24.
<b>Recommendation:</b>	That the Cabinet (a) notes the approach taken to determining the asset maintenance programme for roads, structures and street lighting; (b) approves the maintenance programme for 2023/24, as shown at Appendix 1a and 1b; (c) approves the additional works up to the value of £1m, identified for 2023/24 at Appendix 1c should the Council realise an underspend of £1m or more for 2022/23 and (d) notes that the programme will be issued to the Locality Planning Partnerships for information.

### 1. Executive Summary

- 1.1 North Ayrshire Council has a statutory obligation under the Roads (Scotland) Act 1984 to manage and maintain its public road network. The adopted road network within North Ayrshire has a total length of 1044km. The core roads assets are currently estimated at a value of approximately £1.7billion.
- 1.2 The Council's Roads Service has adopted an asset management approach to road maintenance to allocate available road maintenance funds to locations that will offer the most beneficial return on the investment.
- 1.3 The Roads Asset Management Plan (RAMP) and the roads assets maintenance strategy follows the recommendations contained within the 'Well Maintained Highway's Code of Practice, ensuring that the Council's statutory obligations as delegated Roads Authority are met.
- 1.4 In complying with the Code of Practice, an effective regime of inspection, assessment and condition recording is well established which assists in not only providing a road network for the future but one that promotes social inclusion and contributes to economic growth within the area. This approach also ensures the Council is providing value for money on any investment attributed to road maintenance.
- 1.5 The proposed Roads, Structures and Street Lighting Maintenance Programme 2023/24 is attached in Appendix 1a and 1b. The Programme is based on approved Revenue and Capital budgets, including an additional £0.5m which will be funded from approved capital infrastructure investment. At the Council's budget setting me on 1

March 2023 an extra (up to) £1m was agreed for roads infrastructure subject to the Council realising an underspend for Financial Year 2022/23. Details of proposed additional works are attached at Appendix 1c.

## **2. Background**

- 2.1 North Ayrshire Council is responsible for the maintenance of the adopted local road network including lighting and structures assets as well as its other non-adopted road assets. However, the Council has no responsibility for the maintenance of the Trunk Road Network which falls to Transport Scotland and their management contractor, Amey. The Trunk Road network includes the A78, the A737 from Kilwinning to the Renfrewshire Boundary and A738 from the Pennyburn Roundabout to the A737 Dalry Road Kilwinning.
- 2.2 North Ayrshire Council's roads are the Council's largest community asset and play a vital role in supporting the local and wider economy by facilitating the movement of people, goods and services and connecting people with economic and social opportunities.
- 2.3 The proposed Roads, Structures and Street Lighting Maintenance Programme for 2023/24 has been developed in accordance with the strategy contained within the Roads Asset Management Plan (RAMP) to deliver the maximum return on investment and ensures the provision of an effective road network throughout North Ayrshire.
- 2.4 Road Condition is measured nationally through the Scottish Road Maintenance Condition Survey (SRMCS). The measure in place, the Road Condition Index (RCI), records the percentage of the Council's roads which should be considered for maintenance. North Ayrshire's RCI has been improving in recent years and is currently 33.9%.
- 2.5 The estimated carriageway maintenance backlog figure for North Ayrshire is currently £34.8m. The 'steady state' figure for maintaining our roads at present condition is £4.3m per year. The capital budget supported by revenue funding is £4.45m for 2023/24. This includes £100,000 carried forward from 2022/23 for planned works. An additional £0.5m has been identified from the 'core infrastructure, property and vehicles renewal investment' capital budget allocation, taking the total investment in the road network to £4.95m for 2023/24. Additionally, at the Council's budget setting meeting on 1 March 2023 an extra (up to) £1m was allocated to roads revenue investment for 2023/24 should the year end outturn for 2022/23 deliver an underspend of £1m or more. This level of investment outpaces the 'steady state' figure and should therefore contribute to an improvement in the road network condition over time.
- 2.6 Road lighting condition is measured through programmes of structural and electrical assessment and testing and is complemented through the ongoing review of age profile and material type life expectancy. The results are categorised and recorded in the lighting asset management database to inform a prioritised list of replacement schemes. Lighting is allocated an annual Capital budget of £1m to address a 'steady state' position of maintaining our lighting at present annualised depreciation rate.
- 2.7 Bridge and retaining wall condition is also evaluated through a robust inspection programme. General inspections are undertaken every 2 years, while an in-depth



'principal inspection' is carried out every 6 years and the results of the inspections are used to inform work programmes. The results of the inspections are input into a Structures database which is then used to calculate an average Bridge Structure Condition Index (BSClav) based on the total number of assets. The BSClav is currently 85.79 (2021/22 figure) which is within the 'good' classification of 85 to 94. This figure is a slight fall on the previous year. The allocated capital budget of £935,000 is supported by a small amount of revenue funding giving a total of £1.07m.

- 2.8 Details of how condition assessments are carried out and how roads, structures and lighting locations are prioritised for inclusion in our maintenance programme are provided in Appendix 2. The assessment matrix used for scoring and ranking structures for inclusion in the Structures Maintenance Programme is attached in Appendix 3.
- 2.9 The road maintenance programme in 2022/23 mitigated high inflationary cost increases through two factors - by forecasting higher projected costs and building this into the programme early in the financial year and, secondly, the Ayrshire Minor Works Framework contract price being held for the 6 months to September 2022. Works completed by the operational team and any works tendered since then were subject to inflationary rises in material and plant costs as well as contractor price increases. The 2023/24 road maintenance programme has been prepared based on a 20% contingency increase in 2022/23 costs to allow for further inflationary rises in operational costs and to ensure that programmed works can be completed.

### **3. Proposals**

- 3.1 That Cabinet notes the approach taken to determining the asset maintenance programme for roads, structures and street lighting.
- 3.2 That Cabinet approves the maintenance programme for 2023/24, as shown at Appendix 1a and 1b.
- 3.3 That Cabinet approves Appendix 1c which will deliver an additional up to £1m of road infrastructure works for 2023/24 should the year end outturn for 2022/23 realise an underspend of £1m.
- 3.4 That Cabinet notes that the programme will be issued to Locality Planning Partnerships for information.

### **4. Implications/Socio-economic Duty**

#### **Financial**

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

#### **Human Resources**

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

## **Legal**

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

## **Equality/Socio-economic**

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

## **Environmental and Sustainability**

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

## **Key Priorities**

- 4.6 Effective management of these assets contributes to a number of Council plan objectives ensuring that North Ayrshire is well-connected with effective infrastructure and that we maximise resources and provide value for money.

## **Community Wealth Building**

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

## **5. Consultation**

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

RUSSELL McCUTCHEON  
Executive Director (Place)

For further information please contact **Thomas Reaney, Head of Neighbourhood Services**, on Tel: **01294 324570**.

## **Background Papers**

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# Mainland Roads Programme 2023/24

<i>Carriageway Resurfacing</i>			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Stanley Road / Galloway Place	Saltcoats	Carried forward from 22/23	£100,000
B706 Dunlop Road	Barrmill	Roundabout and exit towards A736 include circle at McHardy Crescent	£120,000
The Strand / Townhead	Beith	Eglinton Street to Kirk Road	£65,000
B780	Kilbirnie	Loadingbank towards Roundabout	£140,000
Stuart Street	Millport	Cardiff Street to Clifton Street	£180,000
Parkhouse Road	Ardrossan	McDowall Avenue to Garage	£110,000
Sorbie Road	Saltcoats	Approach to Traffic Lights	£55,000
Shore Road	Stevenston	near the level crossing	£55,000
Ardeer Road	Stevenston	From Railway Bridge to Roundabout	£140,000
Old High Road	Stevenston	Mayville Street to A738	£105,000
Mayville Street / Glebe Street	Stevenston	High Road to Boglemart Street	£80,000
Middleton Road	Irvine	Part Length	£150,000
East Road / High Street	Irvine	mini roundabout to Kirk Vennel	£60,000
Braehead	Dalry	Braehead to speed limit signs	£160,000
Netherlee Crescent	Dalry	Including Ryeside and Templand Road	£80,000
Caledonia Road / Argyle Road	Saltcoats	Sorbie Road to Jacks Road	£210,000
Main Street	West Kilbride	West Kilbride Parish church to Headrigg Gardens	£75,000
Merlewood Road	West Kilbride	Full Length	£15,000
Castlepark Gardens	Fairlie	Full Length	£60,000
Alexander Avenue	Largs	Holehouse Road to Burnside Road	£95,000
Brisbane Road	Largs	Boyd Street to Seamore Street	£25,000
Waterside Street	Largs	Including junctions at Silverdale	£80,000
Stakehill	Largs	Part Length	£65,000
Anderson Terrace	Ardrossan	Part Length	£60,000
Chapelhill Mount	Ardrossan	Part Length	£100,000
Carson Drive	Irvine	Ayr Road to just passed Gray Crescent	£60,000
Castlepark circle	Irvine	Leven Place to existing joint	£130,000
Harbour Road	Irvine	Victoria Roundabout to Portland Roundabout	£140,000
Station Road	Springside	Part Length	£95,000
Barra Crescent / Place / Lane	Irvine	3 cul de sacs and part of main entrance road	£70,000
Gigha Crescent	Irvine	From Roundabout to end	£50,000
Greenside/Mid-rig/Chapelgill	Irvine	Part Length	£40,000
B778	Kilwinning	South of Mossculloch to Goldcraigs Depot	£150,000
Beechwood	Kilwinning	Part Length	£50,000
Corsehill Road	Kilwinning	Part Length	£110,000

# Mainland Roads Programme 2023/24

Kennedy Road	Saltcoats	Full Length, Including West Doura Junction	£114,000
Station Road	Skelmorlie	Part Length	£30,000
Seton Terrace	Skelmorlie	Skelmorlie Castle Road for approx 50m	£20,000
Hillview	Skelmorlie	Part Length	£25,000
Martin Square	Saltcoats	Part Length	£60,000
Sannox Drive	Saltcoats	Even side	£60,000
Greenhead Avenue	Stevenston	Full Length	£75,000
Ardchoille Drive	Stevenston	Full Length	£20,000
			<b>£3,684,000</b>

<i>Carriageway Surface Dressing</i>			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
B781	West Kilbride	Blackshaw Farm to Gill Farm	£16,000
			<b>£16,000</b>

# Mainland Roads Programme 2023/24

<i>Carriageway Screeding</i>			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Glebe Street	Saltcoats	Springvale Street to Glebe Place	£14,000
Lawson Drive / Ashgrove Street	Ardrossan	Lawson Drive past shops to Ashgrove	£24,000
Whitlees court	Ardrossan	Part Length	£18,000
Pollock Crescent	Kilwinning	Part Length	£22,000
C68	Beith	Junction with U42 to A736	£45,000
U42 Lugtonridge Road	Beith	South Nettlehirst and Lugtonridge	£28,000
Dipple Road	Kilbirnie	Part Length	£67,000
C99	Dalry	Stoopshill to the joint before the B707	£106,000
C20	Kilwinning	South Lodge cottage to Torran yard	£71,000
U8 Boag Road	Beith	Part Length	£46,000
Brownmuir farm to boundary	Beith	Full Length	£17,000
Woodside	Beith	Woodside to boundary	£22,000
Bogside	Beith	Part Length	£50,000
Kilruskin Road	West Kilbride	Part Length	£20,000
			<b>£550,000</b>

# Mainland Roads Programme 2023/24

<i>Footway Resurfacing</i>			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Thorntree Avenue	Beith	Part Length (Full Length Odd Nos, 38-56 Even Nos)	£26,000
St Margarets Avenue	Dalry	Kittyshaw to Houston Crescent (incl 2 cul-de-sacs)	£50,000
North Street / Braehead	Dalry	Regal Court to Braehead Place	£43,000
St Andrews Road	Ardrossan	Number 1 to Number 35	£28,000
Kilruskin Drive	West Kilbride	Full Length	£29,000
Provosts Loan	Cumbræ	Full Length	£17,000
Braeside Ave and Meadowbank Rd	Largs	Part Lengths	£36,000
Main Street	Dreghorn	One side only from No.108 to change in surface	£10,000
Stronsay court	Irvine	Full Length	£5,000
Clements Place	Stevenston	Full Length	£9,000
Oakland Drive	Stevenston	Full Length	£5,500
West Doura Way / Court	Kilwinning	Whitehirst Park PS to shop, including car park and shop footpaths and the slabbed area outside shop	£17,500
Murray Avenue	Saltcoats	Mid Dykes Road to road end (Both Sides)	£15,000
Longfield Avenue	Saltcoats	Part Length	£14,000
Wellpark Road	Saltcoats	Number 23 to Number 31 (One side only)	£4,000
Kenilworth Drive	Saltcoats	Footpath from Kenilworth Drive to Munro Place	£6,000
Miller Road	Saltcoats	Full Length	£15,000
			<b>£330,000</b>

# Mainland Roads Programme 2023/24

<i>Lighting Deteriorated Infrastructure Replacements</i>		
<i>Area</i>	<i>Town</i>	<i>Estimate Cost</i>
Longhill Seton Terrace Sandy Brae Road	Skelmorlie	£90,000
Corsehill Drive	West Kilbride	£55,000
Lindsay Crescent Auchenmaid Drive Linn Avenue The Roundel Castlehill Drive	Largs	£80,000
Tarryholme Drive Warrix Avenue Kirk Vennel Parterre Benbain Place Golf Place Ravenscroft Braeside Whyte Avenue	Irvine	£205,000
Schoolwell Street Grange Road Kerelaw Road Sinclair Street Loccard Road Limekiln Road	Stevenston	£127,000
St Inans Drive Rowan Avenue Bigholm Road Backburn	Beith	£70,000
Milton Road Ladyland Drive	Kilbirnie	£87,000
Findlay Avenue West End Sharon Street	Dalry	£59,000
		<b>£773,000</b>

<i>Lighting Deteriorated Column Replacements</i>			
<i>Area</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Various Unplanned Locations			<b>£169,000</b>

<i>Lighting Deteriorated Column Inspections</i>			
<i>Area</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Various Locations			<b>£58,000</b>

# Mainland Roads Programme 2023/24

<i>Structures Projects</i>			
<i>Structure</i>	<i>Road</i>	<i>Project</i>	<i>Estimate Cost</i>
Kersland Culvert	B714	UV liner culvert repairs	£80,000
Seven Acres Mill Bridge	U54	Bridge Replacement	£450,000
Roughwood Bridge	U12	General Repairs	£30,000
Threadmill Bridge	C99	Replacement / Strengthening	£160,000
Carsehead Bridge	B714	General Repairs	£35,000
			<b>£755,000</b>

Carriageway Resurfacing: £3,684,000

Carriageway Surface Dressing: £16,000

Carriageway Screeding: £550,000

Footway Resurfacing: £330,000

Lighting Infrastructure Replacements: £773,000

Deteriorated Column Replacements: £169,000

Deteriorated Column Inspections: £58,000

Structures Projects: £755,000

**Overall Mainland Total: £6,335,000**



# Arran Roads Programme 2023/24

<i>Carriageway Resurfacing</i>			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Benlister Road	Lamlash	8 Park Terrace to road end	£40,000
Golf Course Road	Blackwaterfoot	Queenscliff to Car Park	£30,000
B880 String Road	Brodict	Patching Various Locations	£200,000
A841		3 sections between Brodict & Sannox	£160,000
A841	Lochranza	Patching Works - Ballarie Bridge towards Sannox	£70,000
			<b>£500,000</b>

<i>Carriageway Surface Dressing</i>			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
A841	Brodict	Junction B880 to slipway past Shore Lodge	£60,000
A841	Lamlash	Strathwillan Road Junction Brodict to Glenisle Hotel	£140,000
			<b>£200,000</b>

<i>Structures Projects</i>			
<i>Structure</i>	<i>Road</i>	<i>Project</i>	<i>Estimate Cost</i>
Culvert West of Ballymeanoch	C147	Retaining wall strengthening	£70,000
Dougarie Bridge	C147	Temporary Strengthening/ Scour repairs	£50,000
Catacol Bridge	C147	Temporary Strengthening/ Scour repairs	£60,000
			<b>£180,000</b>

Carriageway Resurfacing: £500,000

Carriageway Surface Dressing: £200,000

Structures Projects: £180,000

**Overall Arran Total: £880,000**

# Mainland Roads Programme 2023/24

<b>Additional Budget £1m</b>			
<b>CARRIAGEWAYS</b>			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Dickson Drive	Irvine	From Redburn CC to jct Dick Terrace	£50,000
B7081 Annick Road	Irvine	Riverside Lodge to Newmoor	£57,000
Stobbs Crescent	Kilwinning	Part Length	£40,000
Pennyburn Road	Kilwinning	A738 jct to Cranberry Road jct	£66,000
B7049 Eglinton Road	Beith	From ped crossing at Main St to speed table	£97,000
A760	Kilbirnie	From Connelston to Auchencloigh Farm Rd	£225,000
C18 Ardrossan High Road	West Kilbride	Part Lengths	£36,000
Mackerston Place	Largs	Full Length incl Stanlane jct	£67,000
Brisbane Glen Road	Largs	From Douglas Street to cemetery	£114,000
B896	Cumrae	Patching and Screeding	£80,000
Various		PATCHING CONTRACT	£80,000
<b>FOOTWAYS</b>			
<i>Street</i>	<i>Town</i>	<i>Location</i>	<i>Estimate Cost</i>
Sillars Meadow	Irvine	Full Length	£64,000
Townhead Street	Stevenston	No.103 to Post Office	£20,000
Lochlie Place	Stevenston	Full Length	£4,000
			<b>£1,000,000</b>

### **Condition Assessment and Prioritisation Process**

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

**Assessment Table**

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

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

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

**Treatment Option Table**

Treatment Option	Cost per Sqm 2021/22	Cost per Sqm 2022/23	% Change	Extension to life
Surface Dressing	£3.30	£3.60	+9%	Up to 10 years
Screeding	£9.00	£11.50	+28%	5 – 10 years
Inlay HRA	£18.00	£22.00	+22%	Up to 20 years
Overlay <100mm	£20.70	£26.50	+28%	Up to 20 years
Inlay 100mm	£27.26	£32.30	+18%	Up to 20 years
Reconstruction 300mm	£112.40	£140.00	+25%	Up to 20 years

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

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

- 1.13 Where non-urgent replacement recommendations (Category F through to J) are on an individual column basis, the data is further analysed to determine a percentage value for recommended replacement numbers against the balance of units in a street. If this figure exceeds 30% then the entire street will be considered for higher prioritisation which will address the design class standard of the street beyond individual replacement for safety reasons only.
- 1.14 The structures programme is identified based on the structures prioritisation matrix which ranks assets based on a number of factors including its condition, safety, and usage.

Structure Name:  
Date when the scoring is carried out:

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

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

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

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

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



## NORTH AYRSHIRE COUNCIL

21 March 2023

### Cabinet

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**Title:** **Consultation on Scottish Government's draft Energy Strategy and Just Transition Plan**

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**Purpose:** To seek Cabinet approval for the proposed response to the consultation on the Scottish Government's draft Energy Strategy and Just Transition Plan.

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**Recommendation:** That Cabinet approves the response attached as Appendix 1 as the North Ayrshire Council response to the Scottish Government consultation in relation to the draft Energy Strategy and Just Transition Plan.

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### 1. Executive Summary

- 1.1 The Scottish Government has launched a consultation on the Scottish Government's draft Energy Strategy and Just Transition Plan. This report sets out the Council's proposed consultation response.
- 1.2 The proposed response at Appendix 1 sets out broad support for the vision, wider policy statements and detailed actions underpinning them. The response also highlights a number of particular barriers for renewable energy projects that have been experienced recently, including issues of grid capacity, grid connection costs and timescales, and options for sale of energy.

### 2. Background

- 2.1 In January 2023, the Scottish Government published its draft 'Energy Strategy and Just Transition Plan'. The deadline for responses was recently extended and is 9 May 2023.
- 2.2 The Plan sets out policy positions and a route map of actions with a focus to 2030 to realise climate change ambitions. It recognises that there is a need to transform the way Scotland generates, transports, and uses energy in order to deliver a vision where by 2045 Scotland has a flourishing, climate friendly energy system that delivers affordable, resilient and clean energy supplies for Scotland's households, communities and business.
- 2.3 The document sets out a sector-by-sector approach to renewables, addressing fuel insecurity and other energy related matters, articulating ambitions to scale up generation across a range of technologies, along with reducing demand. The

strategy notes that there are matters not devolved and/or where co-ordination with UK Government will be required, such as electricity market reform and carbon capture and storage that will be critical components of the transition to net-zero.

2.4 The draft Plan has three overall aims for Scotland:

1. To scale up renewable energy production, helping to secure a just transition to net zero and reducing energy demand;
2. To support continued investment in green energy that delivers economic opportunities, including more jobs, new manufacturing capabilities and increased access to global markets and technologies for Scottish businesses and supply chains;
3. To deliver reliable, a more secure and affordable net zero energy system to protect from future energy price volatility.

2.5 To achieve these aims, the draft strategy route map includes the following key proposals:

- More than 20 GW of additional renewable electricity from on-and-offshore sources by 2030
- People have access to clean, affordable energy to reduce fuel poverty
- An ambition for hydrogen production to provide 5 GW or the equivalent of 15% of Scotland's current energy needs by 2030, increasing to 25 GW capacity by 2045
- Accelerated decarbonisation of domestic industry, transport and heat including one million homes decarbonised by 2030; and the establishment of a national public energy agency – Heat and Energy Efficiency Scotland
- The phasing out the need for new petrol and diesel cars and vans by 2032 and reduction in car kilometres travelled by 20% by 2030

2.6 The proposed response at Appendix 1 sets out broad support for the vision, wider policy statements and detailed actions underpinning them. The proposed response highlights a number of particular barriers for renewable energy projects that North Ayrshire Council has direct experience of, including grid capacity, grid connection costs and timescales, and options for sale of energy. The response also reinforces the evidence given previously through various channels such as the Convention of Scottish Local Authorities (COSLA), the Society of Local Authority Chief Executives (SOLACE) and the Sustainable Scotland Network (SSN) as part of the Net Zero Parliamentary enquiry, which has been reflected strongly in the recently published findings in relation to the need for:

- Increased funding for local authorities as a key delivery vehicle for net-zero
- Streamlining of the funding landscape
- Investment in grid capacity and simplifying of the process to unlock municipal energy opportunities

- Skills development and capacity

2.7 Subject to Cabinet approval, the response will be submitted to Scottish Government in advance of the deadline for responses of 9 May 2023.

### **3. Proposals**

3.1 That Cabinet approves the response at Appendix 1 as the North Ayrshire Council response to the Scottish Government consultation in relation to the draft Energy Strategy and Just Transition Plan.

### **4. Implications/Socio-economic Duty**

#### **Financial**

4.1 There is no direct financial impact arising from the content of this report.

#### **Human Resources**

4.2 There is no direct impact arising from the content of this report.

#### **Legal**

4.3 None

#### **Equality/Socio-economic**

4.4 There is no direct equality/socio-economic impact arising from the content of this report. However, if implemented the proposals in the consultation document could assist in meeting the Council's socio-economic duty as set out in the Fairer Scotland Duty and will help to create a fairer and more inclusive local economy.

#### **Climate Change and Carbon**

4.5 The proposals in the consultation document would make a positive contribution to:

- national carbon reduction targets, and
- to the North Ayrshire Council Climate Emergency declaration commitment to be carbon neutral by 2030

#### **Key Priorities**

4.6 The proposals in the consultation document may support the North Ayrshire Council Plan priorities:

- Active and strong communities
- Inclusive, growing and enterprising local economy
- A sustainable environment; and
- People enjoy good life-long health and wellbeing

#### **Community Wealth Building**

- 4.7 The proposals in the consultation document would support Community Wealth Building aims of creating a fairer local economy central to our aims of tackling climate change, poverty and inequality.

## **5. Consultation**

- 5.1 A number of Council services were consulted and assisted in the preparation of the draft response.

RUSSELL McCUTCHEON  
Executive Director (Place)

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

## **Background Papers**

1. Scottish Government's draft Energy Strategy and Just Transition Plan [Draft Energy Strategy and Just Transition Plan \(www.gov.scot\)](#)

North Ayrshire Council response to the Scottish Government’s draft Energy Strategy and Just Transition Plan – Consultation		Appendix 2
Question	Answer	
Chapter 1 – Introduction and Vision		
1. What are your views on the vision set out for 2030 and 2045? Are there any changes you think should be made?	<p>The Council welcomes and supports the Scottish Government’s vision to 2030, to reduce overall emissions by 75% (compared to 2019 levels), and by 90% by 2040.</p> <p>We also acknowledge the requirement to build Scotland’s renewable capacity and focus on decarbonising energy for heat, transport and industry, on reforming energy markets to ensure energy security and affordability, and on maximising benefits for the transition to net zero for economy and communities.</p> <p>We note the following ambitions to 2030/2045:</p> <ul style="list-style-type: none"><li>• An energy system that provides maximum community and economic benefits on route to delivering net zero</li><li>• 5GW hydrogen production</li><li>• Oil and gas production reduced to 35% of 2019 levels (by 2035)</li><li>• Increased level of renewables by a further 20GW</li><li>• Reduced greenhouse gas emissions to 20MtCO2e</li><li>• 2GW of community and locally owned energy</li><li>• Phase out need for new petrol and diesel cars and vans</li><li>• Equivalent of 50% of energy for heat, transport and electricity comes from renewable sources.</li></ul> <p>By 2045:</p> <ul style="list-style-type: none"><li>• A net zero future – climate-friendly energy system provides affordable, clean energy to homes, businesses and communities.</li></ul> <p>As noted above, we broadly support the vision and Just Transition outcomes set out in the consultation paper, however, to ensure Scotland can achieve this vision it is crucial to address the structural and economic barriers to a just transition. We would like particularly to highlight the need for:</p> <ul style="list-style-type: none"><li>• Increased funding for local authorities as a key delivery vehicle for net-zero</li><li>• Streamlining of the external grant funding landscape</li><li>• Investment in grid capacity, reduction of grid connection timescales and simplifying of the grid application process to unlock municipal energy opportunities</li><li>• Skills development and capacity</li></ul> <p>North Ayrshire Council has set a carbon reduction target of achieving net zero area wide carbon emissions by 2030, and has set out a route map to achieve this in our third <a href="#">Environmental Sustainability &amp; Climate Change Strategy</a> (ESCCS). The strategy follows seven thematic workstreams (Affordable Warmth, A Green Economy, Transport &amp; Travel, Natural Environment, Sustainable Operations, Carbon Absorption and Climate Change Adaptation) which align with the principles of the Draft Energy Strategy and Just Transition Plan. The fourth iteration of the ESCCS is in development, therefore we welcome the timing of this consultation to ensure local action supports nation ambition.</p>	
Chapter 2 – Preparing for a Just Energy Transition		

<p><b>2. What more can be done to deliver benefits from the transition to net zero for households and businesses across Scotland?</b></p>	<p>The Council welcomes the proposed benefits outlined in the plan, specifically to:</p> <ul style="list-style-type: none"> <li>• Maximise the economic benefits, including a pipeline of skills for net zero jobs</li> <li>• Ensure fair distribution of opportunities, benefits and risks including community benefits, adapting to impacts of climate change</li> <li>• Ensure and inclusive and fair process via co-design with stakeholders, trade unions and public</li> </ul> <p>We welcome the commitment to community benefits and consider that additional resource is required to support communities in utilising the funds and delivering support projects from feasibility to completion.</p>
<p><b>3. How can we ensure our approach to supporting community energy is inclusive and that the benefits flow to communities across Scotland?</b></p>	<p>In North Ayrshire, Locality Planning Partnerships are key to disseminating funds received through community benefits. Engagement with community groups to increase capacity and spread awareness of communities' roles in tackling climate change, and to identify where funding and resource to support implementation of projects, is needed. It would be helpful to identify best practice and share this amongst local authorities.</p>
<p><b>4. What barriers, if any, do you/your organisation experience in accessing finance to deliver net zero compatible investments?</b></p>	<p>We would like to highlight the role of public sector led renewable energy generation projects which have significant potential to make a major contribution in the journey to net-zero. Local authorities have access to land and buildings and the ability to raise capital on an invest to save basis and to be creative in power off-take opportunities, for example entering into a sleeving agreement to use the power supplied for their own estate, and/or supplying generated power to existing buildings or stimulating new development.</p> <p>A key barrier to unlocking this potential within local authorities and creating viable financial cases for investment is the lack of flexibility within nationally procured energy supply contracts to use the power generated in the most efficient way. See further information in the response to question six below.</p> <p>We are also of the view that timescales for external grant funding applications can be prohibitive, and the funding landscape could be streamlined to reduce complexity and widen the scope of eligible projects.</p>
<p><b>5. What barriers, if any, can you foresee that would prevent you/your business/organisation from making the changes set out in this Strategy?</b></p>	<p>We would welcome addition resource to implement action, not only within the Council but to support local businesses and communities.</p> <p>Some of the key challenges faced by local authorities are:</p> <ul style="list-style-type: none"> <li>• Electricity grid capacity and timescales – at present there is limited spare capacity in some areas, the infrastructure is outdated and requires to be upgraded. The transition to Electric Vehicles and the decarbonisation of heat will significantly add to the electrical demand on the network and this will need to be addressed. The timescales for the application process to the grid is also prohibitive and puts pressure on the viability of business cases for renewable energy generation projects.</li> <li>• Workforce knowledge and expertise – the ability to fund, recruit and retain the skills necessary, with the latter being in short supply in the labour market. There is a need to significantly upskill workforce and increase their levels of expert resource to plan, develop, lead and drive change at the scale and pace required to reach the net zero targets. Emerging technologies such as hydrogen require expert knowledge. In addition, the latest global market volatility highlights the importance of energy market intelligence and analysis.</li> <li>• At present, the analysis of costs from current non-domestic projects is indicating that achieving enhanced levels of energy performance and sustainability, such as BREEAM Outstanding, Passivhaus and SFT – Net Zero Public Sector Buildings (NZPSB) standard, in order to meet net zero targets, are proving to be cost prohibitive. It is acknowledged the buildings we deliver need be more efficient, higher performing, net zero buildings if net zero is to be achieved however the costs associated with delivering this is a challenge. There are supply chain barriers too (cost, availability and understanding of technology) which need national solutions/incentives to overcome in order to mainstream Local, bespoke solutions will not work for all emission sources.</li> </ul>
<p><b>6. Where do you see the greatest market and supply chain opportunities from the energy transition, both domestically and on an international scale, and how can the Scottish Government best support these?</b></p>	<p>Urgent action is needed to support local authorities in the uptake of emerging and existing large-scale renewable projects. Action is required to improve the national Supply of Electricity Framework as it does not allow for sleeving of electricity, even though utility companies do offer such an agreement outwith the framework. Requests to include the provision for sleeving have been repeatedly made to Scottish Procurement, prior to the forthcoming framework in 2024. This represents a barrier to local authorities pursuing large</p>

	<p>scale renewable projects, as it limits flexibility within business cases for off-take of the power. Furthermore, action is required to improve the electricity network to allow uptake of new solar farms and resource provided to DNOs to reduce the lead in time for grid connections. The National Grid and DNO element of our own solar farm developments is currently considered another barrier. In order to support increased capacity, the market needs to see what the demand map looks like, which is currently uncertain given all the challenges noted above re ambition, grid capacity, grid constraints etc.</p> <p>Consideration must also be given to biodiversity and embodied carbon when engaging with the market and supply chains.</p>
<b>7. What more can be done to support the development of sustainable, high quality and local jobs opportunities across the breadth of Scotland as part of the energy transition?</b>	We welcome the aspiration for Scottish Government to work collaboratively with existing oil and gas businesses, low carbon and renewable energy businesses, across further and higher education and with local authorities to maximise the potential of the energy industry and areas such as the North East and Shetland, however we would offer that the energy sector is encouraged to work with further and higher education to set out the skills required and courses available across Scotland.
<b>8. What further advice or support is required to help individuals of all ages and, in particular, individuals who are currently under-represented in the industry enter into or progress in green energy jobs?</b>	The energy sector could be encouraged to support the promotion of education and training opportunities, in partnership with Scottish Government. Engagement at secondary school level would be welcomed to motivate and inspire young people to pursue higher education and careers in renewable energy sector. This investment in the renewable energy sector would also support one of the 'Sustainable Development Goals'.
<b>Chapter 3 – Energy supply</b>	
<b>Scaling up renewable energy</b>	
<b>9. Should the Scottish Government set an increased ambition for offshore wind deployment in Scotland by 2030? If so, what level should the ambition be set at? Please explain your views.</b>	Current ambition to achieve 8-11GW of offshore wind by 2030, however there is capacity (operational, pipeline and potential pipeline) up to 43.66GW. The impact to marine biodiversity must be addressed when considering a revised target and when considering applications for potential offshore marine turbines.
<b>10. Should the Scottish Government set an ambition for offshore wind deployment in Scotland by 2045? If so, what level should the ambition be set at? Please explain your views.</b>	Yes, however robust consideration to marine biodiversity must be at the forefront of any planning decision.
<b>11. Should the Scottish Government set an ambition for marine energy and, if so, what would be an appropriate ambition? Please explain your views.</b>	<p>Yes, no one technology will provide Scotland's clean, affordable energy demand. Therefore, a mix of renewable sources is required. Wave and Tidal energy will require additional resource to support greater uptake. Furthermore, marine energy is highly predictable which will help balance the generation from more intermittence resources.</p> <p>Figure 17 in the consultation suggests the current operational wave and tidal systems have a capacity of 20MW, with 130MW awaiting construction, and a further 220MW in planning stage. However, the draft marine energy vision for Scotland indicates industry recommend a target of 40MW from tidal by 2027 and testing 4 wave convertors or 250kW each by 2027, which is a target supported by the Council and led by industry experts. We would welcome clarification on the proposed target.</p>
<b>12. What should be the priority actions for the Scottish Government and its agencies to build on the achievements to date of Scotland's wave and tidal energy sector?</b>	<p>Yes, to continue the Scottish Marine Energy Industry Working Group to help realise the proposed GVA opportunities for the UK (between £4.9billion and £8.9 billion by 2050), continue support for industry and academia, and maximise Scotland's position in the emerging global marine market, whilst protecting marine biodiversity.</p> <p> </p>

<p><b>13. Do you agree the Scottish Government should set an ambition for solar deployment in Scotland? If so, what form should the ambition take, and what level should it be set at? Please explain your views.</b></p>	<p>Yes, as no one technology should be relied on to support Scotland's clean, affordable energy demand. 411MW of solar are reported as being operational with an additional approx.770MW in the pipeline. However, urgent action is needed to support local authorities in the uptake of large-scale renewable projects such as solar farms. Action is required to improve the national Supply of Electricity Framework as it does not allow for sleeving of electricity, albeit utility companies do offer such an agreement, out with the framework. Requests to include the provision for sleeving have been repeatedly made to Scottish Procurement, prior to the forthcoming framework in 2024. This represents a barrier to local authorities pursuing large scale renewable projects, as maximum returns cannot be achieved to support business cases and nor will they be for the next 3-5years under the new framework. Furthermore, action is required to improve the electricity network to allow uptake of new solar farms and resource provided to DNO's to reduce the lead in time for grid connections. The National Grid and DNO element of solar farm development is currently considered another barrier. Consideration must also be given to the land use when considering large scale solar farm projects. North Ayrshire Council are currently developing two solar PV farm projects on former landfill sites and have first hand experience of the complexities relating to power purchase agreements and grid connections.</p>
<p><b>14. In line with the growth ambitions set out in this Strategy, how can all the renewable energy sectors above maximise the economic and social benefits flowing to local communities?</b></p>	<p>We would welcome greater clarity on the non-domestic rates exemption linked to community benefit. Having engaged with the Scottish Assessors regarding this element, there remains uncertainty over eligibility. This would support the inclusion of a community fund provision for large scale renewable developments, which could be used to support fuel poverty and low carbon projects in communities and schools. Clear guidance on eligibility would be welcomed.</p>
<p><b>15. Our ambition for at least 5 GW of hydrogen production by 2030 and 25 GW by 2045 in Scotland demonstrates the potential for this market. Given the rapid evolution of this sector, what steps should be taken to maximise delivery of this ambition?</b></p>	<p>Delivery of the Scottish Hydrogen Action Plan to achieve this target of 5GW of hydrogen (15% of Scotland's energy demand). The action plan sets out actions that will be taken over the next five years to support the development of a hydrogen economy while ensuring a just transition. The commitment is to:</p> <ul style="list-style-type: none"> <li>• Invest in early projects, encouraging public and private sector to work together to demonstrate these technologies as much of the learning takes place before a single molecule of hydrogen is even produced</li> <li>• Build relationships, gaining valuable knowledge of how to work with others to assess, approve, consent and regulate these projects, as well as to address deployment constraints and challenges, including high production costs</li> <li>• Mobilise investment, continuing to support projects on the journey to decarbonisation.</li> </ul> <p>The plan states that £100 million of funding has been made available for renewable hydrogen projects, and we welcome the acknowledgement of the hierarchy for hydrogen use in order to help to decarbonise sectors which are difficult to electrify and playing a key role in energy-intensive industry. We acknowledge the level of existing natural gas infrastructure which has significant potential for re-purposing.</p> <p>We further support the Scottish Government's statement regarding no new hydrogen production will be supported where CO<sub>2</sub> is unabated, however would welcome further clarity on the implication for private sector projects which are not supported by Scottish Government funding. Investment needs to be focussed on green hydrogen, therefore we support the opposition to continued use of unabated fossil fuels to generate electricity. The Local Development Plan may have a role to play in supporting this ambition at a local level.</p>
<p><b>16. What further government action is needed to drive the pace of renewable hydrogen development in Scotland?</b></p>	<p>Continued engagement with academia and industry. As a local authority with high net zero ambition, we would welcome the opportunity to maximise uptake of affordable green hydrogen and supporting infrastructure. We have engaged with Strathclyde University on this, however there is perhaps a role for Sustainable Scotland Network to support learning across local authorities, particularly for those more rural. Consideration is needed for Council housing stock and the long-term plans for heat decarbonisation, and further guidance would be welcomed on a just transition from gas to hydrogen.</p>
<p><b>17. Do you think there are any actions required from Scottish Government to support or steer the appropriate development of bioenergy?</b></p>	<p>Yes, and we welcome the review to scale up domestic biomass supply chains, with the support of a Bioenergy Policy Working Group. In addition, we welcome the announcement that a strategic framework for the most appropriate use of bio-resources will be published in the Bioenergy Action Plan.</p>



18. What are the key areas for consideration that the Scottish Government should take into account in the development of a Bioenergy Action Plan?	The key consideration here is our biodiversity and protecting our natural environment. We welcome the aim of using bioenergy only where it can be most effective in reducing emissions and where there is greatest need for alternatives to fossil fuels. We also support the longer-term vision of the use of bioenergy with carbon capture technology where possible.
19. How can we identify and sustainably secure the materials required to build the necessary infrastructure to deliver the energy strategy?	Sustainable procurement, life cycle analysis and embodied carbon should all be considered. Equally as important is bringing local authorities on the journey, utilising the Sustainable Scotland Network and Scottish Energy Officers Network to engage with, support and encourage local authority officers to deliver ambitions at local levels.
<b>North Sea Oil and Gas</b>	
20. Should a rigorous Climate Compatibility Checkpoint (CCC) test be used as part of the process to determine whether or not to allow new oil and gas production?	N/A
21. If you <u>do</u> think a CCC test should be applied to new production, should that test be applied both to exploration and to fields already consented but not yet in production, as proposed in the strategy?	N/A
22. If you <u>do not</u> think a CCC test should be applied to new production, is this because your view is that:	N/A
<ul style="list-style-type: none"> <li>• Further production should be allowed without any restrictions from a CCC test;</li> <li>• No further production should be allowed [please set out why];</li> <li>• Other reasons [please provide views].</li> </ul>	N/A
23. If there is to be a rigorous CCC test, what criteria would you use within such a test? In particular [but please also write in any further proposed criteria or wider considerations ]	N/A
<ul style="list-style-type: none"> <li>• In the context of understanding the impact of oil and gas production in the <i>Scottish North Sea</i> specifically on the <i>global</i> goals of the Paris Agreement, should a CCC test reflect –</li> </ul>	N/A
A) the emissions impact from the production side of oil and gas activity only;	N/A
B) the emissions impact associated with both the production and consumption aspects of oil and gas activity (i.e. also cover the global emissions associated with the use of oil and gas, even if the fossil fuel is produced in the Scottish North Sea but exported so that use occurs in another country) – as proposed in the Strategy;	N/A
C) some other position [please describe].	N/A
<ul style="list-style-type: none"> <li>• Should a CCC test take account of energy security of the rest of the UK or European partners as well as Scotland? If so, what factor would you include in the assessment, for example should this include the cost of alternative energy supplies?</li> </ul>	N/A

<ul style="list-style-type: none"> <li>Should a CCC test assess the proposed project's innovation and decarbonisation plans to encourage a reduction in emissions from the extraction and production of oil and gas?</li> </ul>	N/A
<ul style="list-style-type: none"> <li>In carrying out a CCC test, should oil be assessed separately to gas?</li> </ul>	N/A
24. As part of decisions on any new production, do you think that an assessment should be made on whether a project demonstrates clear economic and social benefit to Scotland? If so, how should economic and social benefit be determined?	N/A
25. Should there be a presumption against new exploration for oil and gas?	N/A
26. If you do think there should be a presumption against new exploration, are there any exceptional circumstances under which you consider that exploration could be permitted?	N/A
<b>Chapter 4 Energy demand</b>	
<b>Heat in Buildings</b>	
27. What further government action is needed to drive energy efficiency and zero emissions heat deployment across Scotland?	<p>The Council welcomes the ambition that by 2030 Scotland's main energy using sectors will use energy more efficiently, and that what is used will be decarbonised. We also support the ambitious targets set across buildings, transport, industry, and agriculture. We recognise the need for carbon capture, utilisation and storage (CCUS) to be developed and welcome the continued support provided to industry.</p> <p>It is noted that Scottish Government do not consider that hydrogen will play a central role in decarbonising heat. This is an important declaration and provides clarity for local authorities on decarbonising heat in housing stock. However, challenges remain in terms of the capital costs of alternative low carbon technology, alongside maintenance and operation costs, as well as fabric investments required to ensure the efficiency of such technology can be achieved. Local authorities have significant domestic and non-domestic estates and financial support will be required to fund the transition to net-zero/ZDE emissions in buildings.</p> <p>The Council has undertaken two LHEES pilot projects and is currently developing the 1<sup>st</sup> mandatory LHEES and Delivery Plan. This has been made possible by the resource funding provided by Scottish Government, not only to help produce the report but to allow for job creation in the form of a temporary LHEES officer post, to achieve the agreed outcomes from the LHEES. This level of financial support is gratefully received, allowing limited resource to be well positioned to fulfil other zero carbon objectives simultaneously.</p> <p>In addition, sharing best practice, guidance and practical support through existing networks such as the Sustainable Scotland Network, or Scottish Energy Officer Network, would be helpful.</p>
<b>Energy for transport</b>	
28. What changes to the energy system, if any, will be required to decarbonise transport?	The two key alternative fuels currently in the marketplace for road transport vehicles are electricity or hydrogen, the production and distribution of both fuel types must be readily available within the appropriate geographical logistical areas to make the transition a success, alongside provision of financial support for local authorities to meet the increased capital cost associated with alternative fuel vehicles.
29. If further investment in the energy system is required to make the changes needed to support decarbonising the transport system in Scotland, how should this be paid for?	We recognise that there is a role for the private sector to leverage in investment, where this is viable. Where it is not viable, public intervention will be required. An example is the Electric Vehicle Infrastructure Fund, that North Ayrshire is actively developing an application for, and which is designed to stimulate private sector investment in net-zero. We consider that for heavier vehicle fleet, hydrogen is likely to be a more viable solution, and significant investment in vehicles, hydrogen generation, distribution and fuelling

	infrastructure will be required and initially this is only likely to come from public funding in the early stages (as has been the case for electric vehicle charging infrastructure).
<b>30. What can the Scottish Government do to increase the sustainable domestic production and use of low carbon fuels across all modes of transport?</b>	As above.
<b>31. What changes, if any, do you think should be made to the current regulations and processes to help make it easier for organisations to install charging Infrastructure and hydrogen/low carbon fuel refuelling infrastructure?</b>	North Ayrshire Council are participating in one of Transport Scotland's six EV Infrastructure Pathfinder projects, supported by the Scottish Futures Trust, to determine alternative models to support the growth of EV infrastructure. The results of the pathfinder project should be used to support changes in processes to make it easier for local authorities to provide charging infrastructure for EV users across Scotland.
<b>32. What action can the Scottish Government take to ensure that the transition to a net zero transport system supports those least able to pay?</b>	There is a need to provide additional financial support for the procurement of alternative fuelled vehicles due to their current higher cost or introduce new policy levers to bring the cost of alternative fuelled vehicles to make them comparative to fossil fuel counterparts.
<b>33. What role, if any, is there for communities and community energy in contributing to the delivery of the transport transition to net zero and, what action can the Scottish Government take to support this activity?</b>	<p>Community (renewable) energy can help to decarbonise the UK's energy system by generating low carbon electricity that feeds into the electricity grid. Community renewable energy generation can help meet increasing electricity demand caused by the electrification of transport.</p> <p>The electrification of transport will increase electricity demand significantly. Climate Change Committee estimates by 2050 EVs are expected to introduce an additional 65-100TWh of annual electricity demand to the system, or an increase of 20-30% over today's levels ('Enabling the transition to electric vehicles: the regulator's priorities for a green fair future', OFGEM, 2021)</p> <p>Community energy projects can also increase resilience and reliability of electricity supply.</p>
<b>34. Electric vehicle batteries typically still have around 80% of their capacity when they need replacing and can be used for other applications, for example they can be used as a clean alternative to diesel generators. What, if anything, could be done to increase the reuse of these batteries in the energy system?</b>	Provide further promotion and case studies on future application.
<b>Energy for agriculture</b>	
<b>35. What are the key actions you would like to see the Scottish Government take in the next 5 years to support the agricultural sector to decarbonise energy use?</b>	N/A
<b>Energy for Industry</b>	
<b>36. What are the key actions you would like to see the Scottish Government take in the next 5 years to support the development of CCUS in Scotland?</b>	<p>It is important to note achieving net zero emissions requires a combination of reduction of emissions generated and the removal of residual emissions and therefore a clear plan to remove these residual emissions is required.</p> <p>We strongly agree that carbon capture, utilisation and storage will be essential for capturing residual emissions in our energy system and that CCUS will play a role in reducing emissions in hard to decarbonise industrial sectors that cannot electrify their industrial processes. Therefore, we believe further work should focus on advancing CCUS technologies. So CCUS could be deployed at a large scale, however, it needs to become investable in the short term.</p>

<b>37. How can the Scottish Government and industry best work together to remove emissions from industry in Scotland?</b>	As stated above.
<b>38. What are the opportunities and challenges to CCUS deployment in Scotland?</b>	As stated above.
<b>39. Given Scotland's key CCUS resources, Scotland has the potential to work towards being at the centre of a European hub for the importation and storage of CO2 from Europe. What are your views on this?</b>	As stated above.
<b>Chapter 5: Creating the conditions for a net zero energy system</b>	
<b>40. What additional action could the Scottish Government or UK Government take to support security of supply in a net zero energy system?</b>	Improvements to the electricity grid and support for local authority ambition through nationally procured frameworks.
<b>41. What other actions should the Scottish Government (or others) undertake to ensure our energy system is resilient to the impacts of climate change?</b>	Having begun our journey through Adaptation Scotland's Capability Framework in 2022/23, we would recommend undertaking this process to improve resilience at a local level. Moreover, having an energy system consisting of various renewable technologies rather than relying on a single source, will support sustained energy provision.
<b>Chapter 6: Route map to 2045</b>	
<b>42. Are there any changes you would make to the approach set out in this route map?</b>	No changes, the route map is a robust visual representation, and sets out a clear path to 2045.
<b>43. What, if any, additional action could be taken to deliver the vision and ensure Scotland captures maximum social, economic and environmental benefits from the transition?</b>	N/A
<b>Impact assessment questions</b>	
<b>44. Could any of the proposals set out in this strategy unfairly discriminate against any person in Scotland who shares a protected characteristic? These include age, disability, sex, gender reassignment, pregnancy and maternity, race, sexual orientation, religion or belief.</b>	We welcome the development of a series of impact assessments. We acknowledge that there will be a finalised policy position based on conclusion of this process.

<b>45. Could any of the proposals set out in this strategy have an adverse impact on children's rights and wellbeing?</b>	As stated above.
<b>46. Is there any further action that we, or other organisations (please specify), can take to protect those on lower incomes or at risk of fuel poverty from any negative cost impact as a result of the net zero transition?</b>	Potential impact of increased operational costs from changing from gas heating to renewables.
<b>47. Is there further action we can take to ensure the strategy best supports the development of more opportunities for young people?</b>	Ensuring continued engagement with young people.
<b>Just Transition energy outcomes</b>	
<b>48. What are your views on the approach we have set out to monitor and evaluate the Strategy and Plan?</b>	This approach seems robust.
<b>49. What are your views on the draft Just Transition outcomes for the Energy Strategy and Just Transition Plan?</b>	<p>We broadly support the vision, wide policy statements and Just Transition outcomes set out in the consultation paper.</p> <p>However, to ensure Scotland can achieve this vision it is crucial to address the structural and economic barriers to a just transition. We would like particularly to highlight the need for:</p> <ul style="list-style-type: none"> <li>• Increased funding for local authorities as a key delivery vehicle for net-zero.</li> <li>• Streamlining of the funding landscape.</li> <li>• Investment in grid capacity and simplifying of the process to unlock municipal energy opportunities.</li> <li>• Skills development and capacity.</li> </ul>
<b>50. Do you have any views on appropriate indicators and relevant data sources to measure progress towards, and success of, these outcomes?</b>	<p>We would welcome a combination of social, economic, and environmental indicators to track progress towards achieving a just transition in Scotland, such as:</p> <ul style="list-style-type: none"> <li>• Overall carbon emissions (tonnes) per capita</li> <li>• Renewable electricity: Installed Capacity</li> <li>• Total final energy consumption</li> <li>• Percentage of households in fuel poverty</li> <li>• Percentage of working age population in employment (Employment Rate)</li> <li>• Workforce jobs by industry</li> </ul>



**21 March 2023****Cabinet**

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**Title: Advertising and Sponsorship Framework**

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**Purpose:** To seek Cabinet approval of the proposed Advertising and Sponsorship Framework for council assets.

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**Recommendation:** That Cabinet:

- i. approves the proposed Advertising and Sponsorship Framework attached at Appendix 1; and
- ii. notes advertising opportunities will be progressed on Council assets in line with the principles of the Framework, including the expansion of the existing roundabout advertising scheme and the progression of advertising on the Council's refuse collection vehicles and wider vehicle fleet; and
- iii. agrees that officers will investigate and introduce further advertising opportunities as appropriate and in line with the principles of the proposed Framework; and
- iv. agrees that delegated authority be provided to the Executive Director (Place) to exercise any necessary functions in relation to implementation of the Advertising and Sponsorship Framework.

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**1. Executive Summary**

- 1.1 Cabinet approved a Roundabout Advertising pilot in 2019 to test the viability of offering advertising space to help the promotion and recognition of businesses. The roundabout initiative has proved to be extremely successful with all but one available location being taken by local businesses within a week of becoming available.
- 1.2 The opportunity to expand the scheme to include additional roundabouts together with other Council assets, such as our vehicle fleet, has been investigated. It has been identified that such opportunities could be progressed which would provide cost effective local advertising facilities for businesses which would assist in increasing their business profile, help their recovery strategies from the pandemic and support the Community Wealth Building approach, particularly the 'Land and Assets' pillar. There are also opportunities for businesses to contribute to making the area more attractive and colourful and improving their local environment, through the sponsorship of planting schemes at floral beds.
- 1.3 A key consideration in offering advertising opportunities on Council assets is ensuring any arrangements are ethical, consistent and aligned to the Council's principles and

priorities. A draft Advertising and Sponsorship Framework has been developed and attached as Appendix 1. This Framework would govern future advertising initiatives.

## **2. Background**

- 2.1 As businesses emerge from the pandemic, opportunities for cost-effective approaches to advertising have become a key element of recovery strategies. The demand for local advertising and sponsorship opportunities has been high and clearly demonstrated through the rapid take up of advertising on roundabouts and the early interest in other opportunities. With the additional impacts of the current global and local economic position, the provision of opportunities at reasonable cost for businesses to promote their brand, services and products has become ever more critical.
- 2.2 The proposed Advertising and Sponsorship Framework at Appendix 1 is designed to:
- provide a reference point for decision making on new sponsorship and advertising opportunities;
  - set out sound principles in terms of the approach to sponsorship and advertising on Council assets;
  - provide robust safeguards to uphold the Council's reputation and corporate identity, and protect the Council;
  - outline and agree the areas for exploration and appraisal of new sponsorship and advertising opportunities.
- 2.3 Through the Roundabout Advertising pilot, agreed by Cabinet in 2019, officers have been working with a private sector partner to help businesses promote themselves through advertising on roundabouts. This provides an opportunity for businesses to gather more support, custom and brand awareness, through advertising to the tens of thousands of people passing through the North Ayrshire roundabouts each year, appealing to residents, tourists, and businesses alike. The success of this pilot has exceeded expectation.
- 2.4 In the initial phase, 29 locations were approved by Cabinet for potential use. This list was refined after the procurement of an advertising partner, who identified from their experience that some of the proposed locations were unlikely to be economically viable. Of the original 29 locations, 24 were subsequently granted Planning permission, with 23 advertising locations being sold within one working week of becoming available. This is an indication that the demand for the opportunity is high and is seen as contributing to local economic recovery in a direct way. Local businesses that have committed to the initiative include restaurants, taxi firms, social care providers, retail, professional services and other service outlets. The high level of demand and business involvement has demonstrated the potential for an immediate extension of provision across suitable locations in the rest of North Ayrshire. As advertising agreements are renegotiated and extended, evidence of business benefits will be collected.
- 2.5 Given the success of this pilot, it is proposed that officers identify further suitable roundabout locations across North Ayrshire for implementation.
- 2.6 A further opportunity building on our approach to date has been identified around utilising refuse collection vehicles, for advertising. Intelligence from other local authorities has identified an opportunity to offer advertising space to businesses on



these vehicles. Working with a private sector partner, at no cost, this would be a 100% performance related contract with an agreed share of revenue. It is proposed that the 28 refuse collection vehicles in the waste fleet would be included. These vehicles are highly visible throughout the area and visit every house on a weekly basis. With the ongoing home working practices continuing as a result of the pandemic, visibility is ever increasing as more people are at home during the day.

- 2.7 The introduction of advertising on refuse collection vehicles will be carefully managed to ensure the ongoing 'Right Stuff Right Bin' and other recycling information would not be compromised.
- 2.8 The roll out across the full North Ayrshire Council wider vehicle fleet will also be progressed and modelled on different levels of commercial interest and viability, but the principles established through the proposed advertising on refuse collection vehicles will provide valuable learning. A full review of market potential and vehicle suitability will be carried out to inform further expansion opportunities.
- 2.9 Benefits of advertising on refuse collection vehicles include:
- Opportunities for businesses to raise their profile and reputation with local people and communities;
  - Supporting local businesses, people and contributing to the local economy;
  - Pursuing opportunities for securing best value and reinvestment in local sustainable waste services and the development of future services and opportunities;
  - Supporting the Council's 'Keep it Local' campaign by promoting local businesses'
  - Continuing to facilitate local waste campaigns such as 'Right Stuff, Right Bin' and other recycling initiatives.
- 2.10 It is anticipated that advertising on refuse collection vehicles will go live in summer 2023 with advertising on the wider Council fleet to follow. A North Ayrshire Council web page and targeted social media campaign will be developed to position and promote advertising opportunities at a reasonable cost for businesses. The Council's Business Advisors will also be briefed and provided with promotional materials to further facilitate local business involvement. The principles set out within the Advertising and Sponsorship Framework at Appendix 1 will be applied.
- 2.11 It is proposed that future and implementation of projects within the Advertising and Sponsorship Framework will be agreed by the Executive Director (Place), or the Head of Service (Neighbourhood Services), by Delegated Authority where the value and associated risk is assessed as low by a robust business case.

### **3 Proposals**

- 3.1 It is proposed that Cabinet:
- approves the proposed Advertising and Sponsorship Framework attached at Appendix 1; and
  - notes advertising opportunities will be progressed on Council assets in line with the principles of the Framework, including the expansion of the existing roundabout advertising scheme and the progression of advertising on the

- Council's refuse collection vehicles and wider vehicle fleet; and
- agrees that officers will investigate and introduce further advertising opportunities as appropriate and in line with the principles of the proposed Framework; and
- agrees that delegated authority be provided to the Executive Director (Place) to exercise any necessary functions in relation to implementation of the Advertising and Sponsorship Framework

## **4 Implications/Socio-Economic Duty**

### **Financial**

- 4.1 Advertising on Refuse Collection Vehicles and the full North Ayrshire Council fleet will generate anticipated income of £100,000 as agreed at the Council meeting on 15 February 2023.

### **Human Resources**

- 4.2 Delivery models will be identified through a robust business case and will be either in partnership with a private sector provider or in house through existing resources.

### **Legal**

- 4.3 Regulatory considerations and the adherence to the Local Government (Scotland) Act 2003 will be adhered to in furthering and implementing the proposals under the Framework.

### **Equality/Socio-economic**

- 4.4 This proposal will provide promotional opportunities for local businesses, and other businesses, which in turn will help sustain local employment and contribute to the Council's socio-economic duty.

### **Climate Change and Carbon**

- 4.5 This proposal will indirectly increase the visibility of waste services and environmental messaging thereby supporting our environmental and sustainability aspirations.

### **Key Priorities**

- 4.6 The proposals support the Council Plan strategic priority to create a growing, inclusive and enterprising economy by providing new opportunities for businesses to promote their organisation. The use of Council assets in this way supports the priority to be an efficient Council that maximises resources and provides value for money.

### **Community Wealth Building**

- 4.7 This proposal supports Community Wealth Building by providing opportunities to

support businesses through additional promotional opportunities and, aligned to the 'Land and Assets' pillar, will identify and implement new, sustainable approaches to the utilisation of Council assets.

## **5 Consultation**

- 5.1 Consultation with officers attending the Cross-Council Municipalisation Group from Democratic Services (Legal), Finance (Procurement, Insurance), Economic Development & Regeneration (Business Support), Commercial Services (Transport) has taken place. In addition, the Policy Advisory Panel (PAP) was consulted in the preparation of this report.

RUSSELL McCUTCHEON  
Executive Director (Place)

For further information please contact **Thomas Reaney, Head of Neighbourhood Services**, on **01294 324890**.

### **Background Papers**

Appendix 1 Advertising and Sponsorship Framework

## **North Ayrshire Council**

### **Advertising & Sponsorship Framework**

#### **Introduction**

This Framework outlines guiding principles that will be followed in providing advertising and sponsorship opportunities on council assets.

In developing the approach to offering advertising and sponsorship opportunities, Cabinet approved a Roundabout Advertising pilot in 2019 as a first step to provide promotion and recognition opportunities for local businesses and to deliver best value for the Council.

As part of ongoing efforts to drive forward this approach, further advertising and sponsorship opportunities have emerged that can provide businesses cost-effective and local opportunities to increase their business profile and contribute to their recovery strategies. For North Ayrshire Council there is the potential to establish innovative and sustainable business models that can support businesses and provide best value through maximisation of our assets and resources.

The Advertising and Sponsorship Framework is designed to provide a framework for an approach to new advertising and sponsorship opportunities that is ethical, consistent and aligned to the Council's principles and priorities.

#### **Operation & Governance**

When potential opportunities are identified the Business Development Manager (Place) will work with appropriate council services and develop a robust Business Case.

Once this Business Case is complete, if viable and associated risk is determined as low, approval will be sought for implementation within the Advertising and Sponsorship Framework from the Executive Director (Place), or the Head of Neighbourhood Services, by Delegated Authority.

#### **Principles**

Advertising is defined in this commercial context as an agreement between North Ayrshire Council (or its partner) and an advertiser, whereby the Council receives direct or indirect payment from an advertiser (being a business or organisation) for an advertisement on Council assets including outdoor, public realm, broadcast, publications or electronic media to promote a product (or service) to potential and current customers.

Sponsorship differs from advertising and can be defined in this context as an agreement between the Council and the sponsor, where the Council receives payment for association and support of a local asset where the sponsor benefits from potential recognition and publicity.

In implementing advertising and sponsorship, North Ayrshire Council will:

Be consistent:

1. Establish a consistent approach and set of standards
2. Provide a framework of controls
3. Ensure compliance with legislation, advertising industry codes and other Council policies and guidelines

Protect reputations:

4. Safeguard the corporate identity, image and reputation of the Council
5. Ensure compliance with all legal and other obligations
6. Align with strategic vision and priorities to contribute to key outcomes

Boost opportunities:

7. Secure best value and maximise opportunities
8. Support development of positive commercial relationships with private sector partners

## **Safeguards**

Clear safeguards will be applied to policy and practices to assure control, compliance, protection and to minimise potential risk in the implementation and management of all North Ayrshire Council's commercial advertising and sponsorship initiatives. This Framework is fully aligned to the duty to promote Best Value contained in the Local Government in Scotland Act 2003.

All North Ayrshire Council advertising and sponsorship initiatives will have controls and disclaimers in place to uphold the Council's reputation and corporate identity, avoid implied endorsement and protect the Council.

All advertising and sponsorship agreements and publicity will include a statement that North Ayrshire Council's functions will continue to be conducted fully and impartially, notwithstanding the existence of an advertisement or sponsorship arrangement. Acceptance of advertising or sponsorship does not imply any endorsement of the advertiser's or sponsor's products or services by the Council.

The principles of fairness and impartiality will be upheld through an approach that ensures that businesses that comply with legislation, advertising industry codes and all appropriate Council policies and guidelines can pursue an opportunity.

Clarity of promotion, messaging, branding and advertising will be important. This will ensure there is no confusion between Council branding and business advertisements. Professionalism and skills will be paramount with responsibilities under the guidelines laid down by the Advertising Standards Authority reinforced.

In addition, North Ayrshire Council retains the right to refuse advertising or sponsorship on the grounds that, in the Council's sole opinion, it is inappropriate, it conflicts with services already provided by the organisation or it is incompatible with the Council's values and strategic priorities. The Council reserves the right to terminate arrangements including the removal of non-compliant advertising at any time.

## **Approval**

North Ayrshire Council have adopted a Control of Advertisement Policy. This document provides control and advice on advertisements requiring a planning application and express consent. Full details on submitting a planning application for outdoor advertising is available online via the North Ayrshire Council website at <https://www.north-ayrshire.gov.uk/planning-and-building-standards/advertisement-consent.aspx>.

North Ayrshire Council will not permit advertising or sponsorship that represents a conflict of interest or is likely to cause offence. There should be no real or apparent conflict between the objectives and community goals of the Council and those of the advertiser or sponsor. Care will be taken to ensure any advertising or sponsorship opportunities are cognisant of protected characteristics including age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. Political campaign materials will not be permitted in any commercial advertising and sponsorship, in line with Council policy. Content that is not permitted for advertising includes, but is not limited to, content that contains, infers or suggests any of the following:

1. Advocacy of, or opposition to, any politically, environmentally or socially controversial subjects or issues
2. Political advocacy, opposition and publicity (being material which in whole or in part, appears to be designed to effect political support of a political party) or campaigning materials
3. Disparagement or promotion of any person or class of persons
4. Promotion or incitement of illegal, violent or socially undesirable acts
5. Promotion or availability of tobacco, alcohol products, weapons, gambling or illegal drugs
6. Advertising of financial organisations and loan advancers which meet the Financial Standards Authority's definition of High Cost Short Term (HCST)
7. Promotion or availability of services, products, activities or materials with an adult or sexually explicit content advertising that infringes any trademark, copyright, patent rights or consumer protection laws

The Council will not permit advertising or sponsorship arrangements in the following situations:

1. When companies are in live contract negotiations with the Council
2. When companies have a current planning application or planning matter before the Council that may cause a conflict of interest or be subject to or likely to be subject to a dispute with the Council's regulation or planning services or who owe the Council a debt
3. In all scenarios where it is legally permissible, North Ayrshire Council will refuse applications from companies who are in dispute with the Council or where there is pending or active legal action

## **Example Approved Projects**

### Advertising on Roundabouts

North Ayrshire Council is working with a private sector partner to promote businesses through advertising on roundabouts. This provides an opportunity for businesses to gather more support, custom, and brand awareness, through advertising to the tens of thousands of people passing the North Ayrshire roundabouts each year, whilst appealing to residents, tourists, and businesses alike.

In the initial phase 24 locations were granted planning permission and within a week 23 advertising locations were sold. All but one is local companies benefitting from the initiative, including restaurants, taxi firms, social care, retail and service outlets. This high level of demand and business involvement has demonstrated the potential for an immediate expansion of the pilot across North Ayrshire.

This partnership model involving a private sector market leader provides a no cost and minimal risk contract to North Ayrshire Council.

### Sponsorship of Floral Beds

North Ayrshire Council has created an opportunity to businesses to contribute to making the area more attractive and colourful and improving their local environment, by approving the sponsorship of planting schemes at floral beds.

With a small number of floral beds available in the Irvine area, businesses can choose the best and most relevant location for their business. As the sole sponsor of a floral bed, their commitment will be recognised by appropriate signage that will reach a wide and varied audience for a full year.

For businesses, sponsoring floral beds in Irvine is a positive way to promote a company and demonstrate a commitment to the local area.

This will also be expanded across North Ayrshire.

## **Next Steps**

As businesses emerge from the pandemic, opportunities for cost-effective approaches to advertising and sponsorship have become a key element of recovery strategies. The demand for local advertising and sponsorship opportunities has been clearly demonstrated through the rapid uptake of advertising and sponsorship opportunities across North Ayrshire.

Council advertising and sponsorship initiatives can make an important contribution to promote, support and revitalise the North Ayrshire high streets and local economy in the wake of the pandemic and the challenges posed by the recession by providing low-cost marketing and promotional opportunities for local businesses.

This Framework will contribute to North Ayrshire Council's commitment to the 'Keep it Local' campaign and support businesses, primarily local businesses, through this challenging time. Consequently, where advertising and sponsorship approaches have been identified and appraised appropriately, it is essential that the Council can act quickly to implement to ensure that these opportunities are available to local businesses.

There are three basic models for the implementation of advertising and sponsorship approaches that can be considered. A partnership approach with an experienced partner, an internal model delivered by Council staff or a mix of both can all be viable options. Emerging opportunities should be considered on a case by case basis with the partnership approach reducing risk but internal model increasing reward. The latter approach may require the utilisation of existing internal resources such as Business Advisors in direct contact with local organisations and Corporate Communications to target publicity.

## **Potential Opportunities**

At a time when businesses are seeking to recover from recent challenges to the market and economy, there are a range of opportunities emerging that could provide new and low-cost opportunities for businesses to promote their products and services to generate impact whilst maximising best value. Potential advertising and sponsorship opportunities could include:

Large Format Outdoor – Advertisements installed to the land or property assets

Small Format Outdoor – Advertisements freestanding or attached to street furniture or properties

Public Realm – Parts of the area that are available for everyone to see and use without charge 24 hours a day, including parks, roads, roundabouts, street furniture and other assets.



Vehicles – Advertising on the sides and rears of fleet vehicles and other assets

Event – Sponsoring small and large events to maximise participant and media exposure.

Broadcast, publications and electronic platforms – Offer a large and/or targeted audience.

All new advertising and sponsorship opportunities considered will be assessed for legality, deliverability, viability and sustainability through stringent assessment and appraisal via robust business cases.

