



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath

Audit and Scrutiny Committee

A meeting of the **Audit and Scrutiny Committee** of North Ayrshire Council will be held remotely on **Wednesday, 19 January 2022 at 10:00** to consider the undernoted business.

Arrangements in Terms of COVID-19

In light of the current COVID-19 pandemic, this meeting will be held remotely 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>. In the event that live-streaming is not possible, a recording of the meeting will instead be available to view at this location.

1 Declarations of Interest

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

2 Minutes

The accuracy of the Minutes of the Meeting of the Audit and Scrutiny Committee held on 16 November 2021 will be confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973 (copy enclosed).

3 Annual Performance Report 2020/21

Submit a report by the Head of Service (Democratic) on the Annual Public Performance Report 2020-21 (copy enclosed).

4 Code of Corporate Governance Statement 2021/22

Submit report by the Head of Service (Democratic) on the Code of Corporate Governance Statement (copy enclosed).

5 Internal Audit Reports Issued

Submit report by the Head of Service (Finance) on the findings of Internal Audit work completed between November and December 2021 (copy enclosed).

6

Urgent Items

Any other items which the Chair considers to be urgent.

Webcasting - Virtual Meeting

Please note: this meeting may be recorded/live-streamed to the Council's internet site, 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 recorded/live-streamed.

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If you are participating in this meeting by invitation, 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 the them live-streaming/recording 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 'virtual meeting'. This will constitute your revocation of consent.

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Audit and Scrutiny Committee Sederunt

Marie Burns (Chair)
Margaret George (Vice Chair)
Alan Hill
Davina McTiernan
Tom Marshall
Donald Reid
John Sweeney

Chair:

Apologies:

Attending:

At a Meeting of the Audit and Scrutiny Committee of North Ayrshire Council at 10.00 a.m. involving participation by remote electronic means.

Present

Marie Burns, Alan Hill, Davina McTiernan, Tom Marshall and Donald Reid.

In Attendance

A. McClelland, C. Amos and L. Morris, Heads of Service, (Communities); P Doak, Head of Service (Health and Social Care Partnership); M. Boyd, Head of Finance, T. Reaney, Head of Service (Recovery & Renewal), L. Miller, Senior Manager and K. Gray, Team Supervisor (Audit, Fraud, Safety and Insurance), A. Craig, Head of Service (Democratic), I. Hardy, Corporate Policy and Performance Officer, C. Stewart and D. McCaw, Committee Services Officers (Chief Executive's Service).

Chair

Councillor Burns in the Chair.

Apologies

Margaret George, John Sweeney.

1. Declarations of Interest

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

2. Minutes

The Minutes of (i) the Meeting of the Audit and Scrutiny Committee held on 14 September 2021; and (ii) the Special Meeting held on 27 September 2021 were confirmed and the Minutes signed in accordance with Paragraph 7 (1) of Schedule 7 of the Local Government (Scotland) Act 1973.

In terms of item 3 of the Minute of the Meeting held on 14 September on the SEPA Reclassification of North Coast as Area of Potential Flooding, the Head of Service (Democratic) advised that the matter is being progressed by the Flood and Planning Teams and a report will be brought back to the Committee on this matter.

3. Local Government in Scotland: Overview 2021

Submitted report by the Head of Finance on the findings of the recent national report "Local Government in Scotland: Overview 2021", highlighting the key messages and providing an update of North Ayrshire Council's position in relation to the key recommendations made by Audit Scotland. A link to the full report was provided within the Executive Summary which reflects on the impact of the Covid-19 pandemic on the delivery of Council services, the initial response of Councils to the challenges and the progress being made in supporting the recovery within local communities.

Members asked a question and were provided with further information in relation to substantial additional support received from the Scottish Government to be utilised by the Council in terms of Covid recovery.

The Committee agreed to note (i) the findings of the Audit Scotland report and the challenges highlighted in relation to the Covid-19 pandemic; and (ii) the significant actions by North Ayrshire Council, its staff and its partners in responding to these challenges.

4. Local Government Benchmarking Framework (LGBF) 2019-20 Data Analysis (Data Released May 2021)

Submitted a report and received presentation by the Head of Service (Democratic) on an analysis of the Council's performance within the Local Government Benchmarking Framework. The LGBF 2019/20 Data Analysis was attached at Appendix 1 to the report.

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

- the difference between the LGBF and Spikes Cavell indicators in relation to procurement and on what is being measured in both;
- the importance of consistency to show any impact in terms of Community Wealth Building impact on procurement;
- an assurance that the LGBF and Spikes Cavell indicators can be tracked in parallel and comparisons made between both;
- information provided not being a league table; and
- whether the indicators accurately measure the performance of the Council nationally.

The Head of Finance undertook to bring information back to the Committee in terms of the differences between the LGBF and Spikes Cavell indicators to provide a side-by-side comparison with other Local Authorities to determine where the Council sits nationally.

The Committee agreed to note the results of the LGBF indicators as at 2019/20.

5. 2020/21 Complaint Report

Submitted report by the Head of Service (Democratic) on the Council's complaint performance and the volumes and trends of complaints received in financial year 2020/21. The report detailed the volume of complaints received and closed, complaints closed at each stage, complaint outcomes, the average time in working days for a full response at each stage, complaints closed within timescale, complaint timescale extensions, trends identified from upheld/partially upheld complaints and changes or improvements made as a result of complaints. The Corporate Complaints Annual Report 2020/21 was attached as an Appendix to the report.

Members asked a question and were provided with further information in relation to the potential underestimation of complaints which could be attributed to the closure of Council buildings throughout the pandemic.

The Head of Service (Democratic) undertook to contact the service and issue information to the Committee regarding any complaint reporting restrictions throughout the pandemic.

The Committee agreed to note the information contained within the report.

6. Strategic Risk Register 2021/22: Mid-year Update

Submitted report by the Head of Service (Recovery & Renewal) which provided a mid-year update on the progress with actions related to the Strategic Risk Register. The Strategic Risk Report 2021/22, with detailed actions, was provided at Appendix 1 to the report.

Members asked a question and were provided with further information in relation to mitigation actions to ensure enough is being done as a Council to meet the challenges outlined at COP26.

The Committee agreed to note the mid-year update on the 2021/22 Strategic Risk Register.

7. Internal Audit Reports Issued

Submitted report by the Head of Service (Finance) on the findings of Internal Audit work completed during September and October 2021. The findings from one audit assignment were detailed at Appendix 1 to the report, together with the respective executive summary and action plan.

The Committee agreed to note the outcomes from the Internal Audit work completed as set out in the report.

8. Internal Audit and Corporate Fraud Action Plans: Quarter 2 Update

Submitted report by the Head of Service (Finance) on the progress made by Council Services in implementing the agreed actions from Internal Audit and Corporate Fraud reports as at 30 September 2021. Appendix 1 to the report provided full details of 3 Internal Audit actions which were not completed within the agreed timescale.

The Senior Manager, Audit, Fraud, Safety and Insurance, advised the Committee that the audit in relation to Information Governance and Data Protection had now been implemented.

The Committee agreed to note (i) the current position with the implementation of Internal Audit and Corporate Fraud actions; and (ii) challenges which were faced by those services that have not implemented actions within the previously agreed timescales.

9. Internal Audit Plan 2021/22: Mid-year Update

Submitted report by the Head of Service (Finance) providing an update as at 30 September 2021 on progress made in delivering the 2021/22 Internal Audit Plan, including information of seven audits to be deferred to the 2022/23 Internal Audit Plan. The Internal Audit Quarter 2 Progress Report was set out at Appendix 1 to the report.

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

- the assignment plan on Procurement and Accounts Payable having been extended to allow for a follow-up of the previous audit in relation to procurement cards;
- the decision to defer facilities management procurement; and
- an update on Procurement Cards being provided to a future meeting of the Committee within the current administration period.

The Committee agreed to (a) approve the deferral of seven audits for consideration as part of the 2022/23 internal audit plan; (b) receive an update on procurement cards to a meeting of the Committee within this administration; and (c) otherwise note the mid-year position.

10. Corporate Fraud Team Update

Submitted report by the Head of Finance on the work of the Corporate Fraud Team between April and September 2021.

The Senior Manager (Audit, Fraud, Safety and Insurance) highlighted investigations which had been carried out across a range of areas including employee related matters as well as Council Tax, Discretionary Housing Payments, Scottish Welfare Fund, Blue Badges and Housing tenancy issues. Joint working with the Department for Work and Pensions (DWP) paused during the Covid-19 pandemic, however, DWP have intimated that they will shortly be looking to recommence this work for cases where suspected frauds relate to both Housing Benefit and Council Tax Reduction.

The Committee agreed to note the work carried out by the Corporate Fraud Team between April and September 2021.

11. Exclusion of the Public – Para 1

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

12. Investigation Reports Issued

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

The Head of Finance undertook to provide information to the Committee as discussed.

Noted.

The meeting ended at 11.25 a.m.

NORTH AYRSHIRE COUNCIL

19th January 2022

Audit and Scrutiny Committee

Title: **Annual Performance Report 2020-21**

Purpose: To advise the Audit and Scrutiny Committee on the Annual Public Performance Report 2020-21.

Recommendation: That the Audit and Scrutiny Committee agrees to: a) Note the Annual Public Performance Report 2020-21 set out at appendix one; and b) Note the status of the Council's performance indicators and actions at appendices two and three.

1. Introduction

- 1.1 This Annual Performance Report (APR) summarises performance during the 2020-21 financial year based on our detailed six-monthly Council Plan Progress Reports. The APR forms part of our suite of statutory reporting arrangements.
- 1.2 This is our second APR based on our Council Plan 2019-24.

2. Background

- 2.1 The Accounts Commission Direction 2018 on Public Performance Reporting sets out categories of performance information. This Direction gives us flexibility in determining which PIs meet the requirements of the Direction in order to demonstrate Best Value. The Accounts Commission expects us to ensure balanced reporting in terms of improvements in performance and areas of focus as timeously as is practical. The Direction is outlined in Table 1 below:

Table 1	
Part 1: Improving local services and local outcomes	Part 2: Demonstrating Best Value
<p>Statutory Performance Indicator 1</p> <ul style="list-style-type: none"> • Performance in improving local public services, provided by both (i) the council itself and (ii) by the council in conjunction with its partners and communities. • Progress against the desired outcomes agreed with its partners and communities. <p>The Commission requires the council to report such information to allow comparison (i) over time and (ii) with other similar bodies. The Commission requires the Council to report on information drawn from the Local Government Benchmarking Framework in particular and from other benchmarking activities.</p>	<p>Statutory Performance Indicator 2</p> <ul style="list-style-type: none"> • The Council's assessment of how it is performing against its duty of Best Value, and how it plans to improve against this assessment. • Audit assessments of its performance against its Best Value duty, and how it has responded to these assessments. • In particular, how it (in conjunction with its partners as appropriate) has engaged with and responded to its diverse communities.

2.2 A proposed 2021 Direction is with local authorities for consultation and if approved by the Accounts Commission in December, is expected to come into force on 1st April 2022. Further details on the 2021 Direction will be provided separately.

2.3 In order to meet the current 2018 Direction the APR forms part of a suite of public reporting which includes:

- The Community Planning Partnership Annual Report
- Council Plan progress reports
- Local Government Benchmarking Framework
- Education Insight
- Education Authority Annual Plan
- North Ayrshire Performance Dashboard
- HSCP Annual Performance Report

3. Performance Summary

3.1 Key Highlights

Our joint response with partners to the Covid-19 pandemic has been our main focus during 2020-21. However, despite the additional demands on our services we have still managed to significantly progress our Council Plan priorities during the year.

- Our response to the Covid-19 Coronavirus pandemic included:
 - Emergency Management Governance arrangements were established immediately.
 - 33,152 calls received by our Community Hubs and 96,465 food deliveries made.
 - 60,000 shopping vouchers worth £1.7million provided to children eligible for free school meals in addition to the equivalent of 1.26million meals distributed to North Ayrshire families.
 - 3,194 pieces of IT equipment such as Chrome Books, iPads, Wi-Fi routers and SIMs provided to our pupils to access online learning.
 - Our Childcare Hubs cared for 523 children of key workers during the first lockdown period, rising to 1,002 children during January and February.
 - Over four million items of Personal Protective Equipment (PPE) were supplied including over one million masks during the year.
 - Our first fully online Joint Cabinet saw 110 of our young people share their views alongside our Council Cabinet, senior officers, Members of the Scottish Youth Parliament and the Youth Council Executive.
 - £39.69million in grants were distributed to local businesses and those newly self-employed.
 - We supported our workforce's wellbeing to ensure they could continue to provide high quality services including through the introduction of Wellbeing Warriors, employees trained in mental health first aid, to support colleagues and Health and Wellbeing Hubs for care teams.
- Our progress against our Council Plan priorities included:
 - Ratification of the £251million Ayrshire Growth Deal.
 - Our Community Wealth Building Strategy and Anchor Charter launched with a £3million Ayrshire Growth Deal Community Wealth Building Fund approved.
 - We supported 187 community projects through participatory budgeting.
 - We confirmed we will deliver 1,140 hours of Early Learning and Childcare provision from August 2021, following substantial work to complete 25 projects to ensure we provide inspiring and safe places for our children.
 - Our Cost of the School Day initiative was introduced which will see £500,000 invested annually to help local families.
 - £15.9million in income has been generated for residents via the Money Matters Service and £1.7million for our tenants through our Welfare Reform Advice Team.
 - We implemented the Young Person's Suicide Support Pathway as a preventative and early intervention approach to supporting vulnerable young people who have made a significant attempt to take their own life.
 - We gained approval for a £250,000 Islands Recovery and Renewal pilot project.
 - We launched our Local Green New Deal with an investment fund of £8.8million to help create sustainable employment and support our net-zero carbon emissions target for 2030.
 - We received Cabinet approval on 26 January 2021 for the development of a £6.768m solar PV farm installation at Nethermain's former landfill site.
 - 49 new homes have been created at Watt Court, Dalry as part of a £7.66million project
 - We received a very positive Best Value Assurance Audit and have progressed all four recommendations.

3.2 Areas of Focus





The Annual Performance Report contains the following areas of focus as at March 31st 2021. At time of writing this covering report (November 2021), many of these areas have been significantly progressed or completed and will be outlined in our Mid-Year Council Plan Progress Report:

- Present findings from our review into Libraries, Community Halls and Lets to Council for approval.
- Welcome the opening of our Additional Support Needs school at Lockhart Campus.
- Prepare for the start of universal free school meals for primary four pupils commencing in August 2021 and plan for the roll out to further primary year groups by August 2022.
- Launch our Cost of the School Day Conference and policy in June.
- Implement the £500k Business Transition Fund and Green Route Map to support businesses.
- Launch the 'Better Off Hub' demonstrator project to provide holistic financial support for our residents.
- Implement the funding of over 450 jobs as part of our Kickstart programme.
- Continue to adapt our proactive and reactive Protective Services to deal directly with Covid-19 as well as reintroducing, on a risk based and nationally guided approach, other critical public safety services such as food premises inspections.
- Begin the development of two Island Plans for Arran and Cumbrae as part of the Islands Recovery and Renewal Pilot, including the publication of a Cumbrae socio-economic profile to inform the Cumbrae Island Plan.
- Progress major projects across the Housing and General Services Capital programmes.
- Work in partnership to deliver a master planned approach for Ayrshire Growth Deal projects.
- Progress the Sheltered Housing Re-provisioning Programme, which includes the refurbishment of the remaining sheltered housing complexes across North Ayrshire.
- Progress Garnock Valley projects from the Estate Based Regeneration Programme to rehome residents and regenerate 48 flatted properties.
- Progress the Ardrossan Low Carbon Hub and Ardrossan Connections projects in partnership with Growth and Investment.
- Develop the communication plan for climate change awareness prior to the 26th UN Climate Change Conference of the Parties (COP26) in November.
- Develop Our Future Working Environment project as part of our Renewal Programme.

4. Performance Indicators

- 4.1 Appendix two details Performance Indicators from the Council Plan Performance Framework, showing (where available) targets and a traffic light (**Red**, **Amber**, **Green**) symbol to show whether: The target level of performance has been achieved (**Green**); is slightly adrift of target (**Amber**); or is significantly adrift of target (**Red**).
- 4.2 Analysis of the indicators is outlined in Table 1 below. Where data is not available for 2020-21, the most recently available data up to the annual figure for 2019-20 is used. 78.1% of indicators where the status is known are on target or slightly adrift of target. This is slightly below the previous year, when 80.7% of indicators had this status, however fewer indicators had data available at time of reporting that year.

Table 1

2020-21 Summary of Performance Indicator Status		
Traffic Light	2020-21	2019-20
 on target	19 (59.4%*)	18 (69.2%**)
 slightly adrift	6 (18.7%*)	3 (11.5%**)
 significantly adrift	7 (21.9%*)	5 (19.2%**)
 status unknown or data only	2 (5.9% of all Council Plan indicators)	8 (22.2% of all Council Plan indicators)

**of the 32 indicators where status is known*

***of the 26 indicators where status is known*




- 4.3 Of the two indicators where status is unknown or data only, CP_04 "Percentage of children achieving their developmental milestones at the time the child starts primary school", will not be updated for the 2019/20 time period (most recent available) as the data was not collected nationally during that academic year due to Covid-19.
- 4.4 The Covid-19 coronavirus pandemic has affected our performance in many ways, for example attendance at leisure facilities has decreased by 96% due to their closure, while the percentage of self service transactions has increased from 41.3% to 58% compared to 2019/20 (we maintained telephone communication to ensure our most vulnerable were not digitally excluded). We will continue to recover areas negatively impacted, while embedding the lessons learned from areas positively affected.

5. Delivery Plan

- 5.1 There are 41 overall actions within the Council Plan. Due to the Covid-19 pandemic a Delivery Plan for 2020-21 featuring sub-actions was not produced.

- 5.2 The Corporate Policy, Performance and Elections team proposed estimated statuses for the Council Plan overall actions based on the information available through Council Plan and Supporting North Ayrshire Together reports. On 31st August 2021 Cabinet approved these estimates. They are attached in appendix three.
- 5.3 Based on information available 95.1% of actions are either on target or slightly adrift of target at 2020-21 year-end compared to 100% in 2019-20.

Table 2

2020-21 Summary of Overall Action Status		
Traffic Light	2020-21	2019-20
 on target	34 (82.9%)	28 (68.3%)
 slightly adrift	5 (12.2%)	13 (31.7%)
 significantly adrift	1 (2.4%)	0
X off programme*	1 (2.4% of all Council Plan actions)	0

**CP_28 “We will form a partnership with other Councils to introduce a low-cost energy offer” - Following a decision by Nottingham City Council to sell their not-for-profit energy company following an audit identifying significant financial losses. This action is being reviewed and may not be taken forward.*

6. Proposals

It is proposed that the Audit and Scrutiny Committee agrees to: a) Note the Annual Public Performance Report 2020-21 set out at appendix one; and b) Note the status of the Council’s performance indicators and actions at appendices two and three.

7. Implications/Socio-economic Duty

Financial

- 7.1 There are no financial implications.

Human Resources

- 7.2 There are no human resource implications.

Legal

- 7.3 This report confirms the arrangements for the Council’s compliance with its duties under the Local Government Act 1992 and the Local Government in Scotland Act 2003 and commitment to improving public performance reporting.

Equality/Socio-economic

7.4 There are no equality/socio-economic implications.

Environmental and Sustainability

7.5 There are no environmental and sustainability implications.

Key Priorities

7.6 This report helps to demonstrate the Council's delivery of its strategic priorities.

Community Wealth Building

7.7 There are no community wealth building implications.

8. Consultation

8.1 Feedback from the Executive Leadership Team (ELT) informed the content of this report.

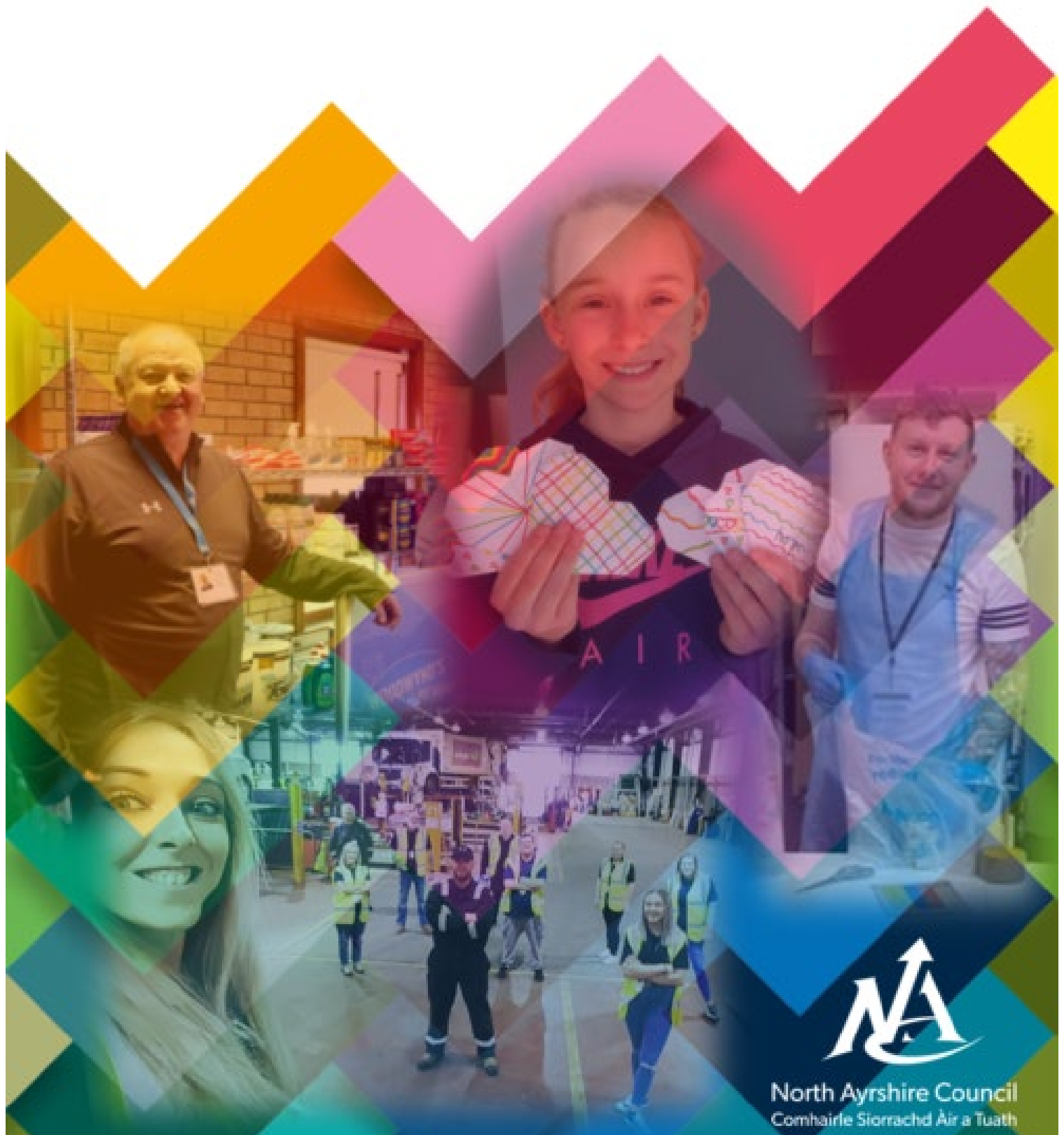
Aileen Craig
Head of Service (Democratic)

For further information please contact **Barry Tudhope, Senior Manager (Corporate Policy, Performance & Elections)**, on **01294 324113**.

Background Papers

Council Plan 2019-24

Annual Public Performance Report 2020-21



North Ayrshire Council
Comhairle Siorrachd Àir a Tuath



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Our Vision

"A North Ayrshire that is 'Fair for All'"

Our Mission

"Working together to improve wellbeing, prosperity and equity in North Ayrshire"

Our Priorities:

Aspiring Communities

Inspiring Place

A Council for the Future

Welcome to our 2020-21 Annual Performance Report, the second annual report on our progress against our Council Plan 2019-24.

Normally at this point we would begin to mention some of the highlights and achievements from the previous year. However, none of what we have experienced this year can be classed as normal and attempting to summarise using almost any method falls short.

Instead, we want to begin by expressing our utmost pride and gratitude to every single one of you. The way our teams, communities, public, private and third sectors have combined to protect our most vulnerable and ensure services continued to run wherever possible, despite personal turmoil due to the Covid-19 pandemic, is truly humbling. That every resident of North Ayrshire changed their daily lives to abide by the restrictions was essential. Thank you.

With this in mind, our Annual Performance Report includes an overview of our response to the pandemic. The scale and complexity of our partnership response is outlined in more detail in our previously published '[Supporting North Ayrshire Together](#)' reports and we would urge you to take a look at these if you haven't already done so to get a fuller insight into the impact of our joint response.

The equivalent of 1.26 million free meals to families, over 33,000 calls received, over four-million items of Personal Protective Equipment (PPE), 1,002 children supported daily at our Childcare Hubs, £312,000 in hardship grants to those newly self-employed... ..behind each one of these figures is one of our residents, a family in need, picking up the phone and being told "Yes, we can help."

Incredibly, though all of our teams were involved in the response (and many continue to be) either directly or through secondment to other teams, we have still managed to deliver our Council Plan priorities. Out of necessity some areas have seen lower than usual levels of performance as a direct result of the pandemic, but overall performance remains strong. Our £251million Ayrshire Growth Deal (AGD) has been ratified and will be key in building a stronger wellbeing economy as we enter our recovery. Our Community Wealth Building Strategy and Anchor Charter were launched, ensuring key organisations committed to our area due to their mission, assets and relationships ('anchor institutions') consciously support our local economy through local supply chains. The strategy is supported by the AGD Community Wealth Building Fund of £3million.

Welcome

Our children and young people will be supported through an annual £500,000 Cost of the School Day initiative and we confirmed that despite the pandemic, we will deliver 1,140 hours of Early Learning and Childcare provision from August 2021. To ensure the voices of our young people are heard, our Youth Participation and Citizenship Strategy 2021-25 "Step up, Speak Out" was launched and we put our aims into practise when, despite restrictions, 110 of our young people took part in our first fully online Joint Cabinet.

We commenced our multi-million-pound council housing development at Irvine Harbourside which will provide 71 new homes including sheltered accommodation and homes suitable for our residents with disabilities.

We signed a formal agreement with Crown Estate Scotland in June which will increase opportunities for regeneration and investment.

In order to embrace a green economic recovery, we launched our Local Green New Deal with an investment fund of £8.8million, a Green Jobs Fund of £500,000 and a tree planting programme of £500,000. These will help create employment and training throughout North Ayrshire. They also support our ambition to be a net-zero carbon emissions council by 2030, which advanced further following Cabinet approval of a £6.768million solar PV farm on the former landfill site at Nethermains.

Considering all of this has been achieved despite the global pandemic, it demonstrates the strength and commitment of everyone within our Council and our partners. Together we really are greater than the sum of our parts, together we really can deliver a North Ayrshire that is Fair For All.



Councillor Joe Cullinane
Leader of the Council



Craig Hatton
Chief Executive

The Corporate Policy, Performance and Elections Team welcome any feedback you may have. We strive to make our Council and reports as accessible as possible and appreciate opportunities to discuss how this can be achieved. For further information please contact:

The Corporate Policy, Performance and Elections Team
Tel: 01294 324648
Email: NorthAyrshirePerforms@north-ayrshire.gov.uk



A Year of Key Events

April 2020

- Emergency Management Team and Emergency Governance arrangements continued.
- All teams working from home were provided with vital support by our ICT team.
- Our Community Hubs received an average of 435 calls a day.
- Childcare hubs supported an average of 523 children of key workers each day (rising to 1,002 in January).
- Almost 4,000 households in receipt of free food
- Business Gateway Webinars launched to support local businesses in addition to national support.
- Covid-19 Q&A session held online with our Chief Executive and Council Leader.

May 2020

- Support for our residents and businesses continued.
- We launched our Community Wealth Building Strategy.
- The Community Wealth Building summit, led by our Council Leader, was streamed live via Facebook.

June 2020

- We received our extremely positive Best Value Assurance report, highlighting we are continually improving to support our local communities.
- Business support helpline launched as a joint initiative with North, South and East Ayrshire Councils.
- Birth registration service restarted
- Ardrossan community campus given approval by the Scottish Government.
- Our new state of the art Additional Support Needs school was named Lockhart Campus.

July 2020

- With the equivalent of 1.26 million meals distributed to families since 23rd March, we moved to voucher provision.
- Household Waste Recycling Centres re-opened in line with national guidance and kerbside waste collections services continued uninterrupted.
- We progressed our £18million plan for a comprehensive flood protection scheme for the Upper Garnock Valley.
- We launched our 'Keep it Local' campaign to encourage local spend and support our local economy.

August 2020

- We became the first Scottish local authority to join the Wellbeing Economy Alliance, which aims to deepen understanding and advance the shared ambition of building wellbeing economies.
- We welcomed our young people back to our schools with necessary precautions to keep everyone as safe as possible.

September 2020

- We launched our Economic Recovery and Renewal Approach which sets out our ambitious 'Local Green New Deal' for North Ayrshire with a focus on building back the local economy better, fairer and greener.
- Our commissioned Fraser of Allander Institute report 'The Impact of Covid-19 on the Arran Economy' published.
- 54 free visitor moorings at Arran and Cumbrae re-laid to encourage responsible tourism.

October 2020

- We launched and co-signed Scotland's first Community Wealth Building Charter alongside East and South Ayrshire Councils, NHS Ayrshire and Arran, Ayrshire College and Scottish Enterprise.
- Our 'Better Off Hub' two year financial inclusion demonstrator project was approved by Cabinet.

November 2020

- £251million Ayrshire Growth Deal ratified.
- First fully online Joint Cabinet took place, with 110 of our young people participating.
- Construction starts on 71 new homes at the Irvine harbourside housing development.
- 'Let's Do This' campaign launched to help suppress the virus.

December 2020

- £100 Hardship Payments distributed to each child eligible for free school meals.
- Our Library Service and our Health and Social Care Partnership (HSCP) coordinated the Christmas Gift Appeal for families.
- We supported Ardrossan's Whitlees Community Association to open its Quaint Larder.

January 2021

- An average of 1,002 children supported by our Childcare Hubs each day.
- We approved our Tree Planting Strategy to plant 108,000 trees across North Ayrshire as part of our commitment to be 'net-zero' by 2030 in response to the climate change emergency.
- We approved our plans to build an eco-friendly £6.768 million solar photovoltaic (PV) farm to help address fuel poverty and reduce North Ayrshire's carbon footprint.

February 2021

- £3million Ayrshire Growth Deal Community Wealth Building Fund was approved.
- We approved our £500k Green Jobs Fund as part of our Local Green New Deal for our economic recovery from Covid-19, through building back our economy better, fairer and greener.

March 2021

- £100 Spring Hardship Payments distributed to eligible families.
- £100,000 Community Renewal and Recovery Fund launched with the North Ayrshire Ventures Trust to support the third sector.
- We approved our £373million capital budget for the next 10 years for our important infrastructure projects including: our school estate, roads network, solar PV farm and flood protection schemes.
- On 23rd March we marked the National Day of Reflection, the one year anniversary of lockdown.

About Us

Elected Members*

Labour

11

SNP

10

Conservative

7

Independent

4

Alba

1



*As at 31st March 2021



Population Breakdown

Population **137,470**

52.4% Female

47.6% Male

Life Expectancy

Female **80 years**

Male **76.1 years**

Employees

6,037.9 Full Time
Equivalent

75.4% Female

24.6% Male



Economy

55,700 Adults in employment

27.9% of children living in poverty

SIMD living amongst 15% most
deprived areas in Scotland **27.6%**

Businesses operating in North Ayrshire
3,285



Infrastructure

Key assets include:

Early Years Centres

6 Council owned

16 in partnership

Primary Schools **48**

Secondary Schools **8**

Additional Supports Needs Schools **4**

Council Houses **12,888**

Km of roads **1,039**

Overall Performance

Our Council plan is supported by 34 performance indicators and 41 actions. In 2020/21 data was available for 32 of the indicators at year end. Of these, 78.1% were on or only slightly adrift of target. More detailed information on our performance indicators can be accessed through our half yearly Council Plan Progress reports and our new North Ayrshire Performance Dashboard on our [website](#).

Our 41 actions are usually supported by a suite of sub-actions contained in our Delivery Plan. Due to the pandemic these were not developed for 2020-21. However, based on information available, it is estimated that 95.1% of actions were either on or only slightly adrift of target during 2020/21.

In 2020/21 **78.1%** of indicators with data available and **95.1%** of actions were on or only slightly adrift of target

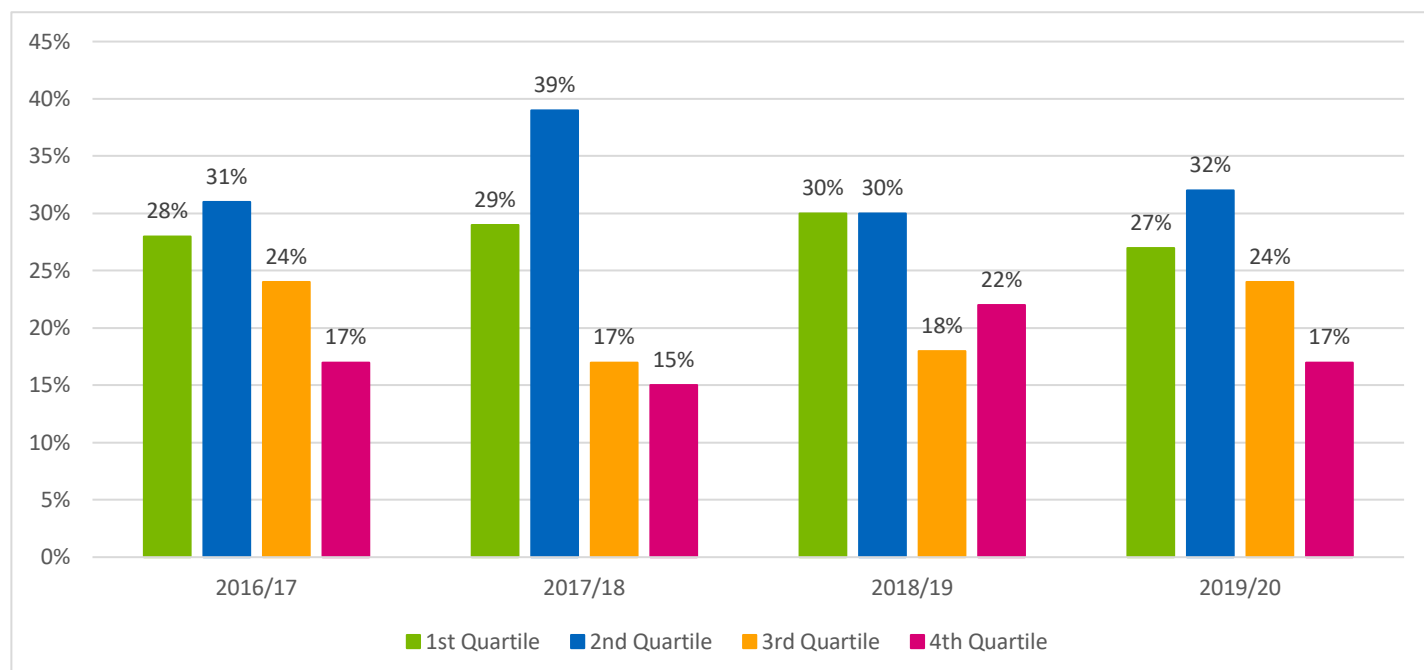
The National Picture

The Local Government Benchmarking Framework (LGBF) is a national tool designed to enable us to compare performance across all 32 local authorities in Scotland, identify best practice and improve our services. The number of indicators in the LGBF can change each year.

During 2019/20 (most recent data available as at May 2021) 87 of the 97 indicators had data available. Of these, 54% of our indicators, were performing above the Scottish average (47 indicators). The chart below shows the percentage of our LGBF indicators within each quartile.

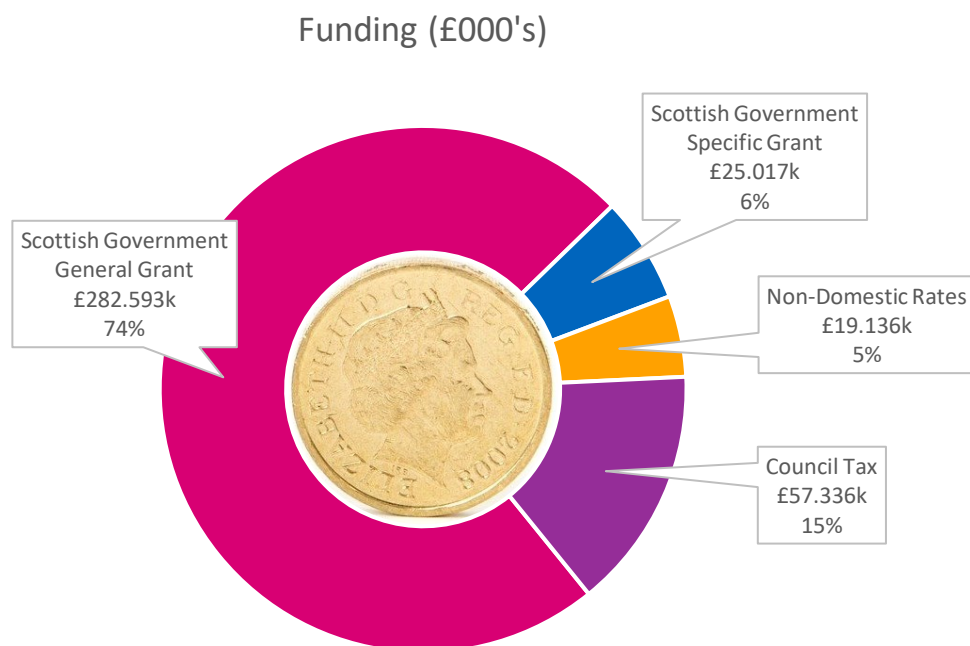
Our Council Plan Performance Framework contains 34 performance indicators, of which nine are sourced from the LGBF. Of these nine, six have improved and three have declined.

You can explore our performance and how we compare with other local authorities in Scotland in more detail using the [My Local Council tool](#), a link is also available through our [Performance Dashboard](#).

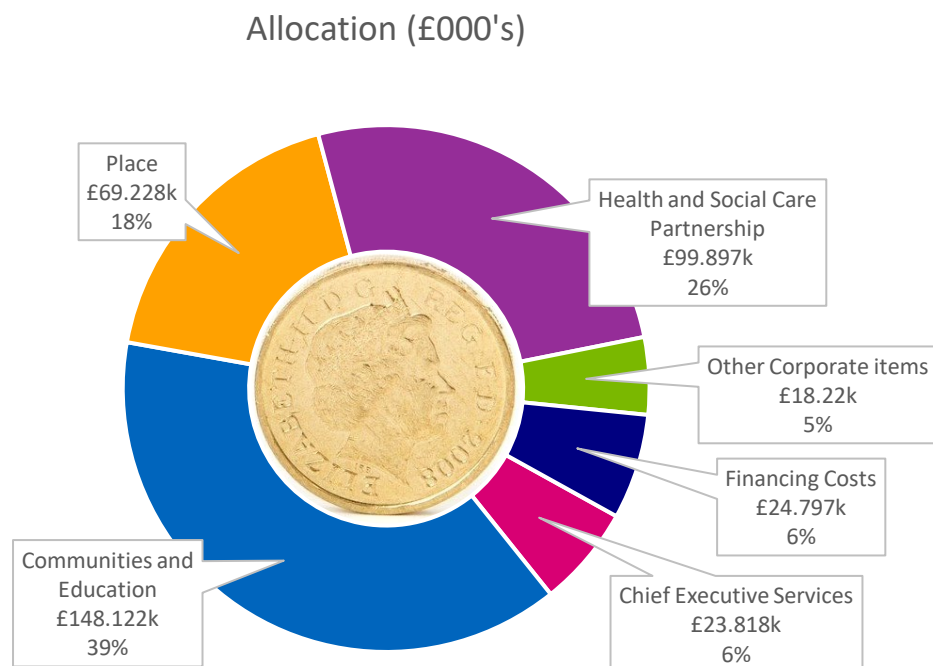


Financial Overview

Where we get funding:



Allocation:



Coronavirus Pandemic: Summary of Response

The scale and complexity of our partnership response to the Covid-19 Coronavirus pandemic means that although this section attempts to provide a summary, please refer to the [Supporting North Ayrshire Together](#) reports on our website for full details.

Every element of our response to the pandemic involved partnership working with our communities, the public, private and third sectors, and across our own teams. No response area could operate in isolation.

Supporting Our Communities

Our Community Hubs supported our residents by providing access to food, prescriptions and other assistance. During their initial year they received 33,152 calls, made 96,465 food deliveries, collected 13,713 prescriptions and directed 3,746 enquiries to other services

Our Food Hubs provided 60,000 shopping vouchers for children eligible for school meals since July 2020, worth £1.7 million. Prior to this the equivalent of 1.26million meals were distributed to families.

Our Holiday Hunger initiative ensured children were fed throughout the school holidays, with additional £100 payments made to those in receipt of free school meals in December and £100 Spring Hardship Fund payments to eligible families.



Children of key workers were supported through our Childcare Hubs. During the first lockdown an average attendance was 523 children, this rose to 1,002 in January and February.

We arranged for 3,194 items including Ipad's, Chromebooks and SIMs to reach our pupils so they could access online learning.

Over four million items of PPE were supplied to carers such as sanitiser, gloves, aprons and over one million facemasks during the year.

Our first fully online Joint Cabinet took place in November involving 110 young people from across our secondary schools.

We launched a social media campaign to raise awareness of child protection which resulted in an increased number of calls relating to child welfare. In addition we continued to visit children including 991 visits to the most vulnerable children during the first lockdown.

Care at Home Service capacity was increased to support individuals returning home from hospital. We ensured measures were in place so face to face support for our most vulnerable residents could be maintained.

Virtual community centres were launched to ensure crucial social networks could be maintained.

We managed car park availability at our most popular tourist destinations to protect our local residents, reinstating them as restrictions eased.

"To All of you,

...We can't thank you all enough. There are simply no words to describe how devastating this has been for everyone and for a team of hard working people to keep my family fed and make sure everyone in North Ayrshire has help is more than I could have ever imagined.

The staff put themselves at risk to support my family and many many others in a time of uncertainty in their own lives... ...I wish there was another way of thanking you all??

Please take care, stay safe and know that my family will never forget what the Council and its hard-working hands of staff have done!"

North Ayrshire Resident

Coronavirus Pandemic: Summary of Response

Supporting Our Businesses

Within days of lockdown we had established Business Gateway Webinars in addition to national support.

In partnership with South and East Ayrshire Councils, we launched a Business Support Helpline in June where calls were automatically routed to advisers in their area.

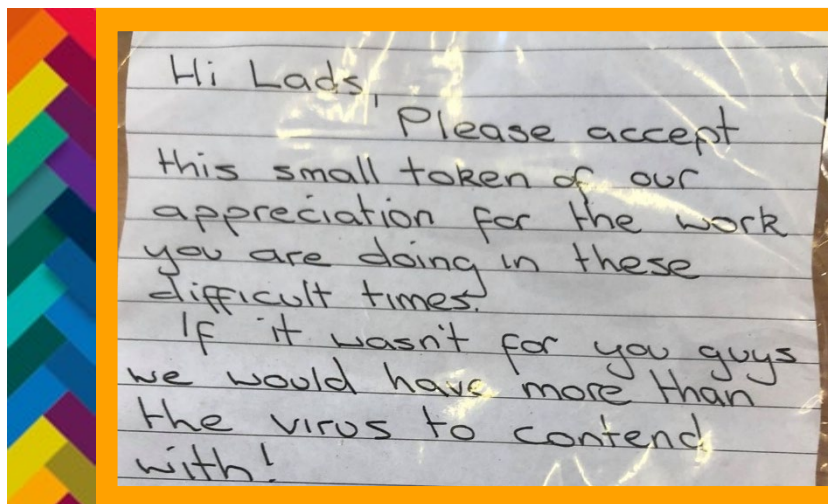
During the year teams from across our Council worked together to distribute £39,378,430 in grants to local businesses and £312,000 of newly self-employed hardship grants.

School Transport contracts continued to be paid at 75% during school closures.

Our payment terms reduced from 30 days to immediate payment to support our suppliers.

Licences including liquor and temporary licences for some taxis were extended.

Our Environmental Health team worked closely with a variety of businesses including takeaways, supermarkets and local stores to ensure food was being handled, stored and produced hygienically and in compliance with legal requirements. Our Trading Standards team offered support to businesses and retailers to ensure they were compliant with regulations prior to the return of customers. Both teams worked closely with Police Scotland to ensure regulations were complied with.



Our Planning Team immediately supported the Scottish Government Chief Planner in relaxing enforcement of public houses and restaurants to enable temporary provision of takeaway services even if their licence did not cover it.

Our Council Operations

Our Emergency Management Team and Emergency Governance arrangements were established immediately, allowing our Chief Executive, in consultation with Political Group Leaders and a representative from our Independent Elected Members to consider urgent matters. All decisions were reported to Cabinet when meetings re-established online.

Our ICT team provided critical support which enabled an increase in the number of employees remotely accessing systems from 100 to over 1,200 users per day.

We maintained a full waste collection and recycling service throughout the pandemic, despite resourcing challenges and significantly higher amounts of household waste being generated as people spent considerably more time at home.

Our Transport Hub provided support to NHS colleagues and patients requiring critical care and transport to vaccination appointments.

During the winter weather our Roads Service was able to provide a normal gritting service, including throughout a prolonged spell of cold weather in early January 2020 when our gritting fleet was out around the clock.

Wellbeing support was provided to our teams through a range of methods to ensure they could continue to provide services.



At A Glance: Aspiring Communities



33,152 calls
received by
Community Hubs and
96,465 food
deliveries made



Equivalent of
1.26million
meals
distributed alongside
£1.7million
of vouchers

187
community
projects
funded through
participatory
budgeting

£188,546
awarded
from the
Community
Investment
Fund

£500,000
per year
invested
towards the
Cost of the
School Day



Over
4million
items of PPE
distributed



£3million Community Wealth
Building Fund approved as part of
the Ayrshire Growth Deal

£15.9million in income
generated for residents via
the Money Matters Service
this year



What Has Been Achieved So Far

Active and Strong Communities

We progressed the third stage of our consultation into how libraries, community centres and halls deliver their services in future. We work hand-in-hand with our residents to ensure they have a real voice in the consultation.

We were able to host our 'Substance of our Communities' participatory budgeting event, which was moved online allowing our communities to take part. Residents were given the opportunity to decide which projects would receive funding, while community projects were able to bid for grants of between £8k and £10k. In total six projects were successful in receiving grants.

Our Participatory Budgeting (PB) Fund for 2020/21 invited community groups to bid for funding to support their projects. There were three strands of PB: Locality with £97,000 available, Youth with £60,000 available and Arts and Culture with £10,000 available.

Children and Young People Experience the Best Start in Life

[Our Youth Participation and Citizenship Strategy 2021-25 "Step up, Speak Out,"](#) including plans to establish Scotland's first Young People's Commission, has been launched to ensure our young people's voices and lived experiences inform our approach through a culture of "nothing about us, without us".

Our Children's Services Planning including our Children's Services Plan, Children's Rights Report and our Child Poverty Action Plan, have been redeveloped for the next three years. Our Children's Rights Report emphasises our commitment to the UN Convention on the Rights of the Child (UNCRC). Our Child Poverty Action Plan has resulted in the approval of our Cost of the School Day (COSD) initiative.

Following a full review of our 1,140 hours of Early Learning and Childcare provision in light of pandemic, we announced we will deliver 1,140 hours of childcare provision from August 2021.

Our children and young people due to move to our new £30million Additional Support Needs Lockhart Campus in Stevenston have experienced it virtually through 3D headsets, an essential step to support our children and young people become familiar with their campus before it opens. A first of its kind in Scotland, the campus will provide a specialised support environment for 200 of our young

Our Community Investment Fund (CIF)

Our Community Investment Fund has been able to help several projects, including:

The Young People's Mental Health Project led by Arran Youth Foundations and Arran High School Parent Council, was awarded £45,226 to provide innovative projects to improve the wellbeing of all children and young people in Arran.

The Ardrossan Community Sports Hub was awarded £43,320 to operate the Seafield School site under community ownership. They plan to establish a community gym supported by qualified coaches and a range of volunteers.

Raise Your Voice With Ardeer was awarded £100,000 towards a community hub at the Beach Park in Stevenston. This, alongside £130,000 from the Scottish Government Regeneration Capital Grant Fund, means construction on the hub including a café, workshop and classroom can begin. We are also assisting the charity in securing a Community Asset Transfer so they can take ownership of the site.

We have worked in partnership with **Friends of Millport Town Hall** in a successful application for £1.5m from the Scottish Government Regeneration Capital Grant Funding to regenerate the hall into a purpose-built community hub. This is in addition to £200,000 CIF funding, and £118,852 from the Scottish Government's Crown Estates funding for Coastal Communities. The hall will be used as a Community Hub, Arts/Culture Centre, starter Men's Shed, main staged hall and three holiday let flats.

Key Priority: Aspiring Communities

people with additional needs aged from two to 18 years.

A partnership working audit was completed for The Meadows residential house. The audit highlighted how the care team have been exceptional throughout the pandemic in supporting our young people and retaining a nurturing environment.

Inclusive, Growing and Enterprising Economy

Our Community Wealth Building (CWB) Strategy launched in June, the first in Scotland. It sets out how we will work in partnership to create a fairer local economy that tackles poverty and inequality. This was followed by the CWB Anchor Charter in October, committing key local institutions to an inclusive economy.

We approved the £3million Ayrshire Growth Deal CWB Fund in February, which will establish support for local businesses and community organisations across North, South and East Ayrshire and fund a Fair Work Ayrshire team to work with key local organisations.

We launched a new £500k Green Fund to support our Economic Recovery and Renewal Approach's Local Green New Deal. It will support local businesses to make a green transition through business adaption or creation of green jobs that support renewable or circular economy investments.

We led the development of a major Kickstart programme. Approval has now been granted to fund over 450 jobs for our young people.

A two-year financial inclusion demonstrator project 'Better Off Hub' has begun. The project will see the creation of a Public Social Partnership with the third sector. The Better Off Hub will deliver vital financial advice services focused on the whole person to build capacity and reduce future demand on services.

Residents and Communities Enjoy Good Life-Long Health and Well-Being

We launched our Food Growing Strategy and action plan in order to provide food with dignity and increase food security for some of our most vulnerable residents.

We implemented the Young Person's Suicide Support Pathway as a preventative and early intervention approach to supporting vulnerable young people who have made a significant attempt to take their own life. Referrals can be from emergency departments, GPs Housing Services and family.

We have ensured our fleet of vehicles could support critical frontline services to protect vulnerable people. This extended to providing transport for dialysis and a shuttle bus service in Largs for those travelling to their vaccine appointments.

Residents and Communities are Safe

We very quickly created additional temporary furnished flats across North Ayrshire following the closure of Victoria House hostel. This ensured provision for our homeless residents, a particularly vulnerable client group, during a difficult period. Dispersed furnished flats greatly improve outcomes for people who find themselves homeless. Households reside within a community, helping to build their social networks and develop their independent living skills, so reducing the risk of repeat episodes of homelessness.

Our Safer North Ayrshire Strategy 2020-25 was approved by Cabinet. It builds on significant progress already made by the Safer North Ayrshire Partnership (SNAP) in keeping North Ayrshire safe. Over the past five years this has delivered:

- 20.6% reduction in all crimes and offences
- 6.5% reduction in violent crime
- 8% reduction in dwelling fire casualties
- 47.8% reduction in housebreaking
- 8.8% reduction in drug related crimes
- 16.5% reduction in dishonesty crimes
- 17.9% reduction in vandalism

Our Trading Standards and Environmental Health teams, in addition to ensuring the general safety of our residents and businesses as usual, have been providing both proactive and reactive Covid-19 advice, carrying out compliance visits and taking enforcement action where required. This equates to an average of approximately 240 interventions per month.

Key Priority: Aspiring Communities

Areas of Focus

Over the next six months we will:

- ◆ Present findings from our review into Libraries, Community Halls and Lets to Council for approval.
- ◆ Continue to support food with dignity through our Food Growing Strategy and local pantry, larder and shop initiatives.
- ◆ Welcome our children and young people to their Additional Support Needs school at Lockhart Campus.
- ◆ Deliver 1,140 hours of Early Learning and Childcare for our residents from August.
- ◆ Prepare for the start of universal free school meals for primary four pupils commencing in August 2021 and plan for the roll out to further primary year groups by August 2022.
- ◆ Implement the Ayrshire Growth Deal £3million Community Wealth Building Fund.
- ◆ Deliver the new £500k Business Transition Fund for businesses impacted financially by Covid-19 restrictions that are unable to finance new ways of working or new processes.
- ◆ Work with KA Leisure, operators of our leisure facilities, on their Recovery and Renewal Plan following the impact of the pandemic.
- ◆ Implement the next phased of our Rapid Rehousing Transition Plan (RRTP).
- ◆ Implement our Safer North Ayrshire Strategy 2020-25.



Key Priority: Aspiring Communities

Case Study: Community Food Provision

We are committed to tackling food inequality in North Ayrshire. Our Food Growing Strategy sets out how we can use our land and assets to support new community gardens, raised beds and allotments and includes a network of food cooperatives, community fridges and larders.

North Ayrshire Fairer Food seeks to give people more affordable access to food. We support dedicated community groups and projects in North Ayrshire running food-based initiatives such as: Whitlees Quaint Larder; Woodwynd's Wee Shoap; Cranberry's Community Larder, Kilwinning; and Ardrossan's Quaint Larder.

For a small membership fee, the larders enable residents to access food at reduced cost in a dignified environment. They are able to pick produce themselves in a supermarket-like environment.



The weekly membership fee is £3.50 and in return they can select a choice of groceries to the value of £15.

The pantries are not emergency food provision and do not require a referral. More will be available from April.

Case Study: Community Wealth Building


Our Community Wealth Building Strategy, the first in Scotland, sets out how we will work in partnership with local communities, businesses and wider regional anchor institutions, such as those with strong local roots and shared priorities, to tackle poverty and inequality. It will embed a new economic model focused on wellbeing and inclusion.

We launched our Community Wealth Building Strategy in May 2020. The online event attracted 276 live viewers and over 10,400 video views.

Key achievements so far include:

- Formation of an Expert Advisory Panel.
- We became first Scottish Council to become a member of the Wellbeing Economy Alliance.
- £3million Community Wealth Building Fund from the Ayrshire Growth Deal.
- 'Proud to Keep It Local' campaign launched to encourage communities to shop local and support local businesses.
- The Anchor Charter agreement was launched and signed by key institutions, including North Ayrshire Council, to embed community wealth building across North, South and East Ayrshire.

At A Glance: Inspiring Place



49 new homes
created at Watt Court,
Dalry – a
£7.66million
project

£250,000

Islands
Recovery and
Renewal pilot
project
approved



£15million

secured from the
Ayrshire Growth
Deal to develop
industrial space
for local
businesses

Two
sustainable
demonstrator
homes
completed to
reduce carbon
emissions

Taken ownership
of **30-acre site**
in **Ardrossan**
as part of £150
regeneration
programme

108,000 trees
to be planted -
aim of North
Ayrshire's 2030
Woodland Tree
Planting
Strategy



437 council
homes nearing
completion
(cumulative)

£1.372m secured for the
Ardrossan Low Carbon Hub project
from the European Regional
Development Low Carbon Travel
and Transport Challenge Fund

£251million
Ayrshire Growth
Deal ratified



What Has Been Achieved So Far

Well-Connected with Effective Infrastructure

The implementation and financial arrangements for the £251million Ayrshire Growth Deal were ratified by the Scottish Government.

We approved the delivery of a £250,000 Islands Recovery and Renewal pilot project. The pilot is central to recovery as Covid-19 highlighted the vulnerabilities of island economies - in particular, their dependency on ferry transportation and the tourism sector. Island Plans will be developed with communities for both Arran and Cumbrae.

We signed a formal agreement with Crown Estate Scotland in June which will increase opportunities for regeneration and investment. Focus will be given to projects that maximise wider value, deliver sustainable and inclusive economies, promote Community Wealth Building and maximise the impact of our Ayrshire Growth Deal investment alongside other major capital investment programmes.

We have developed a partnership with Sustrans Scotland to design and deliver the 'Ardrossan Connections' project over three years, with construction planned to commence in 2022/23. It will provide safe and attractive walking and wheeling routes between Ardrossan and the Three Towns, celebrate the heritage of Ardrossan and alleviate transport poverty through better access to active and sustainable travel.

Homes that Meet our Residents Needs

We commenced our multi-million-pound council housing development at Irvine harbourside which is complemented by the £14million plans to develop the Great Harbour at Irvine, through the Ayrshire Growth Deal. Once complete the 71-unit development will showcase the very best in modern, affordable and energy-efficient housing. They are due for completion in autumn 2022.

Construction began in September on new affordable housing in Kilwinning in addition to new generation council houses in Irvine, Largs, Millport and Arran.

We have received overwhelmingly positive feedback from residents involved in three Estate Based Regeneration Programme projects within the Garnock

Valley. The projects will see the regeneration of 48 flatted properties, beginning in 2021-22. Cabinet approved projects in Laburnum Avenue, Beith, Newhouse Drive, Kilbirnie and an increase within the former Garnock Academy site which in total will provide 48 new homes.

Vibrant, Welcoming and Attractive Environment

We have taken ownership of the of the 30-acre site in Ardrossan where ambitious development proposals include the Education Campus, swimming pool, housing and commercial facilities. The development of the North Shore site is part of a wider £150m regeneration programme including Ardrossan Harbour, an extended marina, a marine sciences centre, coastal path and new connections which together have the potential to transform the town during the next five to ten years.

Capital Plan - Construction Progress

We have reviewed all projects across the capital plan to ensure the impact of Covid-19 delays has been fully assessed, allowing financial and operational plans to be adjusted accordingly. Major projects being progressed by both the Housing and General Services Capital projects teams have reached several milestones including:

- Residents have moved into new Council homes at both Watt Court in Dalry and Flatt Road in Largs.
- Tenders have been received for the replacement of Moorpark Primary School.
- We have contracted sustainability and information managers to assist with the development of the new Ardrossan Campus.
- The new-build Montgomery Park Primary School received part funding from the Scottish Government as part of phase two of the national Learning Estate Investment programme.

Key Priority: Inspiring Place

A Sustainable Environment

We launched our £8.8 million 'Local Green New Deal' to support our economic recovery from Covid-19. The deal includes a focus on building a better local economy, fairer and greener. We are creating a new £500,000 Green Jobs Fund as well as investing another £500,000 in a tree planting programme and exploring ways to create employment and training opportunities for local young people. In turn our investment will create income that we can invest in further local projects.

We launched North Ayrshire's 2030 Woodland, a Tree Planting Strategy, which aims to plant around 108,000 trees, covering over 40 hectares, to help us meet our net-zero ambition by 2030. Planting schemes will be designed to support employment and training for our residents, provide health and wellbeing benefits, improve biodiversity and provide natural flood risk management and better air quality.

In addition, in order to meet our net-zero ambitions, we have been given approval for a £6.768million solar PV farm installation at Nethermains former landfill site.

We secured £1.372m from the European Regional Development Fund (ERDF) Low Carbon Travel and Transport Challenge Fund towards the £1.96m Ardrossan Low Carbon Hub project. This will create a low carbon hub for Ardrossan across two locations: Harbour and North Shore. This includes: a coastal path at North Shore, active travel connection between town and harbour, electric vehicle and e-bike charging facilities and active travel infrastructure. The ERDF element of the project will be delivered by September 2022.

We are continuing our decarbonisation of our transport fleet with a further roll-out of 14 electric vehicles and 11 workplace charging points during 2021 to support the transition to electric and low emission vehicles.

Work on the Upper Garnock Valley Flood Protection Scheme is still on track to complete within timescale, despite the impact of the Covid-19 pandemic. Overall completion is planned for around April 2022.



Key Priority: Inspiring Place

Areas of Focus

Over the next six months we will:

- ◆ Work with communities in the development of two Island Plans for Arran and Cumbrae as part of the Islands Recovery and Renewal Pilot, including the publication of a Cumbrae socio-economic profile to inform the Cumbrae Island Plan.
- ◆ Progress major projects across the Housing and General Services Capital programmes.
- ◆ As part of the Ayrshire Growth Deal:
 - Progress plans to launch the Digital Process Manufacturing Centre (DPMC) as part of the programme of development at i3, Irvine.
 - Develop detailed plans for the first phases of development at Great Harbour.
 - Develop a strategic proposition for Hunterston Strategic Development Area.
- ◆ Complete our 2021/22 roads investment programme, with £1million additional capital funding allocated to help further improve network condition.
- ◆ Implement the Strategic Housing Investment Plan 2021-2026 (SHIP), contributing to our Council Plan priority to build 1,732 new homes by March 2024.
- ◆ Progress the Sheltered Housing Re-provisioning Programme, which includes the refurbishment of the remaining sheltered housing complexes across North Ayrshire.
- ◆ Complete our consultation on Ardrossan Harbour proposals as part of the Ayrshire Growth Deal.
- ◆ Progress the Ardrossan Low Carbon Hub and Ardrossan Connections projects in partnership with the Energy Savings Trust and Sustrans Scotland.
- ◆ Progress our Solar PV Farm project and investigate further opportunities such as Shewalton Solar PV Farm, i3 Innovation Park, Energy Masterplan and wind energy potential.
- ◆ Deliver the LUNAR 2 LED energy savings initiative on around 5000 of our lighting units throughout 2021/22 to reduce our carbon footprint and energy use on street lighting.



Key Priority: Inspiring Place

Case Study: Watt Court, Dalry



In April 2018 we embarked on a £7.66million project to build on the former Watt Court and Dalry Primary School site in Dalry. The project has seen the creation of 49 new units, comprising of:

- A sheltered housing complex (22 homes)
- Amenity bungalows (eight homes)
- Supported accommodation (15 homes plus one employee base)
- New local housing office for Dalry (three units)

The last 15 supported accommodation homes at the former Dalry Primary School site, now known as Bessie Dunlop Court, completed in December 2020. The heating for the sheltered housing complex and bungalows is provided by a sustainable biomass district heating system which also serves Dalry Primary School. This project aligns with the Green New Deal and Sustainability Strategy and contributes to our Strategic Housing Improvement Plan 2021-26 to build 1,900 new homes

Case Study: Local Green New Deal



In September we launched our 'Local Green New Deal' as part of our economic recovery from Covid-19 with an investment fund of £9.825million (as at 31st March 2021). The deal will be used to:


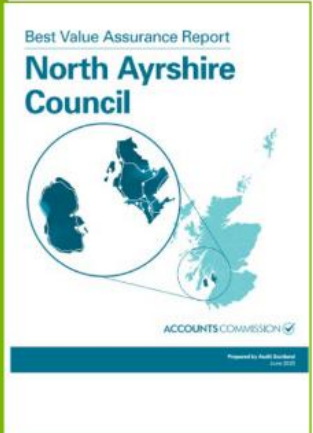
- Drive economic recovery through maximising renewable energy across our Council estate.
- Create a £500,000 Green Jobs Fund to transition North Ayrshire's workforce to a greener economy.
- Invest in commercial estate to improve sustainability.
- Further work to address vacant and derelict land.
- Support of community regeneration and ownership.
- Support a new North Ayrshire Regeneration Delivery Plan.
- A £500,000 tree planting programme to support carbon absorption.
- A £660,000 Community Wealth Building Business Fund to develop co-operatives, social ownership and social enterprises. Priority will be given to those most impacted by the pandemic.

At A Glance: A Council for the Future



£39.69million in grants distributed to local businesses and newly self employed

Best Value Assurance Report shows **continuous improvement culture**




2020/21 Budget engagement held online and **viewed over 13,000 times**

Our Communications during the first year of the pandemic were **viewed over 13.4 million times**

COVID-19 Q&A
on  **LIVE**

7PM, Wednesday 8 April

Tune in on the North Ayrshire Council Facebook page to ask our Chief Executive and Council Leader your questions about what we are doing during the COVID-19 pandemic and what it means for you.



Remote online access to our systems increased from 100 employees to over 1,200 per day

£1.7million improvement to our tenants' incomes through our Welfare Reform Advice Team (4% increase since 2019/20)



Key Priority: A Council for the Future

What Has Been Achieved So Far

An Accessible Council That Puts Residents and Communities at the Heart of What We Do

Our [Equalities Mainstreaming and Outcomes Report 2019-20](#) showed: fairness and inclusion is embedded across our Council Plan and key strategies such as our Community Wealth Building Strategy; we introduced safe leave for employees experiencing domestic abuse; Mental Health First Aid training was made available to employees becoming “Wellbeing Warriors” to support their colleagues; and with partners, we have increased the number of “I Am Me” Keep safe Sites to 14.

An Efficient Council that Maximises Resources and Provides Value for Money

The Accounts Commission published their extremely positive findings from our Best Value Assurance Audit and we have progressed all four recommendations. (See Best Value Assurance Audit feature below.)

Despite the restrictions of lockdown, the Financial Services Team successfully completed the preparation of our annual accounts within statutory timescales and received a positive report from our external auditors.

A Valued Workforce That Delivers High Quality Services

We achieved all the baseline security controls recommended in the Scottish Government’s Cyber

Resilience Framework and are actively working towards implementing the target level recommendations.

Our Welfare Reform Advice Team helped improve tenants’ incomes with overall financial gains of £1,701,647 during 2020/21. This is an increase of £57,636.44 (4%) from the same period last year.

We recruited 40 Modern Apprentices for areas such as youth work, early learning and childcare, professional cookery and business administration. The programme is aimed at 16 to 19 year-olds living in North Ayrshire and is designed to provide our young people with the opportunity to learn key skills through work and training to begin their career.

A Powerful and Respected Voice

Our final report on the Feasibility of Citizen’s Basic Income Pilots in Scotland was submitted to the Scottish Government and shared with the UK Government in May/June 2020 and we provided evidence to the Scottish Parliament’s Social Security Committee on the report in August 2020. Cabinet Secretary for Local Government and Communities described the report as a ‘pioneering study’. The concept is based on offering every individual, regardless of existing welfare benefits or earned income, an unconditional, regular payment.

We actively contributed to a [Carnegie UK Trust “Covid and Communities”](#) UK-wide research project to capture learning and good practice from the response

to the Covid-19 pandemic. The published report aims to identify new ways of working that can help shape future policy, projects and services to ensure community and societal wellbeing.

Our Cyber Incident Management Plan was a key success factor in responding effectively to a significant cyberattack and preventing data from being breached. This response received positive feedback from the Scottish Government and the National Cyber Security Centre (NCSC).



Key Priority: A Council for the Future

Areas of Focus

Over the next six months we will:

- ◆ Learn lessons from the challenges of Covid-19, promoting a system that utilises the strengths of North Ayrshire to the benefit of all North Ayrshire's residents and businesses.
- ◆ Deliver a Covid-safe Scottish Parliament Election on 6th May.
- ◆ Develop Our Future Working Environment project as part of our Renewal Programme.
- ◆ Continue to implement Scotland's first Community Wealth Building Strategy including developing business cases for specific income generation opportunities aligned to our Community Wealth Building pillar of maximising the use of our land and assets.
- ◆ Continue to implement Ayrshire Growth Deal projects to attract inward investment to North Ayrshire.
- ◆ Roll-out our roundabout advertising and floral bed sponsorship pilot projects, as part of our Community Wealth Building approach, to support local businesses with low cost options to promote their services as part of their recovery.
- ◆ Progress the implementation of our customer management system which will replace our local customer account with the national My Account and provide opportunities for further development to enhance the customer experience.
- ◆ Support our recovery and renewal through bids to the UK Government Levelling Up Fund to support key regeneration and cultural assets.
- ◆ Act as the lead authority to submit bids to the UK Government Community Renewal Fund on behalf of local partners.



Best Value Assurance Report

The Best Value Assurance Audit considers our Council's compliance with its statutory duty of Best Value as set out in the Local Government (Scotland) Act 2003. It is the core Council-wide audit by Audit Scotland on behalf of the Accounts Commission.

The [Accounts Commission published their extremely positive findings of our Best Value Assurance Audit in June 2020](#). The audit took place prior to the pandemic and found overall, despite significant economic and demographic challenges, we are performing well, are sector leading for community empowerment and an early adopter for national pilots.

Our Best Value Assurance Audit found that we have a strong culture of continuous improvement. We have significantly improved and continued to make progress since the last Best Value report in 2011. Council priorities, plans, actions, and outcomes are clearly linked. Employees play an active role in identifying and driving improvement and we are delivering improvements for our communities.

There is a strong culture of collaborative working. Elected Members and officers work well together, and we work effectively with a wide range of partners including the Community Planning Partnership (CPP), the Integrated Joint Board (IJB) and private business. There is joint ownership of, and commitment to, delivering agreed strategic priorities. Our Council Plan, the Local Outcomes Improvement Plan and Locality Plans are all clearly aligned and focussed on addressing North Ayrshire's key challenges.

Our financial planning and management arrangements are good overall and we have significantly improved our asset management and procurement arrangements since the last Best Value Report in 2011. While we have made clear progress with our transformation agenda, including setting aside money to fund projects, our savings plans fall short of the estimated funding gap.

We are committed to community empowerment and recognised by the Scottish Government and Convention of Scottish Local Authorities (CoSLA) as a sector leader. Our approach is focused on embedding community empowerment in every-day business. We work well with a wide number of communities and groups including our young people and tenants.

"The core of this progress has been a good sense of self-awareness: The Council has been clear on how and where it can improve, has a well-defined strategy, and shares with its partners a strong vision for North Ayrshire. This strategic direction is reinforced by a record of collaboration: between Elected Members and officers; in engaging with staff in improvement; and in the empowering approach taken by the Council in its relationship with its communities."

(The Accounts Commission — North Ayrshire Best Value Assurance Report 2020)

Since the report was published in June 2020, we have progressed all four recommendations:

Transformation plans and benefits realisation tracker – The Transformation and Renewal Programme continues to be progressed and a broad outline of the programme was included in the Budget report to Council on 4th March 2021. The monitoring framework to track progress has been developed.

Evolution of workforce planning – Our workforce planning approach was paused to enable us to focus on the response to the pandemic. We utilise a variety of tools and techniques to ensure our workforce requirements such as future skill needs and capabilities are met. This includes: exploring opportunities for succession planning and career development; modern and graduate apprentice recruitment; identifying skills gaps; technical and professional development; coaching; and recruiting new employees. Workforce planning is due to recommence from April 2021 with plans in place for each service by the end of July 2021.

Work with Locality Partnerships to **clarify the intended impact of Locality Plans** – We began a public consultation on locality priorities using our online tool "Shaping North Ayrshire". This was extended due to the second wave of the pandemic and a new and more direct approach was developed which included working with schools. The results of the public consultation and the intended impacts will be considered by Locality Partnerships in June 2021 and is due to be complete by the end of 2021.

Review of our online Performance Portal – A replacement [Performance Dashboard](#) was developed inhouse using Power BI and launched on 28th February.

Our Community Planning Partnership

Our Community Planning Partnership (CPP) consists of public, private and voluntary organisations and groups working together with communities through our six Locality Partnerships to make North Ayrshire a better place to live. There are 32 CPPs across Scotland, one for each council area.

Our CPP Board is chaired by the Leader of North Ayrshire Council and administered by the Council.

Our CPP partner organisations include:



Our Fair For All Strategy and Local Outcomes Improvement Plan (LOIP) form the focus of the work of our CPP. As a result, our Council Plan and our cross-partner strategies directly align to them.

The following data gives an indication of our partnership's performance during 2020/21.

We are aware our impact on communities cannot be demonstrated through figures alone, therefore the full CPP Annual Report will be made available on the [North Ayrshire Community Planning Partnership website](#).

Our Community Planning Partnership

Our Fair For All Strategy has five pledges

Economic Growth

To be the most improved local economy in Scotland, with all sections of our communities benefitting from this growth.



Performance Status

1 Red
1 Amber
4 Data Only

Children

We will support, nurture and encourage all our children to reach their full potential.



Performance Status

2 Red
1 Amber
5 Data Only

Food

To enhance the well-being of individuals and communities through access to good food.



Performance Status

5 Green

Health (Physical and Mental Health and Wellbeing in Children, Young People and Adults)

North Ayrshire residents will have improved health outcomes across their life course.



Performance Status

2 Red
2 Data Only

Environment

All North Ayrshire residents have access to and enjoy a safe, quality environment, and are given the opportunity to be included in the key decisions made about their community.



Performance Status

2 Red
3 Green
2 Data Only

Our CPP's Local Outcomes Improvement Plan 2017-2022 (LOIP) has four key priorities:

A Healthier North Ayrshire	A Safer North Ayrshire	A Working North Ayrshire	A Thriving North Ayrshire (Children and Young People)
Performance Status	Performance Status	Performance Status	Performance Status
5 Green 1 Data Only	1 Green 9 Data Only	1 Amber 2 Green 4 Data Only	1 Amber 1 Green 1 Data Only

Key

Data Only:

No target set

Green:

On Target

Amber:

Slightly Adrift of Target

Red:

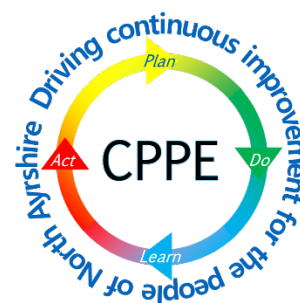
Significantly Adrift of Target



For further information please contact:






The Corporate Policy, Performance and Elections Team

Tel: 01294 324648 Email: NorthAyrshirePerforms@north-ayrshire.gov.uk




































































Appendix 2 – Council Plan Performance Indicators





(Data available as at 1st November 2021)

PI Status	
	Significantly Adrift of Target
	Slightly Adrift of Target
	On Target
	Data Only
	Data Not Available

Priority - Aspiring Communities









Code & Short Name	2017/18			2018/19			2019/20			2020/21			2023/24
	Value	Target	Status	Value	Target	Status	Value	Target	Status	Value	Target	Status	Target
CP_01 Percentage of population who are involved in local decision making (see description)	New measure and baseline established for 2018-19			51%			45.53%	60%		6.67%			60%
CP_02 Percentage of Council budget directed via participatory methods	New measure and baseline established for 2018-19			0.62%			1.11%	0.89%		1.13%	1.2%		1.5%
CP_03 Percentage of residents who agree they have access to opportunities to participate in their local community	New measure and baseline established for 2018-19			47%			47%	47%		47%	47%		50%
CP_04 Percentage of children achieving their developmental milestones at the time the child starts primary school	77.2%			78%			Data was not collected for 2019/20 academic year due to Covid-19.	79%		Data not currently available	80%		85%
CP_05 Average total tariff score of pupils living in SIMD 30% most deprived areas	709.8	728		638.1	715		685.8	718		Data not currently available	724		745
CP_06 Average tariff score: All Leavers	880.2	880		780.7	885		857.4	895		Data not currently available	900		890

Code & Short Name	2017/18			2018/19			2019/20			2020/21			2023/24
	Value	Target	Status	Value	Target	Status	Value	Target	Status	Value	Target	Status	Target
CP_07 Percentage of school leavers entering positive destinations	95.6%	95.4%		94%	95.7%		92.5%	96%		Data not currently available	96.2%		97%
CP_08 Percentage Children living in Poverty (after housing costs)	27.4%	-		27.1%	-		27.9%	26.5%		Data not currently available	26.5%		25%
CP_09 Percentage of working age population in employment	68.2%	64.7%		69.7%	64.7%		70.2%	70%		69%	64.7%		73%
CP_10a Percentage of procurement spent on local enterprises	23.04%			20.31%			19.98%	23%		21.39%	23.5%		26%
CP_11 Percentage of people earning less than the living wage	24.3%			24.3%			16%	24%		Data not currently available	23%		20%
CP_12 Percentage of learning disability service users accessing employment support activities	24.25%	30%		23.88%	30%		23.84%	30%		0%	25%		30%
CP_13 Percentage of children with BMI centile >91 at 27 month review	12.65%	10.5%		9.98%	10.5%		13.19%	10.5%		11.59%	10.5%		9%
CP_14 Percentage of households in fuel poverty	30%			26%	26%		28%	25.5%		28%	28%		27%
CP_15 Number of attendances at indoor sports & leisure facilities (excluding pools)	1,848,777			1,886,930			1,859,843	1,964,100		71,913	736,915		1,950,000
CP_16 Percentage of people aged 65 and over with long-term care needs who receiving personal care at home	65.8%			66.68%	65.6%		69.42%	66%		Data not currently available	66%		65%
CP_17 Emergency Admissions (Number)	20,724	20,639		20,933	20,257		19,150	20,257		18,837	20,257		20,000

Code & Short Name	2017/18			2018/19			2019/20			2020/21			2023/24
	Value	Target	Status	Value	Target	Status	Value	Target	Status	Value	Target	Status	Target
CP_18 Percentage of new tenancies to applicants who were assessed as homeless sustained for more than a year	78.28%	81%		81.48%	82%		84.07%	82%		92.48%	85%		82%

Priority - Inspiring Place

Code & Short Name	2017/18			2018/19			2019/20			2020/21			2023/24
	Value	Target	Status	Value	Target	Status	Value	Target	Status	Value	Target	Status	Target
CP_19 Proportion of operational buildings that are suitable for their current use	89.91%	91%	✓	91.01%	92%	⚠	90.89%	93%	⚠	Data not currently available	93%	?	93%
CP_20 Overall percentage of road network that should be considered for maintenance treatment	39.1%	39.1%	✓	38.1%	39.3%	✓	37.3%	38.1%	✓	37.1%	38.1%	✓	38.1%
CP_21 Proportion of properties receiving superfast broadband	92.35%	📊		93.7%	📊		94.1%	97%	⚠	Data not currently available	97%	?	100%
CP_22 Number of electric vehicle charging points publicly available	25	📊		25	25	✓	36	30	✓	45	42	✓	60
CP_23 Number of new build Council housing units reaching completion (cumulative)	232	232	✓	296	296	✓	381	351	✓	437	755	⛔	1,375
CP_24 Number of empty homes brought back into use (cumulative)	57	43	✓	295	60	✓	594	500	✓	594	600	⚠	600
CP_25 Percentage of Council dwellings that meet the Scottish Housing Quality Standard	99.14%	98.2%	✓	99.19%	99.4%	✓	99.36%	99.4%	✓	98.83%	99.5%	✓	99.6%
CP_26 Tourism Visitor Numbers	1,506,210	📊		1,519,260	📊		1,599,400	1,534,968	✓	Data not currently available	1,563,726	?	1,650,000
CP_27 Street Cleanliness Index - Percentage Clean	92.2%	94%	⚠	94.5%	94%	✓	94.6%	94%	✓	Data not currently available*	94%	?	94%
CP_28 Hectares of vacant & derelict land in North Ayrshire	1,294	-	?	1,279	1,269	✓	1,180	1,244	✓	1,204	1,194	✓	1,094
CP_29 Overall carbon emissions (tonnes)	43,756	50,198	✓	40,666	45,137	✓	37,508	39,320	✓	22,846	35,127	✓	35,000

Code & Short Name	2017/18			2018/19			2019/20			2020/21			2023/24
	Value	Target	Status	Value	Target	Status	Value	Target	Status	Value	Target	Status	Target
CP_30 Total installed capacity of low carbon heat and electricity generation across the Council's estate	9,029	9,000		9,682	9,600		9,700	9,700		10,720	9,800		12,000
CP_31 Percentage of total household waste that is recycled (calendar year as per SEPA)	55.8%	54.5%		54.6%	54.5%		56.3%	59%		52.1%	52.1%		62%

**CP_27 Street Cleanliness Index - Percentage Clean – 2019/20 figure had been incorrectly entered against 2020/21 reporting so has been removed.*

Priority - A Council for the Future

Code & Short Name	2017/18			2018/19			2019/20			2020/21			2023/24
	Value	Target	Status	Value	Target	Status	Value	Target	Status	Value	Target	Status	Target
CP_32 Percentage of Customers delighted with the overall Customer Service	84%	77%	✓	81%	77%	✓	81%	77%	✓	Not measured due to pandemic.	77%	?	85%
CP_33 Percentage of Self Service Transactions	36.7%	30%	✓	40.09%	35%	✓	41.26%	40%	✓	58%	45%	✓	50%
CP_34 Employee Engagement Level - Council Wide	71.2%	70%	✓	No survey planned.	70%	?	70.67%	70%	✓	No survey planned.	70%	?	72%

Appendix 3 - Council Plan Actions

Due to the pandemic, no sub actions were set within a 2020-21 delivery plan. The following statuses of the Council Plan 2019-24 actions are based on information available to the Corporate Policy, Performance and Elections team. A Council Plan Delivery Plan for 2021-22 has been created.

Key:



Significantly Adrift of Target



Slightly Adrift of Target










On Target















Unknown





Priority: Aspiring Communities







Ref:	2019-24 Action	Year End 2020/21 Status	Comments
Local Outcome: North Ayrshire will have active and strong communities			
CP_01	We will build stronger relationships between the council, communities and partners.		
CP_02	We will co-produce a local charter with our communities which sets out the things we jointly commit to do for each other, to help each other create a better North Ayrshire.		
CP_03	We will extend our participatory approach, offering communities more opportunities to lead in local decision-making.		
CP_04	We will support communities to achieve what's important to them through strong local networks.		
Local Outcome: North Ayrshire children and young people experience the best start in life			
CP_05	We will expand our early learning and childcare provision to make sure all eligible children are able to access 1140 hours of free care each year.		
CP_06	We will support our children and young people to become successful learners, confident individuals, effective contributors and responsible citizens.		
CP_07	We will offer opportunities to our young people and their families to play a more active role in school life and encourage more participation in learning opportunities.		
CP_08	We will work with all young people to build their resilience, supporting their mental health and physical well-being.		
Local Outcome: North Ayrshire is an inclusive, growing and enterprising local economy			
CP_09	We will work with schools, colleges, universities, businesses and partners to deliver education, skills and training, helping people into work and sustaining employment.		Access to services has been impacted by Covid-19, however we have managed to find employment for 285 residents during the year.
CP_10	We will make sure that everyone has the ability and knowledge to participate in the digital world.		
CP_11	We will support our local businesses to become more innovative and competitive.		

CP_12	We will promote fair employment practices.		
CP_13	We will develop and implement a Community Wealth Building (CWB) strategy.		
Local Outcome: North Ayrshire residents and communities enjoy good life-long health and wellbeing			
CP_14	We will continue our work with partners, including the Scottish Government, to explore the feasibility of a Scottish Basic Income Pilot.		Complete as at June 2020.
CP_15	We will let people decide how best to manage their own care needs and support people to live in their own homes for as long as possible		
CP_16	We will work with individuals and communities to support positive lifestyle choices which improve health and wellbeing.		Despite a historical amber sub-action from 2019-20, the wider response to the pandemic outweighs this. An amber status for this action would not have been an accurate reflection of performance.
Local Outcome: North Ayrshire residents and communities are safe			
CP_17	We will work with partners to support our vulnerable residents and communities.		Despite a historical amber sub-action from 2019-20, the wider response to the pandemic outweighs this. An amber status for this action would not have been an accurate reflection of performance.
CP_18	We will extend the 'Housing First' pilot to address homelessness.		Housing First is being implemented, however a Youth Tenancy Sustainment Pilot is on hold due to Covid-19.

Priority: Inspiring Place			
Ref:	2019-24 Action	Year End 2020/21 Status	Comments
Local Outcome: North Ayrshire is well-connected with effective infrastructure			
CP_19	We will provide well-maintained, integrated travel and transport networks, supporting alternative and sustainable transport.		
CP_20	We will work with partners to make sure there is sustained investment in our roads, ports and harbour infrastructure to ensure that travel is resilient and reliable.		
CP_21	We will work with partners to extend public wi-fi and improve our digital connectivity.		Our public buildings have been closed for much for the year due to Covid-19.
CP_22	We will provide an appropriately sized, fit for purpose, energy-efficient and digital- enabled property portfolio, including our schools.		

CP_23	We will attract investment, through the Ayrshire Growth Deal and other means, to support regeneration and job creation at our key development sites of i3 Irvine, Hunterston, Lochshore, Ardrossan Marine Quarter, and the Irvine Great Harbour.		
CP_24	We will support our communities to maximise the use of community assets (such as schools) and encourage Community Asset Transfers.		
Local Outcome: North Ayrshire residents have homes and houses that meet their needs			
CP_25	With our social landlord partners, we will build new, modern, energy-efficient lifelong homes for life, tailored to the needs of tenants.		
CP_26	We will actively promote a mix of homes by facilitating private housing development.		The HOME project has experienced delays due to a review of the financial model and delays in submitting for planning permission.
CP_27	We will work with property owners and landlords to make sure our private housing is suitable for the needs of our residents.		The Private Sector Team continued to work on below tolerable standard issues, however due to the Covid-19 pandemic empty homes work has not been carried out and will commence once lockdown is lifted.
CP_28	We will form a partnership with other Councils to introduce a low-cost energy offer.	Off Programme	Following a decision by Nottingham City Council to sell their not-for-profit energy company following an audit identifying significant financial losses, this action is being reviewed and may not be taken forward. However, we continue to focus on providing low cost green energy for our council estate. This is detailed in the Council Plan Delivery Plan Cabinet Report, 31st August 2021.
Local Outcome: North Ayrshire is a vibrant, welcoming and attractive environment			
CP_29	We will provide well-kept public places and town centres which will benefit our residents, visitors and businesses.		
CP_30	We will, where possible, bring empty properties back into use.		
CP_31	We will work with communities to improve the quality of the local environment through a participatory approach.		

CP_32	We will develop North Ayrshire as a coastal and island destination, attracting tourism investment and visitors.		Lockdown prevented the Making Waves event in summer 2020, however plans have continued around the Ayrshire Growth Deal 'Marine Tourism' and 'Developing the Visitor Economy' projects in the meantime.
Local Outcome: North Ayrshire is a sustainable environment			
CP_33	We will support a circular economy by re-using, recycling and generating energy from the waste we manage.		
CP_34	We will develop additional low carbon renewable energy schemes and networks.		
CP_35	We will protect our communities by delivering the Local Flood Risk Management Plan, the Shoreline Management Plan and the Millport and Upper Garnock Valley Flood Protection Schemes.		

Priority: A Council for the Future			
Ref:	2019-24 Action	Year End 2020/21 Status	Comments
Local Outcome: North Ayrshire puts residents and communities at the heart of what we do			
CP_36	We will work with communities and key stakeholders to radically review what we do and how we do it, to deliver cost effective services.		
CP_37	We will provide joined up services across the Council and with partner agencies and communities.		
CP_38	We will use technology to improve access to and delivery of our services.		
Local Outcome: A powerful and respected voice			
CP_39	We will make our case nationally, regionally and locally levels to secure investment to support delivery of our priorities.		
Local Outcome: North Ayrshire maximises resources and provides value for money			
CP_40	We will review what we do and how we do it to ensure we deliver the best possible services		
Local Outcome: North Ayrshire has a valued workforce that delivers high quality services			
CP_41	We will empower and invest in our workforce to develop new and innovative ways of working.		

NORTH AYRSHIRE COUNCIL

19th January 2022

Audit and Scrutiny Committee

Title:	Code of Corporate Governance Statement 2021/22
Purpose:	To seek approval of Code of Corporate Governance Statement
Recommendation:	That the Audit and Scrutiny Committee agrees to: (a) Review and approve the Code of Corporate Governance Statement 2021/22

1. Executive Summary

- 1.1 This report provides details of how we are ensuring good governance, including clear accountability for delivering the desired outcomes for service users and communities. Appendix 1 provides our 'Code of Corporate Governance Statement 2021/22'.

2. Background

- 2.1 All Local Authorities have a statutory requirement to report publicly on the extent to which they comply with their own code of governance on an annual basis, including how they have monitored and evaluated the effectiveness of their governance arrangements in the year and considered planned changes in the coming period.
- 2.2. The 'Delivering Good Governance In Local Government Framework' (CIPFA/Solace 2016) applies to annual governance statements. It helps local government take responsibility for developing and shaping an informed approach to governance and aims to achieve the highest standards in a measured and proportionate way. The Framework is intended to assist authorities individually in reviewing and accounting for their own unique approach.
- 2.3. The overall aims are to ensure that:
- Resources are directed in accordance with agreed policy and according to priorities.
 - There is sound and inclusive decision making.
 - There is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.
- 2.4. Appendix 1 contains our Code of Corporate Governance Statement 2021/22 which aligns to the Framework and demonstrates how we are ensuring good governance and transparent accountability.

3. Proposals

- 3.1 Audit and Scrutiny are requested to (a) Review and approve the Code of Corporate Governance Statement 2021/22.

4. Implications/Socio-economic Duty

Financial

- 4.1 None.

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 Effective governance is key to delivering our priorities outlined within our Council Plan 2019-24.

Community Wealth Building

- 4.7 None.

5. Consultation

- 5.1 The Executive Leadership Team approved the Code of Corporate Governance Statement 2021/22.

Aileen Craig
Head of Service (Democratic)

For further information please contact **Isla Hardy, Senior Policy & Performance Officer (Corporate Policy, Performance and Elections)** on **01294 324113**.

Background Papers

None.

Code of Corporate Governance
2021/22



Delivering Good Governance in Local Government – 2021/22

The [Delivering Good Governance in Local Government: Framework](#) (CIPFA/Solace, 2016) applies to annual governance statements prepared for the financial year 2016/17 onwards.

The concept underpinning the Framework is that it is helping local government to take responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way. The Framework is intended to assist authorities individually in reviewing and accounting for their own unique approach. The overall aims are to ensure that:

- Resources are directed in accordance with agreed policy and according to priorities.
- There is sound and inclusive decision making.
- There is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.

North Ayrshire Council's compliance with the framework is noted below.

For further information please contact:

The Corporate Policy, Performance and Elections Team
North Ayrshire Council
Tel: 01294 324648
Email: NorthAyrshirePerforms@north-ayrshire.gov.uk



A. Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law

Demonstrating strong commitment to ethical values

- New Elected Members are provided with a full Induction Programme which includes all aspects of conduct. These sessions are provided as and when required.
- All Elected Members have access to Continuing Professional Development discussions and the opportunity to participate in self/360 assessments to review and support their ongoing development. In addition to this, a series of development events are provided to further support Elected Members' Development. A calendar of events on a variety of topics are arranged and promoted to Elected Members. Online guides and e-learning are also available.
- All Chief Officers participate in an annual 'Our Time To Talk' discussion to review performance.
- All employees throughout the Council participate in 'Our Time to Talk' which provides the opportunity to discuss the focus of work, how this will be done (behaviours linked to our Staff Values) and what development is required to support this. This is an annual discussion which can be supported throughout the year by 121/supervision discussions and a mid-year review as required.
- The Council invests in leadership and management development by hosting a Leadership Academy. This provides aspiring, first, middle and strategic leaders, including Chief Officers and Elected Members with a variety of development interventions which enhance, refresh and develop their skills, knowledge and behaviour.
- There is a Code of Conduct for employees.
- [The Code of Conduct for Councillors](#) sets out the minimum standards of conduct that are expected from Councillors and provides advice and guidance on registerable interests and on the declaration of interests. The Code also sets out the sanctions that can be applied by the Standards Commission where a breach of the Code occurs.
- The Local Government Act 2000 and the Code of Conduct for Councillors set out the categories of interests, financial or otherwise, that Councillors of Scottish Local Authorities must register. This register is available for inspection by members of the public. In compliance with the Act and relevant Regulations, the 33 Elected Members of North Ayrshire Council have registered interests with the Proper Officer of the Council. The Register of Interests and notifications of Declarations of Interest are available for inspection. Reports are submitted to Executive Leadership Team and Audit and Scrutiny Committee on Elected Member Training.
- The Council also has approved Guidelines for Member-Officer Relations (incorporating the Protocol on Member/Officer Relations from the Councillors' Code of Conduct). This is subject to annual review as part of the Council's review of Governance documents.
- Declaration of Interest is a set item on all Committee Meeting Agendas. This is to be completed by all Elected Members, informing of any issues in which they may benefit.
- There is a Whistle Blowing policy in place for employees, this was reviewed in 2020.

	<ul style="list-style-type: none"> — Media Protocol is in Place. — The People Strategy, “Our People Connect”, was designed by our employees for our employees. This outlines priorities that will engage and support the transformation of the Council to be a leaner, more efficient and higher performing organisation where people can develop and thrive. — Our Staff Values of Focus, Passion and Inspiration are key to our People Strategy “Our People Connect”. They are now fully embedded in everything we do each day and visible via PC desktops, posters/wall displays, lanyards etc. In addition to this they are embedded in our recruitment process and throughout our development interventions (such as courses and Our Time To Talk discussions).
<p>Respecting the rule of law</p>	<ul style="list-style-type: none"> — Strategic decision-making is governed by the Council’s key constitutional documents which are subject to regular review. The Standing Orders Relating to Contracts were last reviewed in September 2020 and a report on the outcome of a review of the remaining Governance documents was approved by the Council at its meeting in December 2020. Officers have reviewed the documents during financial year 21/22 and determined that the constitutional and governance documents are still fit for purpose. The constitutional and governance documents will be fully reviewed during the first quarter of 2022 and presented to the first meeting of the new Council for consideration and ratification in May 2022 after the Local Government Elections. — The Council’s Cabinet is the key strategic decision-making committee, comprising the Leader of the Council, the Depute Leader and five Members of the Administration. — The roles and responsibilities of the Council’s Audit and Scrutiny and Appeals Committee are set out in the approved Scheme of Administration. — The Head of Service (Finance) is appointed as the “Section 95 Officer” who is responsible to the authority for the proper administration of financial affairs as stated within the Local Government (Scotland) Act 1973. — The Head of Service (Democratic Services) is appointed as the Monitoring Officer. — The Chief Social Work Officer is appointed in accordance with section 3 of the Social Work (Scotland) Act 1968. — The Council has appointed a Chief Planning Officer in anticipation of the commencement of section 50 of the Planning (Scotland) Act 2019. — All Constitutional documentation is in place. — Revised Remuneration Policy Guidance in place. — Counter Fraud and Corruption Strategy is in place. — A new Data Protection Officer (DPO) was appointed in 2021. The DPO ensures compliance with the General Data Protection Regulation (2018) and the Data Protection Act (2018) legislation.

- During the COVID pandemic, the Council's Emergency Management Team has met, at first daily, thereafter on a weekly basis and latterly on a fortnightly basis to coordinate the Council's response to the pandemic. Additional meetings are called as required to consider developing issues.

B. Ensuring openness and comprehensive stakeholder engagement

Openness

- The Council Plan 2019/24 was approved by Cabinet on the 26th June 2019 and sets out our strategic approach to making North Ayrshire a fairer and more equal society. This sets out our vision and priorities up to 2024.
- We have 34 Council Plan Performance Indicators to ensure that progress on the Council Plan can be monitored and scrutinised. Targets have been set where appropriate for each of the indicators to ensure we can monitor progress of our priorities. Progress on the Council Plan is also scrutinised through the half yearly Council Plan Progress Reports sent to the Executive Leadership Team (ELT), Cabinet and the Audit and Scrutiny Committee, as well as summary reports sent to ELT at Quarter 1 and Quarter 3.
- Council Plan Delivery Plan actions are reviewed at least annually depending on when actions are completed. Action timescales are aligned to activity rather than financial years to ensure accurate performance management.
- The Council's Annual Performance Report is published alongside the North Ayrshire Performance Dashboard which provides detailed information on our performance indicators. Both are available on our website.
- Financial information including annual accounts is published on the [performance section of our website](#).
- Annual Governance Statement published on our website.
- Our Performance Strategy 2021-24 is published on our website and outlines current procedures and planned activities to drive continuous improvement for the people of North Ayrshire.
- Our Children's Services Planning includes our Children's Rights Report and our Child Poverty Action Plan, all of which have been redeveloped for the next three years (2020-23). Our Children's Services Plan outlines our aims and priorities to safeguard, support and promote the well-being of children and to make North Ayrshire the best place in Scotland to grow up. Our Children's Rights Report emphasises our commitment to promote and protect children and young people's rights in line with the UN Convention on the Rights of the Child (UNCRC). Our Child Poverty Action Plan takes account of the initial analysis of the economic impact of the Covid-19 pandemic. Progress is reported to the Integrated Joint Board and North Ayrshire Council Cabinet.
- There is a presumption that all committee business is open to public except where required by law to be in private. During the COVID pandemic the Council has either live webcast all virtual meetings or published recordings thereafter.

	<ul style="list-style-type: none"> — During the COVID pandemic, meetings for the Council and its committees were suspended in the period March to end of June 2020. In this period, delegated decisions made under the Chief Executive's 'urgency powers' were the subject of enhanced consultation with Elected Members, and a full report published on-line, similar to that which would have been provided had this been a normal committee decision. Committee meetings then resumed on a remote basis in June 2020 — The Community Planning website is designed to share information about the work of the Community Planning Partnership, especially Locality Partnerships. — The Council has separate schemes for reporting complaints, compliments and customer feedback — Two complaint reports are submitted to the Audit Scrutiny Committee each year and trends or issues fed back to services to identify improvements. Complaint handling performance is also recorded regularly in Pentana. The Council has a dedicated Complaints Manager who supports Chief Officers, Senior Managers, Elected Members, complaint handlers and acts as liaison with the Scottish Public Services Ombudsman. — All inspection reports are reviewed by Cabinet and the Audit and Scrutiny Committee. — Links to My Local Council website are published which provide the public with Local Government Benchmarking Framework performance information and comparisons to other Local Authorities. — The Council's Publication Scheme and guidance on submitting Freedom of Information and Environmental Information requests are available on the Council's website. — Guidance on submitting Subject Access Requests is available on the Council's website. — Open Data is published on the Council's Open Data Portal, allowing members of the public information on various council services ranging from information such as location of libraries to performance related matters such as contact centre call performance. — Elected Members have access to data on Pentana allowing them to view progress of the Council Plan indicators and Local Government Benchmarking Framework.
Engaging comprehensively with institutional stakeholders	<ul style="list-style-type: none"> — The Council is committed to engaging in a meaningful way with its communities so that it can understand and respond effectively to local needs and it is committed to the principles of the National Standards on Community Engagement. — The Community Planning Partnership works closely with the Consultation Institute. Accredited training on best practice in community engagement and consultation has been given to a range of Council and partner employees. This led to North Ayrshire being the first council in Scotland to be awarded The Consultation Institute's Quality Accreditation of Best Practice for the Locality Partnership Consultation. — The Council is committed to supporting the establishment and work of Community Councils and their role in Locality Partnerships.

	<ul style="list-style-type: none"> — The Community Planning Partnership website contains The Engagement Hub and a consultation calendar which brings all partner consultations together in a searchable format and gives feedback on consultations. — The Community Engagement Reference Group of the Community Planning Partnership has been refocused and will ensure partners meet the revised National Standards for Community Engagement. — The North Ayrshire Health and Social Care Partnership Integration Joint Board (IJB) is the governing body of the North Ayrshire Health and Social Care Partnership. It has delegated responsibilities from North Ayrshire Council and NHS Ayrshire and Arran. — During the pandemic, meetings of the Strategic and Tactical Ayrshire Local Resilience Partnership and a meeting of Council/Police/Cal-Mac have taken place weekly to help inform and coordinate the response of partners to the pandemic.
<p>Engaging with individual citizens and service users effectively</p>	<ul style="list-style-type: none"> — The Community Planning Partnership's People's Panel is issued to obtain the public's views on a range of issues. The People's Panel is a sample of 1,000 people living in more deprived areas and 1,000 residents out with these areas. This survey is carried out regularly to obtain views on the Community Planning Partnership's three key priorities, in addition to surveys on particular issues. — The Council routinely engages with its customers on its services. This is also done through a range of groups such as Parents Councils, Tenants Associations, Ayrshire Ethnic Minority Community Association and the Access Panel. — The establishment of Locality Partnerships has made Community Planning more accessible to local people. — Increased use of social media through Locality Facebook pages and partner use of Community Planning hashtag supports communication with a wider audience. — Participatory Budgeting is an approach to deepening engagement with residents which delivers real influence for individuals and communities and the Council has made significant commitment and investment in this work. — The North Ayrshire Community and Locality Planning Model extends and deepens engagement with individuals and participation by communities by using the following process: co-defining the issues; co-producing the responses; and co-delivering the solutions. — We currently use the Consul application to run Shaping North Ayrshire, our online participation forum allowing residents the opportunity to provide us with feedback on current topics. — Application of the Place Standard allows individuals and communities to express how it feels to live in local communities and to shape the development of community and spatial planning in their area. — Monthly customer satisfaction surveys carried out by Customer Services were suspended during the pandemic and will recommence in April 2022. A report will be produced showing the satisfaction levels and comments which will then be used to form an improvement action plan.

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

<p>Defining outcomes</p>	<ul style="list-style-type: none"> — The Council's mission and vision outlined in the Council Plan 2019/24 links strongly to the North Ayrshire Community Planning Partnership's (CPP's) shared vision of 'North Ayrshire – A Better Life'. — The Council's mission and vision in its Council Plan are: <ul style="list-style-type: none"> ○ Mission: 'Working together to improve well-being, prosperity and equity in North Ayrshire' ○ Vision: 'A North Ayrshire that is 'Fair For All'' — The Council Plan 2019/24 was approved by Cabinet in June 2019. — The role of the Audit and Scrutiny Committee and Executive Leadership Team/ Chief Officers Leadership Team is to scrutinise the findings from the various performance reports. We regularly report on the following to ensure effective scrutiny: <ul style="list-style-type: none"> • Locality Outcome Improvement Plan (LOIP) Progress Reports. • Locality Partnership progress reports. • Council Plan Progress Reports - six monthly reports to Cabinet and the Audit & Scrutiny Committee. • Council Plan Annual Performance Report. — We utilise the Pentana online performance management system to track and manage Council priorities and measures. — The Council Plan performance framework (PIs) are reviewed on an annual basis. The Council Plan Delivery Plan (actions) is reviewed at least once per year depending on when actions are completed. — Operational Plans are reviewed on an annual basis. — Strategic risks are managed within Pentana.
<p>Sustainable economic, social and environmental benefits</p>	<ul style="list-style-type: none"> — The Community Wealth Building Strategy was approved in 2020, the first in Scotland. It is central to our Council Plan. — The 'Fair For All' Strategy has been developed, with clear pledges agreed by Community Planning partners across themes of food, environment, children, health and economic growth. There is a focus on addressing child poverty, with the second North Ayrshire Joint Child Poverty Action Plan published in October 2020 including a focus on reducing the Cost of the School Day. — Environmental Sustainability & Climate Change Strategy in place.

	<ul style="list-style-type: none"> — Local Biodiversity Action Plan in place. — ‘Sustainability Board’ comprising senior management representatives from each Council Directorate. — Annual Climate Change Reporting Duty submitted to Scottish Government. — Council Plan performance indicator in relation to carbon emissions and amount of energy generated from low carbon sources. — The Council has a balanced range of cost-based indicators which are reported on an annual basis through our Council Plan Progress reporting. In addition, the Council is committed to using the Local Government Benchmarking Framework (LGBF) Performance Indicators to scrutinise performance against all local authorities within Scotland. — The Economic Development & Regeneration Service complies with the Scottish Regulators Strategic Code Of Practice. The integrated regulatory functions within the service (Building Standards, Environmental Health and Trading Standards) can demonstrate an effective contribution towards the Council's approach to sustainable economic growth as well as maintaining and promoting a prosperous, fair and safe society.
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D. Determining the interventions necessary to optimise the achievement of the intended outcomes

Determining interventions	<ul style="list-style-type: none"> — The information submitted to Committees is discussed in detail at pre-Agenda meetings (except in the case of regulatory committees, where a pre-Agenda meeting would not be appropriate) held one week prior to the formal meetings and any additional information sought to allow a fully informed decision to be taken is established at that time. — Each report should indicate the justification for each action proposed and consultations undertaken in its development, together with feedback from consultees. Reports also contain separate sections on a range of implications (financial, socio-economic duty, human resources, legal, equality, children and young people, sustainability, the Council's key priorities and Community Benefit). Guidance for Report Authors provides information on the completion of these elements within these required fields in a committee report.
Planning interventions	<ul style="list-style-type: none"> — Council Plan six monthly reports. — Operational Plan reports to Heads of Service and Executive Directors. — Use of Pentana online performance management system allows us to ensure we are achieving acceptable levels of performance, identify opportunities for continuous improvement and ensure we have plans in place to improve underperforming areas. — Strategic risks are managed within Pentana.

	<ul style="list-style-type: none"> — Council and Operational Plan performance reports contain trend information on Performance Indicators. — Risk Management Strategy is in place and available on our website. — The Community Planning Partnership Risk Register in place and published on the Community Planning Partnership's website. — Long Term Financial Outlook – The Council's Long-Term Financial Outlook outlines the financial challenges facing the Council over the next 10 years. This was reported to Cabinet on 16 December 2020. — 'A Workforce for the Future' sets out our Workforce Planning approach and is published on our intranet to support managers and Heads of Service in shaping their current and future workforce to ensure delivery of efficient and effective services and is a significant factor in how we transform our Council to deliver our financial challenges. Our workforce planning approach is live and organic and utilises a variety of tools and techniques to ensure our workforce requirements for the future in terms of skills and capabilities are planned. In order to be successful, it is key for workforce planning to flow from the Council Plan and link to both people management and operational processes. — Medium Term Financial Plan – The Council's Medium-Term Financial Plan provides an overview of the Council's anticipated financial position for the next three financial years. This is approved by Council annually with the most recent being approved by Council on 5 March 2020. A copy of the budget book is published on our website each year. https://www.north-ayrshire.gov.uk/council/performance-and-spending/budgets-and-finance.aspx — Capital Investment Programme – The Council's Capital Investment programme provides an overview of the capital projects the Council is investing in over the period to 2027/28 and the associated funding sources. This is approved by Council annually. A review of the 10-year General Services Capital Investment Programme 2021/22 to 2030/31 was presented to Council in March 2021. — Capital Investment Strategy – The Council's Capital Investment Strategy provides an overview of how capital investment plans, financing and treasury management activity contribute to the infrastructure and provision of services for the benefit of North Ayrshire communities and citizens. This was approved by Council on 27 February 2019. Our Capital Investment Programme can be found on our website. — Asset Management Plans are in place.
Optimising achievement of intended outcomes	<ul style="list-style-type: none"> — Regular reporting of financial performance to Cabinet. — Production of annual accounts and publication on our website. — Local Financial Returns.

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

Developing the entity's capacity	<ul style="list-style-type: none"> — The Leadership Academy provides skills, knowledge and behavioural development for leaders at all levels. Managers regardless of grade can, if committed to their continuous learning and supported by their Manager, progress through the levels of the Leadership Academy from First to Strategic. This provides an opportunity to build leadership capacity and grow our own talent.
Developing the capability of the entity's leadership and other individuals	<ul style="list-style-type: none"> — Each employee has a Role Profile which provides information on the expectations of the job. This supports the development of skills, knowledge and behaviours of our employees. — All governance documents including the Scheme of Delegation to Officers and the Financial Regulations document are published on our website. — All employees throughout the Council participate in Our Time To Talk which provides the opportunity to discuss the focus of work. It ensures managers and employees take some time out, at least once per year, to check-in, reflect and most importantly 'TALK' about how the employee is getting on at work. This is an annual discussion which can be supported throughout the year by 121/supervision discussions and a mid-year review as required. — New Elected Members are provided with a full Induction programme which includes all aspects of Conduct business, such as overview of Council meetings, introduction to the Executive Leadership Team and the role of the councillor. — A series of development events are provided to further support Elected Members Development. A calendar of events on a variety of topics is arranged and promoted to Elected Members, in addition to online guides and e-learning. — Elected Members are invited to participate in an annual development discussion in addition to an opportunity to participate in self/360 assessment. This allows identification of development activity to support their role and provides feedback on their individual performance utilising the 360 tool. — The Community Planning Partnership's Learning & Development Plan contains leadership development.

F. Managing risks and performance through robust internal control and strong public financial management

Managing risk	<ul style="list-style-type: none"> — Risk Management Strategy approved by Cabinet and published. — Strategic Risk Register refreshed annually and approved by Cabinet. — Strategic Risk Management Group, with senior representation from all Directorates, meets quarterly to review risks and is developing a risk management action plan to further embed risk management across the Council. — Community Planning Partnership Risk Register (revised in 2017 to tie in with Local Outcomes Improvement Plan).
Managing performance	<ul style="list-style-type: none"> — Performance reports are initially scrutinised by Service Management Team and the Executive Leadership Team. — Performance Reports go to the Council's Cabinet and Audit and Scrutiny Committee. — Benchmarking activity is undertaken based on the Local Government Benchmarking Framework (LGBF) as well as through specific groups. In addition to quantitative comparisons, outcome-based benchmarking also takes place. — Our Best Value Assurance Audit resulted in a positive report in June 2020.
Robust internal control	<ul style="list-style-type: none"> — The Council has a framework of Internal Controls embedded within services, underpinned by Financial Regulations and Codes of Financial Practice which are approved by the Council. — Internal Audit follows an approved plan of work to review controls across the Council on a cyclical basis. — All audit findings are reported to the Council's Audit and Scrutiny Committee. — The Council has a Corporate Fraud Team which investigates all allegations of fraud and error against the Council. — An annual report and assurance statement is provided by the Chief Auditor to the Audit and Scrutiny Committee.
Managing data	<ul style="list-style-type: none"> — The Council's Records Management Plan (RMP) was approved by the Keeper of the Records of Scotland in 2015 and a successful interim assessment conducted in 2018, with the outcome report published on the Council website. — The Council maintains an Information Asset Register (IAR).

G. Implementing good practices in transparency, reporting and audit to deliver effective accountability

<p>Implementing good practice in transparency</p>	<ul style="list-style-type: none"> — We publish our public facing reports on our website. — Committee Reports and webcasting on our website. — Presumption that all committee business is open to public except where required by law to be in private. — Open datasets.
<p>Implementing good practices in reporting</p>	<ul style="list-style-type: none"> — Annual Governance Statement. — Mid and Annual Performance Report with the June 2020 Best Value Assurance Report commenting on recent improvements. — Community Planning Partnership Annual Performance Report. — Health and Social Care Partnership Annual Performance Report. — Annual Accounts demonstrates best practice according to external auditors.
<p>Assurance and effective accountability</p>	<ul style="list-style-type: none"> — Annual Governance Statement is approved by the Audit and Scrutiny Committee prior to inclusion within the annual accounts. — Any recommendations by External Audit are reported to the Audit and Scrutiny Committee and progress with implementation is monitored by Internal Audit and also report to the Committee on a bi-annual basis. — Internal Audit work is reported to the Audit and Scrutiny Committee on a quarterly basis. — The Council's Internal Audit Team has completed an External Quality Assessment in February 2017 which demonstrates compliance with the Public Sector Internal Audit Standards. This needs to be carried out every five years and will next be completed in 2021/22. — The Chief Auditor has rights of access to the Chief Executive and the Chair of Audit and Scrutiny in relation to any audit matter. — The Data Protection Officer has rights of access to the Chief Executive and the highest management in relation to any personal/sensitive data protection matters.

NORTH AYRSHIRE COUNCIL**19 January 2022****Audit and Scrutiny Committee**

Title:	Internal Audit Reports issued
Purpose:	To inform the Committee of the findings of Internal Audit work completed between November and December 2021.
Recommendation:	That the Committee considers the outcomes from the Internal Audit work completed.

1. Executive Summary

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

2. Background

- 2.1 This report provides information on Internal Audit work completed between November and December 2021. Internal control reviews have been completed in respect of the areas detailed in Appendix 1 to this report. The aim of these reviews is to provide assurance that the internal control framework within the areas examined is appropriate and operating effectively.
- 2.2 The findings from each audit assignment have been notified in writing to the Chief Executive, the Section 95 Officer and the relevant Executive Director and Head of Service on the completion of each assignment. Where appropriate, this has included an action plan with recommendations for improving internal control. Appendix 1 includes the report and action plan from each audit.

2.3 The findings from five separate audit assignments are detailed at Appendix 1 to this report and the levels of assurance for each are noted in the table below:

Audit Title	Assurance Level
Payroll Transaction Testing	Reasonable
Procurement of Educational Supplies	Reasonable/Limited
Benefits	Substantial
CCTV in Council Buildings and Vehicles	Limited
Accounts Payable Transaction Testing	Reasonable

2.4 The key findings are as follows:

- For spend across pupil equity funding, central budgets and procurement card spend, analysis identified some suppliers which are not included on the Contract Register. Furthermore, descriptions provided against some procurement card transactions were sometimes insufficient to allow the procurement theme to be identified and analysed. Other issues identified relating to procurement cards such as sharing of card details, timely review of transactions, online purchasing and training were addressed in the previous Procurement Card audit. These actions are in the process of being implemented and Internal Audit are carrying out a full follow up of the findings to assess implementation.
- For CCTV in council buildings and vehicles there is a general recognition across the Council that CCTV images are personal data that require protection, however there is a requirement to harmonise practices across the Council to ensure a consistent approach to recording, storing and accessing CCTV images. Work has already commenced in the form of a cross service working group to take forward issues relating to CCTV.

3. Proposals

3.1 It is proposed that the Committee considers the outcomes from the Internal Audit work completed between November and December 2021.

4. Implications/Socio-economic Duty

Financial

4.1 None.

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 The work of Internal Audit helps to support the efficient delivery of the strategic priorities within the Council Plan 2019-2024.

Community Wealth Building

4.7 None.

5. Consultation

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

Mark Boyd
Head of Service (Finance)

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

Background Papers

None.

PAYROLL TRANSACTION TESTING Q1

1 Background

- 1.1** This audit was conducted as part of the approved 2021/22 Internal Audit Plan and used computer audit software to interrogate the HR/Payroll system and examined any anomalies which arose.
- 1.2** Audit software called IDEA (Interactive Data Extraction and Analysis) has been used to carry out this testing.
- 1.3** The Employee Account is used to access and complete internal online forms for contract amendments and terminations.
- 1.4** Mileage, travel and subsistence claims can either be submitted via the completion of a manual claim form, which is then physically authorised, or electronically via the system called HR21, which allows the claim form to be electronically completed and approved.
- 1.5** The Payroll system has a screen called Authorised Signatories which records what the employee is authorised to approve.
- 1.6** Some changes to the process had to be made due to COVID-19 with employees working from home and not being able to obtain physical signatures.

2 Objectives and Scope

- 2.1** The main objectives of this audit were to ensure that:
 - High overtime payments are valid and properly authorised.
 - Employees working over 48 hours per week have signed the Working Time Regulations Opt-Out Form.
 - Employees' last pay is correct, properly authorised and has not resulted in an overpayment.
 - Salary amendments are valid and authorised.
 - High mileage claims are in line with the Terms and Conditions of Employment, are valid and authorised.
 - Travel and subsistence expenses are in line with the Terms and Conditions of Employment, are valid and authorised.
 - Employee details are valid and complete.
 - Allowances and deductions are in line with the Terms and Conditions of Employment, are valid and properly authorised.
- 2.2** This testing covered the period 1st October 2020 to 31st March 2021.

3 Findings

High Overtime Payments

- 3.1** A sample of 10 high overtime payments were selected to ensure the payments agreed to approved paperwork. There were 5 out of 10 overtime forms where the reason for the overtime was not recorded.

Working Time Regulations

- 3.2** The auditor tested for employees who are either contracted to work 48+ hours per week or have an average of 48+ hours per week as per the period 01/10/20 to 31/03/21 including overtime. There were 71 employees meeting these criteria and it should be noted that 59% work in Physical Environment and 34% work in Commercial Services. The auditor selected a sample of 20 to ask the service for evidence the employee has agreed to be excluded from the 48-hour weekly limit as per the Councils Terms and Conditions of Employment. The sample included employees from Roads, Building Services and Facilities Management. This testing identified 11 employees with no opt out form recorded in their personal file and 9 employees with no opt out recorded on the HR/Payroll system. All these employees work within the Physical Environment service. **(action a)**
- 3.3** HR confirmed there is an HR guide called Working Time Regulations which documents the process to ensure staff opt out and this is properly recorded on the HR/Payroll system. Not all senior managers are aware of this guide. During the audit, HR advised they will incorporate a report into a Workforce Info Power BI to share with managers to identify multi-post employees. Managers should then liaise with the employees to determine whether the opt-out process is appropriate. This will improve the management of this process. **(action b)**

Leavers Last Pay

- 3.4** The auditor selected a sample of 15 leavers to ensure the employee's last pay is correct, the termination form has been received on a timely basis and was approved by an authorised signatory. The following was identified and rectified during the audit:
- 9 leavers forms were submitted after the leaving date.
 - 9 employees were overpaid, and this was rectified by Payroll. The overpayments ranged from 3 days to 77 days.
- 3.5** There were 4 employees who left within 30 days of starting with the Council and their last pay was also checked to ensure it was correct. This testing identified 1 employee that was paid 4 weekly pays but never started. One employee was overpaid 22 days. In both cases, the overpayment was recovered. It was also found that an employee was overpaid £302.67 and Payroll will arrange for an account to be sent to the employee. In addition, 3 out of 4 leavers forms were submitted after the leavers date.

Salary Amendments

- 3.6** The auditor selected a sample of 10 amendment forms. It was noted that 3 of the amendment forms for HSCP employees were received after the effective date. There were no other findings to note.

Travel and Subsistence Expenses

- 3.7** The auditor selected a sample of 10 high mileage payments to check to the mileage claim form. It was noted that 1 claim form was not submitted within the 3-month period and 1 claim form was not properly approved. The claim form was sent to Payroll by the claimant and the approver's name was typed on the claim form so there is no evidence the approver approved the claim form. **(action c)**
- 3.8** The auditor selected a sample of 5 fares and subsistence payments to check to the claim form. There were no findings to note from this testing.

Employee Details

- 3.9** Various tests were carried out on employee details and the only finding to note were in relation to 4 employees with duplicate records. Payroll advised the duplicate record had never been set up with a pay type and were still recorded as expected to start. The duplicate records have since been deleted.

Allowances and Deductions

- 3.10** The auditor selected a sample of 5 allowances to ensure the allowances are in line with the Terms and Conditions of Employment and agreed to approved paperwork. There were no findings to report from this testing.
- 3.11** The auditor selected a sample of 5 pay advance deductions to ensure these deductions have been made in line with the pay advance procedure for new employees. There were no findings to report from this testing.

4 Internal Audit Opinion

- 4.1** Overall, reasonable assurance was obtained with regard to the processing of Payroll transactions, but it should be noted there were a high number of overpayments made to employees who continued to be paid after they left the Council.

Definitions of Assurance Levels:

Substantial	The framework of governance, risk management and control is adequate and effective.
Reasonable	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited	There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
None	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

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

KEY FINDINGS AND ACTION PLAN

PAYROLL TRANSACTION TESTING Q1

Action	a
Finding	There are 11 employees with no opt out form recorded in their personal file and 9 employees with no opt out recorded on the Payroll system for employees working 48+ hours per week. All these employees work within the Physical Environment service.
Action Description	Employees should be asked to complete the opt out form and the forms should be passed to Employee Services to key to the HR/Payroll system.
Risk	Awarding compensation if an employee makes a claim against the Council. Non-compliance with legal requirements.
Priority (1, 2, 3)	2
Paragraph Reference	3.2
Managed by	Yvonne Baulk, Head of Service (Physical Environment)
Assigned to	Carolyn Hope, Senior Manager Facilities Management
Due Date	30 th November 2021
Management Comment	It was unclear that the Service was to manage and retain this information due to a previous instruction however this has now been clarified. All staff have been contacted who work >48 hours and forms have been passed to Business Support for logging on Chris and their personnel file. Due to the service having no administrative support, this part of the process will remain with Business Support.

Action	b
Finding	HR confirmed there is an HR guide called Working Time Regulations which documents the process to ensure staff opt out and this is properly recorded on the HR/Payroll system. Not all senior managers are aware of this guide. During the audit, HR advised they will incorporate a report into a Workforce Info Power BI to share with managers to identify multi-post employees. Managers should then liaise with the employees to determine whether the opt-out process is appropriate.
Action Description	HR should re-issue the HR guide to managers to ensure the correct process is being followed. HR will incorporate data in relation to multiple posts into a Workforce Info Power BI to share with managers to assist this process.
Risk	Awarding compensation if an employee makes a claim against the Council. Non-compliance with legal requirements.
Priority (1, 2, 3)	2
Paragraph Reference	3.3
Managed by	Fiona Walker, Head of Service (People & ICT)
Assigned to	Jackie Smillie, Senior Manager HR&OD
Due Date	December 2021
Management Comment	HR will issue the guidance as above and liaise with the GIS/Analytics team to facilitate the inclusion of the multi post detail in the Workforce Info Power BI.

Action	c
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Finding	It was noted that 1 mileage claim form was not properly approved. The claim form was sent to Payroll by the claimant and the approvers name was typed on the claim form so there is no evidence the approver approved the claim form.
Action Description	Payroll staff should be reminded to check there is a physical signature for an approver or an email from the approver before processing a mileage claim form.
Risk	Mileage has not been properly authorised.
Priority (1, 2, 3)	2
Paragraph Reference	3.7
Managed by	Fiona Walker, Head of Service (People & ICT)
Assigned to	Jackie Hamilton, Senior Manager Employee Services
Due Date	Complete
Management Comment	An email has been issued to the Payroll Team reminding them of the importance to ensure that the mileage form has been appropriately approved and to check that the submission of the mileage claim via a form and not via HR21 the self-service system is the correct submission route.

Priority Key used in Action Plan

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

PROCUREMENT OF EDUCATIONAL SUPPLIES

1 Background

- 1.1 Education has a wide procurement remit, providing a safe learning and nurturing environment for pupils. The audit analysed spend in the following areas: Pupil Equity Funding (PEF), procurement cards, and central spend on the Integra Accounts Payable system.
- 1.2 To allow an overview of spend prior to and during COVID-19 restrictions audit testing was carried out on procurement card transactions in the period April 2018 through to March 2021. Spend analysis was completed using Microsoft Power Pivot. Due to the large amount of data reviewed, most analysis was carried out in calendar rather than financial years.
- 1.3 Integra spend was analysed for the financial years 2019/20, 2020/21 and the current year to period three.

2 Objectives and Scope

- 2.1 The main objectives of the audit were to ensure that:
 - The service is complying with procurement procedures
 - Procurement cards are being used in compliance with procedures
 - PEF and other spend is appropriate

3 Findings

- 3.1 Procurement guidance is provided by the Procurement team and is current. PEF and central funding guidance provided to staff is current and complete.
- 3.2 A random sample of invoices confirmed that procurement procedures had been followed and invoices were authorised appropriately. IT equipment was purchased centrally through the IT department.
- 3.3 Analysis of the top ten suppliers by spend amount for each type of spend identified 3 suppliers who were common to all of three procurement types analysed. Another 8 suppliers were common to both Procurement card and PEF spend. Of these, 6 suppliers were not on the Contract Register. **(Action a)**

Procurement Cards

- 3.4 Procurement cards was subject to a recent audit. The actions from that audit will have an impact on Education staff with regards to training and spend of on-line transactions.
- 3.5 For the period audited, there were 10,695 transactions at a value of £1,139,470. Education staff provide a transaction description. These descriptions are vague and proper spend analysis is difficult. To enable this, 23 spend themes were identified and each transaction was allocated accordingly. Nurture and pupil wellbeing (£196,726.42, 1,791 transactions), teaching equipment and specific subject teaching aids (£252,324.19, 2,059), IT software and hardware along with equipment (£143,202.24, 945) accounted for the majority of procurement card spend. There were 329 transactions totalling £47,365.23, where the description was insufficient to be allocated to a procurement theme. **(Action b)**

- 3.6** An analysis of Covid related spend patterns identified that both postage and Health and Safety expenditure, as might be expected, increased by more than double the average annual spend during the lockdown period.
- 3.7** The common issues relating to procurement card use are late authorisation of purchases, sharing of card details, and items purchased in error. Procurement services are currently reviewing both the escalation process for late authorisation and reviewing of online spend as a result of the recent audit review.

PEF Spend

- 3.8** In June 2020, the Scottish Government made a PEF offer to the Council of £4,297,771 for 2020/21 and £4,412,149 for 2021/22, £8,709,920 in total. Annexed in this document was a list of the schools and their grant allocation. Schools create a plan for how they will use the funding to close the poverty related attainment gap. These plans are reviewed by the Head of Education and other senior managers. Head Teachers share information on successful strategies.
- 3.9** In financial year 2019/20, PEF spend totalled £4,001,634 and in 2020/21 £4,732,193. In both periods two thirds of spend was staff related and the remaining third supporting attainment through purchase of equipment, learning materials and wellbeing support. The main change was the decrease in furniture spend for nurture rooms and stationery, due to home learning, over the two periods analysed. Education submits regular performance reports to the Scottish Government as part of the grant service level agreement.
- 3.10** Audit reviewed the Impact Survey Report from Auchenhavrie Academy for the year 2019/20 and the supporting budget analysis. There were three streams identified within the report, closing the attainment gap in literacy and numeracy in S1 to S3, family learning, and developing Scotland's workforce. Detailed descriptions of what had been planned were given and successful outcomes were identified.

Central Procurement

- 3.11** Over the three-year period analysed, central spend on Integra transactions was £56,142,329 to 1,055 suppliers. During the Covid period, this reduced in correlation to increased procurement card spend and the lockdown period.
- 3.12** Main areas of spend reviewed included nursery service provision, social care and health support, transport and equipment purchases. From the sample tested no issues were identified.

4 Internal Audit Opinion

- 4.1** Overall, reasonable assurance was obtained regarding the procurement of educational supplies from PEF and central Integra spend. Limited assurance was obtained regarding procurement card spend.
- 4.2** Procurement card improvements through the recording of purchase descriptions would make future analysis of spend easier, reducing the risk that contract items are purchased online at the wrong price.

4.3 Education made full use of the PEF funding available.

Definitions of Assurance Levels:

Substantial	The framework of governance, risk management and control is adequate and effective.
Reasonable	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited	There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
None	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

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

KEY FINDINGS AND ACTION PLAN

Procurement of Educational Supplies

Action	a
Finding	Top ten supplier spend analysis identified suppliers not on the Contracts Register.
Action Description	Education review the suppliers identified in the analysis and, if required, have them added to the contract register.
Risk	Best value is not achieved and items are purchased off contract. Breach of the Standing Orders relating to Contracts.
Priority (1, 2, 3)	1
Paragraph Reference	3.3
Managed by	Andrew McClelland, Head of Service (Education)
Assigned to	Lynn Taylor, Senior Manager (Resources and Infrastructure)
Due Date	31 March 2022
Management Comment	Education will work with CPU colleagues to review the top ten suppliers identified and where appropriate add them to the Contracts Register. A communication by Education will be issued to advise establishments of any new suppliers added.

Action	b
Finding	The analysis of procurement card spend is difficult due to vague description text.
Action Description	A standardised description methodology is adopted which will enable spend analysis as an ongoing process.
Risk	Fraudulent spend is not identified, contract items are not purchased at the correct price and management overview of spend is impractical and uninformative.
Priority (1, 2, 3)	1
Paragraph Reference	3.4
Managed by	Andrew McClelland, Head of Service (Education)
Assigned to	Lynn Taylor, Senior Manager (Resources and Infrastructure)
Due Date	31 March 2022
Management Comment	Education and CPU colleagues will develop standardised text and methodology for describing purchases on procurement cards. Once agreed Education will communicate to establishments for use.

Priority Key used in Action Plan

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

BENEFITS

1 Background

- 1.1** There are a number of benefits and grants available to North Ayrshire residents who are suffering financial hardship.
- 1.2** This audit has focussed on the following:-
- Council Tax Reduction Scheme (CTRS)
 - Discretionary Housing Payments (DHP)
 - Scottish Welfare Fund awards (SWF)

2 Objectives and Scope

- 2.1** The objectives of this audit were to ensure:-
- Applications for support from the above 3 schemes are being assessed accurately and timeously
 - The Council is accurately and timeously updating records for changes to claimant's circumstances.

3 Findings

Council Tax Reduction Scheme (CTRS)

- 3.1** The CTRS helps people on a lower income to pay for some, or all, of their council tax.
- 3.2** Eligibility for CTRS is means tested.
- 3.3** Northgate (the software system use by the Council's Revenue and Benefits Teams) is used to calculate and administer council tax reductions. The applicant's income is entered into Northgate and the system then assesses whether the applicant is eligible for a council tax reduction.
- 3.4** Inputting the correct income information is key to an accurate assessment being made, therefore audit testing focussed on ensuring:-
- The correct income information had been entered into Northgate
 - The correct start date for the claim had been used.

Accuracy Testing

- 3.5** A sample of 10 new applications were reviewed in detail. No issues were noted.
- 3.6** Changes in personal circumstances can impact on an individual's eligibility for a council tax reduction.
- 3.7** Audit tested a sample of 10 'change of circumstances' processed to ensure:-
- Revised income information had been correctly entered into Northgate
 - The amendment had been started from the correct date.
- 3.8** No issues were noted during detailed testing.

Processing times

- 3.9** The Council reports to the Scottish Government on the number of days taken to process a change. In 2020/2021 it took an average of 19 days to process a new claim and 5 days to process a change of circumstance.
- 3.10** The Service has very recently (September 2021) automated the process of inputting income information for those claiming Universal Credits. The Service hopes that over time, this could result in 40-50% of cases being processed automatically.

Discretionary Housing Payments (DHP)

- 3.11** The intention of the DHP scheme is to mitigate hardship in situations where normal Housing Benefit or Housing costs paid via Universal Credit do not cover all of an individual's rent liability.
- 3.12** There are 2 main categories of application:-
- Social Sector Size Criteria (often known as the bedroom tax). This is to cover any shortfall in housing benefits paid as a result of 'the bedroom tax'.
 - Financial hardship. Applicants experiencing short term financial hardship due to personal circumstances.
- 3.13** The majority of claims to the Council are under the social sector size criteria. Once confirmed as eligible payment will continue indefinitely, until a change of circumstances makes the claimant ineligible.
- 3.14** Payments for financial hardship are at the discretion of the Council.

Accuracy Testing

- 3.15** Audit selected a sample of 10 new DHP awards and:-

For social sector size criteria claims

- Ensured an application form, or notification from Housing Officer has been received
- Agreed the start date of the payment to the application form

For other DHP claims

- Ensured an application form has been received
- Ensured an income and expenditure analysis form had been completed by the applicant
- ensured a DHP Assessment Award form has been completed by the awarding officer, detailing the logic behind their award decision
- reviewed letter sent to tenant confirming that a payment has been awarded, the period during which it will be paid

- 3.16** No issues were noted during detailed testing.
- 3.17** If a change in circumstance affects a claimant's eligibility for DHP, Benefits staff need to manually calculate the adjustment required in Northgate to offset the previous award.

- 3.18** Audit selected a sample of 10 changes of circumstances processed and ensured:-
- Supporting documentation to confirm the change was available
 - The manually calculated adjustment was correct.
- 3.19** No issues were noted during testing.

Processing times

- 3.20** During detailed audit testing, the auditor also reviewed the length of time between receiving an application or change of circumstance notification and the processing date to ensure all claims are being dealt with timeously.
- 3.21** 18 out of the 20 cases reviewed had been processed within 1 month of being notified. Of the 2 remaining cases, 1 took just over a month (36 days) whilst the final case took nearly 3 months.

Scottish Welfare Fund (SWF)

- 3.22** The SWF scheme can provide:-
- Crisis grants – to help individuals who have suffered a disaster or emergency
 - Community care grants – to help individuals establish or maintain a home.
- 3.23** The Scottish Government has issued detailed guidance on how to operate the scheme, however the Council still has discretion on when to make an award. The Council's decision is based on an assessment of the severity of need of the applicant.
- 3.24** COVID-19 Self Isolation Support Grants are also administered via SWF.

Accuracy Testing

- 3.25** The Council does not have any written procedures on how to administer or record SWF grants. **(action point a)**
- 3.26** A sample of 5 crisis, 5 community care and 5 Covid-19 isolation grants were reviewed to ensure:-
- applications and applicant declarations are being kept
 - evidence to support applications is being obtained
 - the decision-making process is recorded
 - for crisis grants – staff have considered how many previous awards have been made in the last 12-month period (Scottish Government guidance says that no more than 3 awards should be made in a 12-month rolling period except in exceptional circumstances).
- 3.27** No issues were noted during detailed testing.

Processing times

- 3.28** The Council submits quarterly statistics to the Scottish Government on various elements of the SWF grant process.
- 3.29** Audit reviewed the processing time for SWF grants to ensure that the Scottish Government timeframes were being achieved.

- 3.30** Quarterly figures published by the Scottish Government for financial year 20/21 confirm that the Council processed 99% of all claims within the prescribed timeframes. The Scottish Government had not published quarter 1 figures for 21/22 at the time of this audit.

4 Internal Audit Opinion

- 4.1** Overall, substantial assurance was obtained with regard the Council's processing and recording of Council Tax Reduction Scheme, Discretionary Housing Payment and Scottish Welfare fund applications.

Definitions of Assurance Levels:

Substantial	The framework of governance, risk management and control is adequate and effective.
Reasonable	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited	There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
None	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

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

KEY FINDINGS AND ACTION PLAN BENEFITS

Action	a
Finding	The Council has no written procedures regarding the administration or recording of SWF grants.
Action Description	Written procedures covering all aspects of the SWF grant process should be produced.
Risk	Errors or inconsistencies in the grant assessment or recording process; reputational damage if the Council is not able to demonstrate a clear and consistent decision-making process.
Priority (1, 2, 3)	2
Paragraph Reference	3.25
Managed by	Fiona Walker, Head of Service (People & ICT)
Assigned to	Jillian Campbell (Interim Senior Manager – Customer Services)
Due Date	31 January 2022
Management Comment	Written procedures will be prepared and implemented.

Priority Key used in Action Plan

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

CCTV IN COUNCIL BUILDINGS AND VEHICLES

1 Background

- 1.1 CCTV images are classed as personal data and are therefore subject to the requirements of the Data Protection Act (DPA) and General Data Protection Regulation (GDPR).
- 1.2 As the data owner, the Council is responsible for ensuring all CCTV images are being treated in accordance with the above legislation.

2 Objectives and Scope

- 2.1 The objective of this audit was to:-
 - Ensure CCTV cameras and systems are being recognised as Council assets.
 - Confirm all Data Protection Act requirements for CCTV images are being adhered to.

3 Findings

- 3.1 The Council has an Information Asset Register (IAR) which is used to record all the Council's information assets, the risk associated with holding and processing such assets along with any measures taken to mitigate the risks. CCTV images meet the definition of an information asset and should therefore be recorded on the Register.
- 3.2 Each Service is responsible for updating the IAR for all information assets within their control.
- 3.3 Audit reviewed the IAR and found the only CCTV systems listed were:-
 - Commercial
 - CCTV/ANPR system for waste disposal/recycling/transfer sites
 - CCTV system in refuse collection vehicles
 - CCTV system at Shewalton Waste Transfer Station
 - Physical Environment
 - Public Spaces CCTV system
 - Connected Communities
 - CCTV in Dreghorn, Irvine, Saltcoats, Bourtreehill and Stevenston libraries
 - Harbour Arts Centre
 - Eglinton Park
 - Ardeer Neighbourhood Centre
- 3.4 PMI and Transport provided Audit with details of all CCTV systems they have installed in council buildings and vehicles. By comparing these lists to the IAR, it was clear that not all Services have recorded their CCTV systems in the IAR. **(action point a)**
- 3.5 Furthermore, there is no CCTV replacement programme in place. **(action point b)**

3.6 In order to assess how Services are addressing data protection requirements for CCTV, Audit requested that each Head of Service complete a questionnaire for every CCTV system within their remit.

3.7 The questionnaire covered the following:-

- In order to ensure the Council is holding the minimum amount of personal data possible, services were asked if they regularly evaluate the need for CCTV (as there may be a less invasive way to obtain the same result) and how long they are keeping CCTV back-ups for (to ensure these are being destroyed as soon as they are not required).
- The Council is legally obliged to undertake Data Protection Impact Assessments (DPIAs) for any new, or changes to current processes that involve collecting personal information. Services were asked to confirm they had completed DPIAs when introducing new or amending current CCTV systems.
- Services were asked to confirm that steps are being taken to ensure the security of CCTV systems and data – both in terms of physical steps such as keeping systems and back-ups in secured locations and also electronic steps such as limiting access to the software via passwords.
- Whilst staff should be aware of their general responsibilities for data protection and have undertaken the Council's annual GDPR refresher training, there is no Council-wide guidance on legal obligations or best practice when operating a CCTV system. Services are therefore responsible for creating their own guidance for staff. Services were asked to confirm whether such guidance is available.
- The public have a right to know their image is being captured. Services were asked to confirm they are displaying notices in prominent locations that confirm that CCTV recording is being undertaken, that North Ayrshire Council is the owner of the CCTV system and giving a method of contacting the Council should a member of the public wish to raise a query or complaint.

3.8 Based on the questionnaires returned, the following key issues were highlighted:-

- There are many instances within the Council where multiple Services have an element of responsibility for a single CCTV system.
- Services have taken different approaches to managing CCTV systems and data. Some services are using the Council's 'Public Space CCTV and Concierge Services Code of Practice' as a guide, some have drafted their own procedures, whilst others have no written guidance for staff.
- Services are not always clear when a DPIA is required.
- Signage needs to be reviewed at all sites to ensure it is adequate.

3.9 Services need to know exactly what role they play in the overall management of the CCTV system, and the corresponding responsibilities this imposes upon them. This is particularly important in situations where multiple services share a location covered by a single CCTV system. A Council-wide approach would reduce the risk of data breaches. **(action point c)**

- 3.10** It should be noted that during audit testing it became apparent that services use other systems that record the public, such as body cameras and dashboard cameras. Although these were outwith the scope of the audit, these recordings should be treated in the same way as CCTV recordings i.e. recorded on the Council's IAR, and treated in accordance with data protection requirements. **(action points a and c)**
- 3.11** The Council had already identified a gap in the requirement for greater CCTV governance which resulted in a 'CCTV Surveillance in North Ayrshire' report to the Executive Leadership Team on 22 September 2021. Following this, a decision was taken to create a cross-service working group to take forward the work in this area.

4 Internal Audit Opinion

- 4.1** Overall, limited assurance was obtained with regard to the Council's current approach to CCTV systems within council buildings and vehicles.
- 4.2** Whilst services are, in general, recognising CCTV images as data that requires protection, the variance in approach increases the risk of failures in compliance with relevant legislation.

Definitions of Assurance Levels:

Substantial	The framework of governance, risk management and control is adequate and effective.
Reasonable	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited	There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
None	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

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

KEY FINDINGS AND ACTION PLAN

CCTV IN COUNCIL BUILDINGS AND VEHICLES

Action	a
Finding	Services are holding CCTV assets and details in different ways, with some services opting to use the Council's Information Asset Register (IAR) to record CCTV assets. However, the information is incomplete.
Action Description	There is a need to explore the system options available with a view to creating a suitable Council-wide register of all CCTV systems. This register should hold details such as location of assets, technical specification of cameras and software, who is responsible for the maintenance of the asset, who is responsible for data protection.
Risk	The Council is unaware of where information assets are within the Council, and their associated risks; the Council is unaware of the quality of its CCTV infrastructure; existing maintenance contracts may not cover the full CCTV network; lack of ownership of Council assets.
Priority (1, 2, 3)	2
Paragraph Reference	3.4, 3.10
Managed by	Aileen Craig – Head of Service (Democratic)
Assigned to	Aileen Craig – Head of Service (Democratic) Russell McCutcheon – Executive Director (Place) Caroline Cameron – Executive Director (Health & Social Care) Caroline Amos – Executive Director (Interim) (Communities)
Due Date	31 March 2022
Management Comment	A cross service working group has been established to take forward issues relating to CCTV across the Council. This includes undertaking an inventory of all CCTV assets in place to ensure that they are all recorded. The group has already met, and a full inventory review is in the process of compilation. Once the inventory is assessed in conjunction with the current asset register, further steps will be undertaken as necessary, to ensure that a comprehensive register of all CCTV assets is in place with processes for regular updating and review.

Action	b
Finding	Audit were advised that there are various capital budgets in place covering vehicles and property lifecycle investment. However, there is no formal replacement programme for CCTV equipment.
Action Description	<p>A minimum technical standard for CCTV systems should be set for the Council. A Council-wide audit of CCTV inventory should be carried out to assess compliance of CCTV assets against the standards, which will give an indication of the level of capital investment required to bring the Council's CCTV systems up to an appropriate standard and form the basis of a bid for capital.</p> <p>An approval process should be introduced to ensure new CCTV purchases meet the requirements of the standards.</p>
Risk	Substandard systems that aren't fit for the intended purpose. CCTV footage is not available or not usable when required.
Priority (1, 2, 3)	2
Paragraph Reference	3.5
Managed by	Aileen Craig – Head of Service (Democratic)
Assigned to	Mark Boyd – Head of Service (Finance) Russell McCutcheon – Executive Director (Place)
Due Date	30 June 2022
Management Comment	<p>Financial provision already exists across a range of capital budgets including property lifecycle maintenance, transport replacement and the recently approved £7m capital budget to support key infrastructure investment.</p> <p>The CCTV replacement programme will be informed through the work of the cross service working group and will include an assessment of minimum standards / technical specification and supported by an appropriate investment approval process. Any investment requirement will subsequently be programmed into these existing budgets with the specific financial allocations agreed between the Executive Director of Place and the Head of Finance.</p>

Action	c
Finding	While some services have developed their own processes and policies on CCTV, there is no Council-wide guidance available to Services on responsibilities and obligations when operating a CCTV system.
	<p>In order to ensure consistency across the Council, a Council-wide approach should be taken towards CCTV.</p> <p>The Council should have a policy that clearly states the responsibility of the data owner. This policy should include:-</p> <ul style="list-style-type: none"> • The requirement to regularly review CCTV systems in order to confirm they are necessary • The need to complete DPIA's for all new or upgraded CCTV systems • The need to ensure the security of CCTV systems and back ups • The need to train and provide detailed guidance to staff on data protection • The need to display appropriate signage to make the public aware of the fact that CCTV recording is being undertaken.
Risk	Inconsistent approach across Services; higher risk of data protection breaches.
Priority (1, 2, 3)	1
Paragraph Reference	3.9, 3.10
Managed by	Aileen Craig – Head of Service (Democratic)
Assigned to	Lauren Lewis – Senior Manager (Information Governance)
Due Date	31 March 2022
Management Comment	Work has commenced on consolidation of CCTV policies across the Council into a single policy and will be in place by March 2022. Advice will be sought from the Cyber Security Architect on the necessary provisions for security and back up.

Priority Key used in Action Plan

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

ACCOUNTS PAYABLE TRANSACTION TESTING Q2

1 Background

- 1.1 This audit used computer audit software called IDEA (Interactive Data Extraction and Analysis) to interrogate the Accounts Payable (AP) System and examined any anomalies which arose.
- 1.2 There were 4,593 active Trade Suppliers (for processing payments to standard suppliers, individuals, and social services) and 537 Sundry Suppliers (for processing one-off sundry payments) on Integra as at 16/08/21.
- 1.3 There were 46,012 invoices paid to trade and sundry suppliers during the period of the audit totalling just over £162 million.

2 Objectives and Scope

- 2.1 The main objectives of this audit were to ensure that:
 - duplicate suppliers are identified and de-activated to minimise the risk of duplicate invoices being paid.
 - duplicate invoices have not gone undetected.
 - advance payments have been reported to Financial Management for the list of pre-payments at financial year-end.
 - high value invoices have been properly authorised.
 - invoices paid to employees are bona fide.
- 2.2 The audit period was 1st January 2021 to 30th June 2021. This audit will be carried out again in quarter 4.

3 Findings

Supplier Tests

- 3.1 Testing was carried out to identify duplicate trade suppliers on the system. Testing identified 48 duplicate suppliers either by supplier name or bank details. These were passed to the AP team to review and deactivate as appropriate. **(Action a)**
- 3.2 Testing also highlighted 51 active suppliers with no bank details recorded on Integra. These were passed to the AP team for information purposes.
- 3.3 There were 240 new suppliers set up between 01/01/21 and 30/06/21. An e-form is completed for new suppliers and the bank details are verified before the new supplier process is completed on Integra. The AP team provided the auditor with a report listing all new supplier e-form requests for this period which included the name of the person who verified the bank details. It was noted that in a number of cases the information recorded is the first name only. The full name and job title of the person verifying the bank details is not being recorded to provide a full audit trail. **(Action b)**

Invoice Tests

- 3.4** The auditor tested for duplicate invoices for payments to suppliers and identified 186 possible duplicates that were investigated further. This confirmed that 68 were duplicates but had already been identified and action taken by the AP team. This testing therefore identified 13 potential duplicate invoices totalling £4,203.01, which have not already been identified by the AP team. The potential duplicates have been passed to the AP team to check and arrange recovery. **(Action c)**
- 3.5** The auditor noted an overlap in payment period for 53 HSCP payments which was queried with the Service. The Service advised these are Direct Payments which are paid 4 weekly and Integra populates the processing date as the period start date in the narrative field, but this is not the correct start date. As a result, there were no overlaps in payment periods. **(Action d)**
- 3.6** Testing identified a further payment error by the AP team. An invoice from Hub South West Scotland for the amount of £724,194.73 was paid to Hub South West Largs in error. The AP team contacted the hub, and it was agreed for the monies to be transferred to the correct account by CHAPS payment. However, the invoice was processed again on Integra to pay the correct supplier. This was detected when the payments over £10k report was checked and this payment was reversed. The internal control checks did pick up this error before the money was paid out.
- 3.7** There were 353 records with a payment date more than 1 year after the invoice date. Testing was carried out on a sample of 10 and in 5 cases the correct invoice date was keyed and there was a significant delay in the payment of the invoice. The other 5 had the dates wrongly keyed. From the received dates, 3 out of the 5 delays were in the suppliers issuing the invoices rather than the Council paying them but in 2 of the 5 cases it related to a delay in the Council paying them. Financial Management confirmed that there are no VAT implications when paying invoices more than 1 year old.

Advance Payment Tests

- 3.8** The auditor tested for round sum amounts over £20,000 to help identify any advance payments. There were 37 invoices found meeting this criterion and 23 were passed to Financial Management to confirm the correct action had been taken ahead of the annual accounts being closed. Financial Management reviewed them and identified the majority had been posted correctly and took corrective action to those that had not.

High Value Payment Tests

- 3.9** The auditor selected a sample of 30 invoices over £10,000 to check the invoices were approved by an authorised signatory, were approved within the approval limit and an independent check had been carried out. Although there were no specific findings to note, the auditor did find a mix of scanned signatures and emails being used to provide invoice approval for non-PO invoices. The use of scanned signatures should stop being used as an approval method as it is possible they are accessed without authority and used to get payments made without proper authorisation. **(Action e)**
- 3.10** Changes to the invoice approval process were made when employees started working from home. The auditor was advised by the AP team that an approval email was required if the service could not attach a scanned signature to an invoice. The use of

email authorisation should be an interim solution until the council can progress with the move to electronic invoice approval for non-PO invoices. **(Action f)**

Creditors to Payroll Data Match

- 3.11** The auditor tested for employees who have been paid via Integra. When the supplier bank details from the Integra system were initially matched to the employee bank details from the Payroll system, no matches were found. Further investigation showed that when the employee bank details were extracted in a Payroll report, an extra zero has been added to the end of each bank account number. Once the extra zero was removed, matches were identified. This anomaly has been passed to the Chris admin team to investigate.
- 3.12** There were 27 supplier bank details matching an employee's bank details. All invoices paid to these suppliers were checked and the majority were in relation to kinship/fostering/adoption payments. There were a very small number of other payments to an employee's bank account which were for genuine business services provided and therefore no issues were identified.

4 Internal Audit Opinion

- 4.1** Overall, reasonable assurance was obtained with regard to the controls around the processing of invoices, in particular to preventing duplicate invoices being processed as the number of potential duplicates identified is relatively low.

Definitions of Assurance Levels:

Substantial	The framework of governance, risk management and control is adequate and effective.
Reasonable	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited	There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
None	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

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

KEY FINDINGS AND ACTION PLAN
ACCOUNTS PAYABLE TRANSACTION TESTING Q2

Action	a
Finding	Testing was carried out to identify duplicate trade suppliers on the system. Testing identified 48 duplicate suppliers either by supplier name or bank details. These were passed to the AP team to review and deactivate as appropriate.
Action Description	Procurement should review the list of duplicate suppliers and deactivate suppliers as appropriate.
Risk	Duplicate invoices may be paid to the same supplier via different supplier numbers.
Priority (1, 2, 3)	1
Paragraph Reference	3.1
Managed by	Mark Boyd, Head of Service (Finance)
Assigned to	Suzanne Quinn, Senior Manager (Procurement)
Due Date	31/01/22
Management Comment	The Accounts Payable team will deactivate the 48 suppliers where appropriate or advise Internal Audit of the reason why both suppliers need to remain active by the end of January 2022.

Action	b
Finding	In a number of cases only the first name of the person verifying the bank details for a new supplier is recorded by the AP team. The full name and job title of the person verifying the bank details is not always being recorded.
Action Description	The AP team should be advised to record the full name and job title of the person verifying the bank details when setting up a new supplier.
Risk	Lack of a proper audit trail.
Priority (1, 2, 3)	2
Paragraph Reference	3.3
Managed by	Mark Boyd, Head of Service (Finance)
Assigned to	Suzanne Quinn, Senior Manager (Procurement)
Due Date	Complete
Management Comment	The Accounts Payable team were notified on 30/11/21 that the full name of the person verifying bank details must be recorded.

Action	c
Finding	Testing identified 12 potential duplicate invoices totalling £3,978.24, which have not already been identified by the AP team.
Action Description	AP should review the potential duplicate invoices and arrange for recovery of monies paid twice.
Risk	The Council has paid the same invoice twice and the money has not been recovered.
Priority (1, 2, 3)	1
Paragraph Reference	3.4
Managed by	Mark Boyd, Head of Service (Finance)
Assigned to	Suzanne Quinn, Senior Manager (Procurement)
Due Date	31/01/22

Management Comment	The Accounts Payable Team will investigate the 12 potential duplicate invoices by 31/01/22 and recover where appropriate or notify Internal Audit why duplicate payment is legitimate. Recovery of funds can take several months.
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Action	d
Finding	The auditor noted an overlap in payment period for 53 HSCP payments which was queried with the Service. The Service advised these are Direct Payments which are paid 4 weekly and Integra populates the processing date as the period start date in the narrative field, but this is not the correct start date. As a result, there were no overlaps in payment periods.
Action Description	Procurement should investigate if the correct payment dates can be recorded in the narrative field for Direct Payments instead of defaulting to the processing date.
Risk	Inaccurate information recorded.
Priority (1, 2, 3)	3
Paragraph Reference	3.5
Managed by	Mark Boyd, Head of Service (Finance)
Assigned to	Suzanne Quinn, Senior Manager (Procurement)
Due Date	Complete
Management Comment	This has already been resolved with HSCP. Correct dates will be input in future.

Action	e
Finding	The auditor did find a mix of scanned signatures and emails being used to provide invoice approval for non-PO invoices.
Action Description	Procurement should issue guidance to all Services advising that an email from an authorised signatory is the preferred approval method for non-PO invoices and scanned signatures should no longer be used.
Risk	Lack of evidence for approval by an authorised signatory. Scanned signatures are accessed without authority and used to get payments made without appropriate authorisation.
Priority (1, 2, 3)	1
Paragraph Reference	3.9
Managed by	Mark Boyd, Head of Service (Finance)
Assigned to	Suzanne Quinn, Senior Manager (Procurement)
Due Date	Complete
Management Comment	An email has been issued to all appropriate staff advising if scanned signatures are used for approval, the authorised signatory must be cc'd into the approval email.

Action	f
Finding	Changes to the invoice approval process were made due to employees having to work from home. The auditor was advised by the AP team that an approval email was required if the service could not attach a scanned signature to an invoice. The use of email authorisation should be an interim solution until the council can progress with the move to electronic invoice approval for non-PO invoices.

Action Description	The AP team should progress with the move to electronic invoice approval for non-PO invoices.
Risk	Invoices may be paid without proper approval from an authorised signatory or above their approval limit.
Priority (1, 2, 3)	3
Paragraph Reference	3.10
Managed by	Mark Boyd, Head of Service (Finance)
Assigned to	Suzanne Quinn, Senior Manager (Procurement)
Due Date	31/03/22 (for investigation of 10% non-PO payments)
Management Comment	<p>Implementing electronic invoice approval (EIA) is not suitable at this time, as it will not be straightforward, due to the issues of capturing the hierarchy of all approvers/budget holders (this information is not readily available). In the future we will consider; interfacing other non-Integra systems that raise purchase orders (PO), maximising e-invoicing and maximising the no PO no pay approach then tackling the remaining invoices suitable for EIA.</p> <p>Approximately 40% of POs are raised through Integra and 50% are raised through non-integra systems. The remaining 10% of invoices will need to be investigated/analysed to ascertain if EIA is appropriate (i.e., EIA will not be appropriate for foster payments, grants, expenses, etc.). This element will be investigated by 31st March 2022.</p>

Priority Key used in Action Plan

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

