

## East Ayrshire Council

### Governance and Scrutiny Committee – 7 March 2024

#### Report by the Chief Financial Officer and Head of Finance & ICT

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### East Ayrshire Performs – Summary Report

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#### **Purpose of report**

1. To advise Members of a number of important performance measures as at 31 December 2023 (Period 9), including the projected financial position for the year, expenditure reduction measures, treasury indicators, progress of the capital programme, absence management, complaints, health and safety, and risk management.
2. The report also provides Members with details of the projected financial position in respect of the alternative delivery models; East Ayrshire Leisure Trust and Ayrshire Roads Alliance.

#### **Recommendations**

3. It was recommended and agreed by Members of Cabinet to:
  - (i) **Note the improved financial position at Quarter 3 compared to Quarter 2;**
  - (ii) **Approve the use of £1.500m of General Fund uncommitted balances as detailed in paragraph 7;**
  - (iii) **Approve the proposed source of funding for the additional costs in respect of the demolition works at 12-16 Glaisnock Street, Cumnock, as detailed in paragraph 18-19;**
  - (iv) **Note the information in respect of People highlighted at paragraphs 20 and 21 and in the summary report;**
  - (v) **Note the Health and Safety position as detailed in paragraphs 22 to 28 and in the summary report;**
  - (vi) **Note the current risks as identified in the Corporate Risk Register in the summary report as reviewed by CMT per paragraph 29; and**
  - (vii) **Otherwise note the contents of this report.**

#### **RECOMMENDATION TO GOVERNANCE AND SCRUTINY COMMITTEE**

- (i) It is recommended that Members note the contents of the report.

## Background

4. Supporting information is available on the Members' Portal, and Chief Officers are available to discuss any aspect of the report. The supporting information will include:
- Summarised Revenue Information by Department;
  - Capital Programme Monitoring Report;
  - Health and Safety Performance Report.
5. The established reporting format of East Ayrshire Performs follows a Red / Amber / Green (RAG) exception reporting approach. The table below details the "colour scheme" and the tolerances associated with each banding.

COLOUR	VARIANCE
Red	Significantly off target (+/- 2% or more of budget; or £0.500m, whichever is less)
Amber	Slightly off target (+/- 0.5% to 2% of budget; or £0.125m, whichever is less)
Green	Broadly on target Within +/- 0.5% of budget

## Executive Summary

6. The East Ayrshire Performs Summary Report (for the period ended 31 December 2023) is attached to this covering report. As indicated above, an analysis of current performance measures is available via the Members' Portal.

## Financial Management – Revenue

7. In the previous East Ayrshire Performs Report (Quarter 2 as at 30 September 2023) commentary detailed the significant pressure that services were under as a result of the ongoing financial climate. A significant adverse position was highlighted with services reviewing a range of options to return anticipated spend to within available budget levels. This report notes an improved position subject to approval to use £1.5m of general fund uncommitted balances, which are recommended for release as part of the balances review. Work will continue to progress improvement with further action necessary to recover the financial position to within available resources.
8. Subject to the use of balances noted at paragraph 7 Services are projecting a net overspend of £5.466m at Quarter 3. £2.830m of this pressure relates to services provided by the Health and Social Care Partnership, with £2.636m across services directed by the Council. This is less than that previously highlighted at the Quarter 2 East Ayrshire Performs report, however this does include a number of non-recurring funding streams including the use of balances and external funding. The total service overspend position will continue to be monitored with colleagues in Finance & ICT supporting services and budget holders as we progress towards the financial year-end.

9. A review of service earmarked balances has been undertaken following the completion of the external audit of the 2022/23 Annual Accounts and a detailed report will be considered as a separate agenda item to this Cabinet meeting with the proposal to transfer £2.368m to the General Fund Uncommitted balance. Separately it is recommended to transfer £1.5m to Services as one-off support this financial year. After the application of the remaining released balances, £0.868m, and the necessary draw to support the overall in year position, £0.500m, the General Fund Uncommitted Balance is projected to be £11.193m (2.9%) at the year-end.

### Expenditure Reduction Measures

10. Council on 24 February 2023 approved £6.750m of efficiency savings for 2023/24. £6.679m (99%) of these savings are currently achieved or anticipated to be achieved although continue to be monitored. The exceptions are detailed below, with services anticipated to take alternative action to remain within budget.

Division of Service	Option	Approved 2023/24 Saving £	2023/24 Likely Saving £
<b>Communities &amp; Economy</b>			
Ayrshire Roads Alliance	Implementation of Karbon tech gully monitoring	56,000	0
Facilities & Property Management	Provide Energy Performance Certificate rating assessments from internal resources	15,000	0
		<b>71,000</b>	<b>0</b>

### Revenue Budget

#### Education

11. The Education service is projected to overspend by £2.618m, an improvement on the Quarter 2 position of £3.854m. This position includes £1.9m of non-recurring funding identified by the Service and following the balances review. The service continues to experience significant pressure within the Early Years and Special Education sectors. The Early Years' service is currently anticipated to be £1.125m over budget this year, having carried forward a budget pressure of £1.027m from 2022/23, and are undertaking a full Best Value Service Review of the Early Years service. The service has been working with colleagues from the Improvement Service, to review service provision and considered options from that work to enable it to deliver service requirements within the financial resources available. The Chief Education Officer is preparing this report which will be presented to members in due course.
12. There continues to be additional pressure within the Additional Support for Learning budget with an anticipated £3.064m overspend for 2023/24, £2.002m of which relates to transport costs. Education officers are reviewing service requirements with a view to reducing costs and a report detailing the outcome of the review of this element of the Service will be provided to Members in early course.

## Communities and Economy

13. Communities and Economy services are projected to be £0.382m over budget, which is inclusive of £0.500m non-recurring balances which is broadly in line with the position at Quarter 2. Service pressures continue within Housing & Communities (£0.646m). This is offset by underspends within Economic Growth (£0.217), Facilities & Property Management (£0.046m), and Health & Safety (£0.017m).
14. Waste Management continues to place pressure on the Housing & Communities budget and the review of waste management arrangements is in progress in order to bring forward proposals for Members' consideration in due course.
15. The Ayrshire Roads Alliance continues to experience budget pressures in relation to Primary and Secondary transport costs following the decision to maintain primary and secondary school transport provision at existing levels. To support this, the service is reviewing and managing a number of expenditure lines to recover the position. Colleagues within ARA are also reviewing the safe route to school for specific areas and a report outlining options to recover the school transport position in the coming months.

## Health and Social Care

16. Health and Social Care services are projected to overspend by £2.830m, however this is inclusive of the proposed allocation of non-recurring balance of £0.500m following the review of service balances, as well as the Service maximising the use of external funding. The overspend predominantly relates to pressures within Community Care as well as the service continuing to experience legacy issues from the pandemic and significant pressures in relation to Care at Home and Self Directed Support. A financial recovery plan was approved by IJB in December and actions are being taken forward by the Board. The above figures assume full achievement of that plan.

## Capital Programme

17. Members will be aware of the significant financial challenges that the Capital Programme faces due to the current economic climate, interest rates and construction inflation volatility. Market intelligence is indicating much higher construction costs than had been anticipated and it is likely that some current budget allocations may not be sufficient. The Capital Programme continues to be closely monitored with a detailed review of affordability and prioritisation currently being undertaken in line with Treasury borrowing limits. An update will be provided to Members as part of the annual Capital Investment Programme report due to be submitted to Cabinet at the end of February.

## 12-16 Glaisnock Street, Cumnock

18. Cabinet on 27 June 2018 approved the acquisition and demolition of the fire damaged properties at 12 – 16 Glaisnock Street, Cumnock. Following purchase of the building, demolition works commenced on-site in May 2021. However, during the final phase of the works in October 2021 a section of stonework on the

adjoining property at 18 Glaisnock Street came loose and fell onto the public footpath and road. Inspections by structural engineers identified that the facade of 18 Glaisnock Street was in a dangerous condition and had to be supported across its entire length. Subsequent remedial works to stabilise the façade at 18 Glaisnock Street were completed late 2023.

- 19.** The issues encountered have led to additional costs being incurred with the original contract for the demolition works, including the provision of specialist shoring to support the façade at 18 Glaisnock Street and associated security fencing / inspection costs. As a result, the final contract figure is anticipated to exceed the accepted tender value of £0.151m by £0.120m (an increase of 79%). It is intended that costs associated with the demolition of 12-16 Glaisnock Street and remedial works to 18 Glaisnock Street are met from the Economic Regeneration and Development Fund within the Capital Investment Programme which will be replenished following sale of the property at 18 Glaisnock Street.

## **People**

### Absence Management

- 20.** The indicator on staff sickness statistics is the number of days lost per employee. A total of 10.11 days were lost per employee for the period 1 April 2023 to 31 December 2023 (2022/23 comparator for the equivalent period was 10.58 days). Chief Officers and Service Management Teams continue to review absence levels, reasons and interventions on a monthly basis.

### Workforce Strategy Update

- 21.** Council on 27 October 2022 agreed that regular updates on the Workforce Strategy, including the 5 year action plan, would be included in the East Ayrshire Performs report and an update on current progress is included in the summary report.

## **Health and Safety**

- 22.** Comparative analysis was undertaken on the total number of incidents reported during Periods 7-9 2023/24 with 2022/23 and it was identified there was an increase of 187 incidents during this period.
- 23.** Within Periods 7-9 2023/24, 4 incidents were reported to the HSE in line with RIDDOR. This is a decrease in comparison to Periods 7-9 2022/23 where there were 20 incidents reported to the HSE.
- 24.** There were a total of 1,022 recorded unannounced inspections undertaken during Periods 7-9 (2023/24). Unannounced inspections are carried out by Supervisors, Senior Management and the Health and Safety Team. These inspections provide a sound basis for proactive safety monitoring and also support compliance with established safety standards. Any safety deficiencies observed during unannounced inspections, along with the actions taken to address these deficiencies, are reported to the relevant manager and discussed at Executive and Senior Management Teams on a monthly basis.

25. The Community Defibrillator Initiative continues to support our aim of making East Ayrshire a “defibrillator authority” where all of our communities have access to this life-saving equipment. So far 45 community groups and clubs across East Ayrshire have benefitted from this scheme and 839 have attended CPR/Defib training.
26. As part of the Here to Listen suicide prevention strategy, we are continuing with our rolling programme of ASIST training, with courses being delivered every month. There are now over 611 Suicide First Aiders embedded throughout our workforce and our communities, with Health and Safety surpassing the original target of 600 by the end of 2023. Our trained first aiders have now carried out 231 suicide interventions since Here to Listen was launched, which is an increase of 20 interventions since the last report.
27. Health and Safety are also delivering a rolling programme of Mental Health First Aid training with over 508 employees and members of our communities trained in mental health first aid. Further courses are scheduled each month during 2024.
28. The last Chief Executive’s Health and Safety Strategy Group met on 21 November 2023. The group discussed a broad range of health, safety and wellbeing related topics, however there was a focus from trade union colleagues on violence and aggression statistics within schools and concerns raised by the group as a whole on the ability of support services to mitigate contributory factors. A violence and aggression focus group has been established specifically for education which has Trade Union participation.

### **Risk Management**

29. The Corporate Risk Register (CRR) was last reviewed and updated by the Council Management Team (CMT) on Wednesday 24 January 2024. In addition, the Council’s Strategic Risk Officer’s Group met on Monday 22 January 2024 to consider a revised Risk Management Strategy. This sets out the Council’s strategic direction for the management of all types of risk for the 3-year period up to 31 March 2027. It will now be considered by the wider Council Management Team before being presented to Elected Members for approval.

### **Implications**

30. The implications arising from this report are:

<b>Implications</b>	<b>Yes</b>	<b>No</b>	<b>Paragraph number in report</b>
1. Policy/Strategic Planning	X		31
2. Governance		X	
3. Human Resources	X		32
4. Equality and Fairer Scotland Duty		X	
5. Financial	X		33 – 34
6. Risk	X		35 – 36
7. Community Wealth Building		X	
8. Net Zero		X	

### **Policy/strategic planning implications**

31. The Council Management Team review all detail contained within the East Ayrshire Performs report and use this in the strategic planning for the Council as directed by Members. The performance detailed across all areas of the report will be considered and taken forward by all Chief Officers and Senior Managers in the planning and delivery of their services.

### **Human Resources implications**

32. The Human Resource implications are summarised in paragraphs 20 and 21 with full detail contained within the People section of the East Ayrshire Performs Summary Report.

### **Financial implications**

33. The financial implications are summarised in paragraphs 7 to 16 of the report with full detail contained within the relevant sections of the East Ayrshire Performs Summary Report.
34. As noted in paragraph 9 the projections assume the utilisation of £1.700m from the General Fund Uncommitted Balance. The position assumes that action is taken by services during the year to address any adverse variance and that any remaining overspend at year end would be carried forward by the service.

### **Risk implications**

35. The Risk implications are as noted at paragraph 29, with further details contained within the Risk section of the East Ayrshire Performs Summary Report.
36. Additionally, there is a risk to service provision from the current financial position projected across a number of Services. In order to address financial pressures outlined in the report Services require to consider the continued level of provision that can affordably be made to communities.

### **Appendices**

Nil

### **Background papers**

Nil

### **Person to contact**

Joseph McLachlan - Chief Financial Officer and Head of Finance & ICT

### **Implementation Officer**

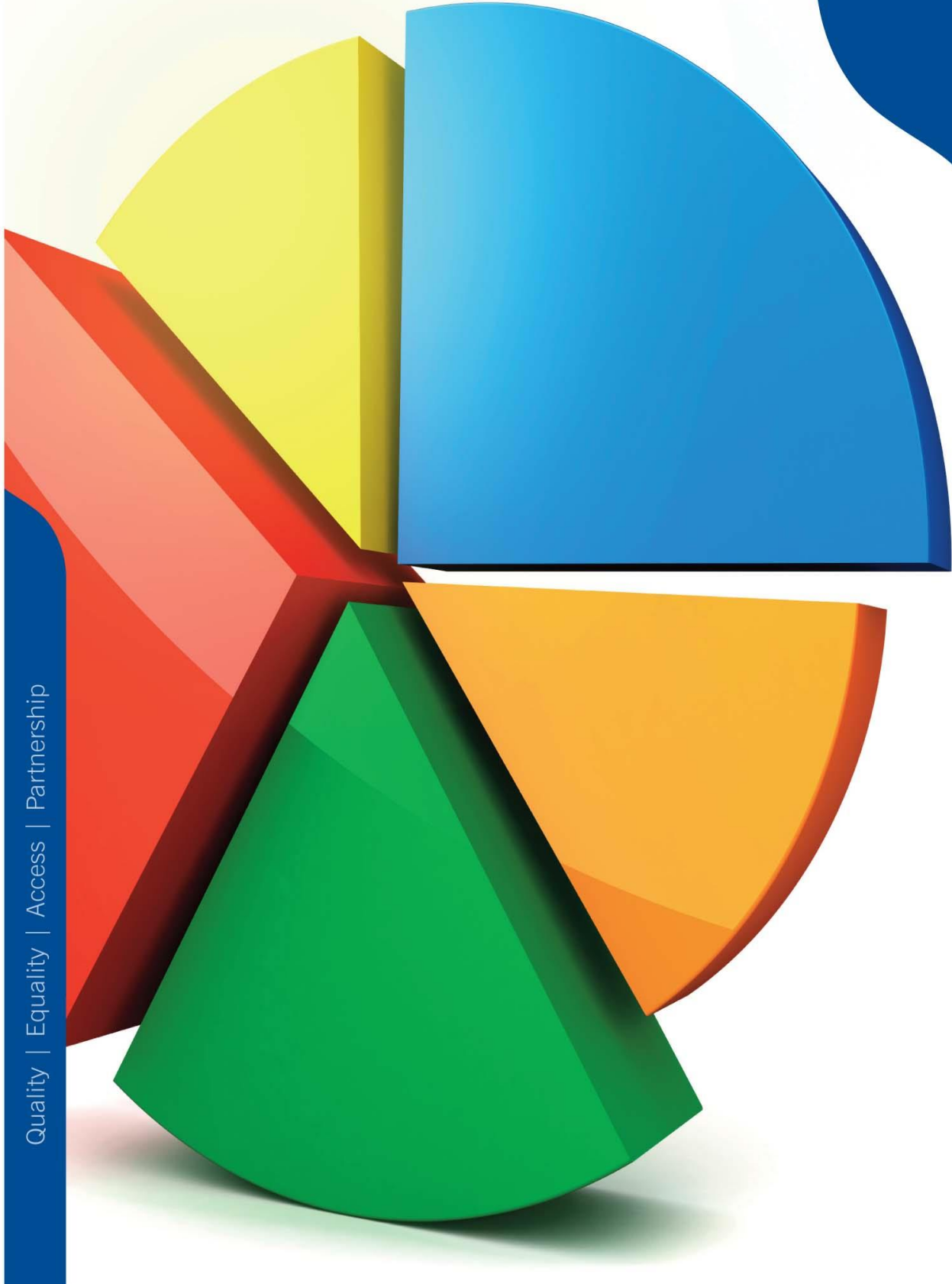
Colin Hastings – Interim Financial Strategy & Accounting Manager



# East Ayrshire Performs

Summary Report

Period 9 2023/24 (to 31 December 2023)



Quality | Equality | Access | Partnership



# REVENUE

Education	Revised Annual Budget £m	Projection to 31 March 2024 £m	Variance (favourable) / adverse £m
Education	132.677	135.295	2.618
<b>Total</b>	<b>132.677</b>	<b>135.295</b>	<b>2.618</b>

**Key Points:**

The service is projected to overspend by £2.618m, however this is after taking opportunity to utilise balances and apply relevant expenditure to external non-recurring funding. Following review by the Corporate Management Team an additional £0.500m of proposed non-recurring funding has been applied.

As reported at previous quarters, the Early Years service started the year with an adverse budget position of £1.027m carried forward from 22/23. The Service continues to face significant pressure with an additional minor adverse position projected in the current year of £0.098m, resulting in a total projected overspend in year of £1.125m. Work continues to be undertaken to review the operational model, with a report to Cabinet expected in the coming months.

The projected overspend in relation to Additional Support for Learning is £3.064m, an increase of £0.683m. This predominantly relates to transport costs, projected at £2.002m, reflecting the increase in the number of pupils for the new academic year. These increased pupil numbers also resulted in additional employee costs which are projected to be £0.952m over.

Primary and Secondary school budgets are also anticipated to overspend in the current year primarily as a result of staffing cover obligations to be met by the Education authority not included within devolved resources - £0.800m. The service is considering options to manage this against all overall resources.

Finance & ICT	Revised Annual Budget £m	Projection to 31 March 2024 £m	Variance (favourable) / adverse £m
Finance & ICT	9.441	9.011	(0.430)
<b>Total</b>	<b>9.441</b>	<b>9.011</b>	<b>(0.430)</b>

**Key Points:**

An underspend in employee costs of (£0.550m) is anticipated for the year, offset by an under-recovery of external grant income of £0.120m.

Governance	Revised Annual Budget £m	Projection to 31 March 2024 £m	Variance (favourable) / adverse £m
Governance	6.240	5.597	(0.643)
<b>Total</b>	<b>6.240</b>	<b>5.597</b>	<b>(0.643)</b>

**Key Points:**

This favourable variance is due to expected savings in employee costs and a projected over-recovery of building warrant and planning fee income based on the most current information available. The Chief Governance Officer has agreed that any excess short-term additional income which is not required to support the service in the current year will be returned centrally to assist Council finances, as was the case at the end of the 2022/23 financial year.

People & Culture	Revised Annual Budget £m	Projection to 31 March 2024 £m	Variance (favourable) / adverse £m
People & Culture	2.527	2.392	(0.135)
<b>Total</b>	<b>2.527</b>	<b>2.392</b>	<b>(0.135)</b>

**Key Points:**

This favourable position is a result of a projected over-recovery of income from employee salary sacrifice schemes.

Corporate Support	Revised Annual Budget £m	Projection to 31 March 2024 £m	Variance (favourable) / adverse £m
Corporate Support	0.947	0.891	(0.056)
<b>Total</b>	<b>0.947</b>	<b>0.891</b>	<b>(0.056)</b>

**Key Points:**

The service is projecting a favourable variance within employee costs.

Communities & Economy	Revised Annual Budget £m	Projection to 31 March 2024 £m	Variance (favourable) / adverse £m
Ayrshire Roads Alliance	11.922	11.950	0.028
Facilities and Property Management	29.852	29.531	(0.321)
Housing & Communities	18.719	19.365	0.646
Economic Growth	2.607	2.390	(0.217)
Health and Safety	0.356	0.339	(0.017)
Arms Length Organisations	5.031	5.031	0.000
Emergency Planning	0.064	0.064	0.000
SPT	2.232	2.232	0.000
Central Management Support	0.252	0.240	(0.012)
<b>Total</b>	<b>71.035</b>	<b>71.142</b>	<b>0.107</b>
Earmarked Funds to be Carried Forward	0.000	0.275	0.275
<b>Total</b>	<b>71.035</b>	<b>71.417</b>	<b>0.382</b>

**Key Points:****Ayrshire Roads Alliance**

ARA is reporting an adverse variance of £0.028m after £0.200m of proposed non-recurring funding has been applied to the service. This figure includes an anticipated overspend in Education transport £0.523m and a shortfall in parking income £0.387m, partly offset by savings in employee costs.

**Facilities & Property Management**

The service is anticipating a (£0.321m) underspend, this is the result of reduced staff costs, offset by an under-recovery of income. However, this includes Climate Change funding of £0.275m which is not anticipated to be utilised in-year, and will require to be earmarked, resulting in a final favourable position (£0.046m).

**Housing & Communities**

It is anticipated that Housing & Communities will outturn £0.646m greater than budget, after applying £0.300m of proposed non-recurring funding from General Fund Balances within Cleaner Communities. This mainly relates to additional expenditure within Cleaner Communities £0.998m in relation to waste. Additional expenditure was also incurred in Greener Communities £0.108m and Community Safety £0.044m. These are partly offset by vacancies within Vibrant, and Greener Communities (£0.432m).

**Economic Growth**

It is anticipated that Economic Growth will outturn (£0.217m) less than budget, predominantly due to vacant posts.

**Health & Safety**

The Health & Safety service is projected to underspend as a result of staff turnover in year.

**Central Management Support**

A favourable outturn is anticipated within the service (£0.012m), as a result of reductions in grants, offset by an overspend in supplies and services.

Wellbeing	Revised Annual Budget £m	Projection to 31 March 2024 £m	Variance (favourable) / adverse £m
Children, Families & Criminal Justice Services	23.103	22.760	(0.343)
Community Care	71.352	75.050	3.698
Service Strategy	7.205	6.469	(0.736)
Outwith Placements	5.633	5.814	0.181
Public Protection	1.256	1.264	0.008
Lead Partnership Services	0.753	0.775	0.022
<b>Total</b>	<b>109.302</b>	<b>112.132</b>	<b>2.830</b>
Premises Costs	0.432	0.432	0.000
<b>Total</b>	<b>109.734</b>	<b>112.564</b>	<b>2.830</b>

### Key Points:

#### Children, Families & Criminal Justice Services

Children's Health, Care and Justice Services are anticipated to outturn by £0.343m under budget. The majority of this projected underspend is due to reduced spend within secure accommodation placements £0.297m, external adoption £0.029m and reduced staff costs £0.072m. These underspends are partially offset by additional costs within external fostering.

#### Community Care

The service remains projected to significantly overspend as it continues to deal with increased service demands and pressures, with all short-term funding to support the impact of Covid-19 exhausted at the end of 2022/23. Older Services is currently projected to overspend by £1.796m, primarily as a result of Community Care Officer costs. Physical Disabilities is anticipating an adverse position of £0.518m. Learning Disabilities is projected to be £1.498m over budget, mostly from the pressure of Self Directed Support requirements, and Mental Health services is currently expected to be £0.126m under budget.

#### Service Strategy

A favourable variance of £0.736m is expected within this service, this includes £0.500m of proposed non-recurring funding from General Fund Uncommitted balances.

#### Outwith Placements

The projected adverse variance is £0.181m. This is based on the current assumptions regarding the number of external residential placements, and also takes account of a non-recurring balance draw of £0.526m, without which, the overspend would be £0.707m.

#### Lead Partnership Services

This service is projecting a minor adverse variance of £0.022m mostly due to employee costs within the Community Alarms Team.

Central Services	Revised Annual Budget £m	Projection to 31 March 2024 £m	Variance (favourable) / adverse £m
Chief Executive's Office (incl. Internal Audit)	0.725	0.725	0.000
Other Non-Service Related expenditure	9.148	9.148	0.000
Insurance	2.619	2.619	0.000
Financing Costs	18.834	18.834	0.000
HB/CT Benefit Subsidy	11.269	12.169	0.900
<b>Total</b>	<b>42.595</b>	<b>43.495</b>	<b>0.900</b>

### Key Points:

#### HB/CT Benefit Subsidy

The variance relates to additional Council Tax Reduction costs £0.900m. Note is made, however, that this is partly offset by additional council tax statutory income (£0.400m) which is shown below.

Partnerships and Projects	Balance Brought Forward £m	In year Movement £m	Projection to 31 March 2024 £m
Governance	(7.185)	(3.714)	(10.899)
Communities & Economy	(1.912)	0.044	(1.868)
<b>Total</b>	<b>(9.097)</b>	<b>(3.670)</b>	<b>(12.767)</b>

### Key Points:

#### Governance

The balance primarily relates to restoration bonds held in respect of Open Cast mining (£6.838m) and funds retained in respect of various Windfarms (£3.796m).

#### Communities & Economy

The balance includes £0.662m held for various Roads and Transportation projects. Facilities and Properties Management hold amounts for the Energy Efficiency Initiative (£0.355m). The balance also includes developer contributions (£0.657m), and HLF funding in relation to Dean Castle Country Park (£0.140m). Expenditure relating to Kilmarnock Green Infrastructure and Environmental Initiatives are also contained within the overall amount.

In Year Fund Transfers	Revised Annual Budget £m	Projection to 31 March 2024 £m	Variance (favourable) / adverse £m
Proposed transfer from Capital Fund	0.000	0.000	0.000
<b>Net Expenditure Before Balance Transfers</b>	<b>375.196</b>	<b>380.662</b>	<b>5.466</b>
Proposed earmarked balances in year	0.221	(4.345)	(4.566)
Transfer to Uncommitted General Fund	0.000	(0.500)	(0.500)
<b>Total Balance Transfers</b>	<b>0.221</b>	<b>(4.845)</b>	<b>(5.066)</b>
<b>NET EXPENDITURE</b>	<b>375.417</b>	<b>375.817</b>	<b>0.400</b>

Funded by	Revised Annual Budget £m	Projection to 31 March 2024 £m	Variance (favourable) / adverse £m
Aggregate External Finance	(292.188)	(292.188)	0.000
NHS Social Care Allocation (Share of £250m & £107m)	(8.796)	(8.796)	0.000
Council Tax	(69.233)	(69.633)	(0.400)
<b>Funding Before Balance Transfers</b>	<b>(370.217)</b>	<b>(370.617)</b>	<b>(0.400)</b>
Utilisation of Previous Years Balances	(5.200)	(5.200)	0.000
<b>Total Funding</b>	<b>(375.417)</b>	<b>(375.817)</b>	<b>(0.400)</b>

Housing Revenue Account	Revised Annual Budget £m	Projection to 31 March 2024 £m	Variance (favourable) / adverse £m
Expenditure	63.510	63.155	(0.355)
Income	(63.510)	(63.796)	(0.286)
<b>Net Expenditure</b>	<b>0.000</b>	<b>(0.641)</b>	<b>(0.641)</b>
Utilisation of Previous Years Balances	0.000	0.000	0.000
<b>Total Funding</b>	<b>0.000</b>	<b>(0.641)</b>	<b>(0.641)</b>

**Key Points:****Housing Revenue Account**

It is anticipated that the Housing Revenue Account will outturn at £0.641m less than budget.

Housing Management is expected to outturn (£0.891m) less than budget. This variance mainly reflects additional rent income (£0.267m) due to the timing of demolitions, house building and buy and sell programmes, along with an anticipated saving on debt charges (£0.327m), void rent loss (£0.326m) and roofline inspections (£0.260m). These are partly offset by additional fixed wiring testing costs of £0.296m.

Housing Asset Services is expected to outturn £0.250m over budget. This variance mainly reflects reduced Housing Improvement Programme income £0.465m due to re-prioritisation to voids, and £0.351m overspend across materials and transport. These are partly offset by insurance settlement income (£0.306m) and statutory compliance income (£0.292m).

	Opening Balance £m	In year Movement £m	Projection to 31 March 2024 £m
<b>General Fund Balances</b>			
Uncommitted	(10.825)	(0.368)	(11.193)
Committed and Service-Related	(36.261)	7.608	(28.653)
Transformation Fund	(2.046)	1.096	(0.950)
<b>Total</b>	<b>(49.132)</b>	<b>8.336</b>	<b>(40.796)</b>
<b>HRA Balances</b>			
<b>Total</b>	<b>(23.808)</b>	<b>(0.641)</b>	<b>(24.449)</b>

# PUPIL EQUITY FUND (PEF)

Establishment	Total 2023/24 Available Resources			2023/24 Expenditure & Commitments		
	2022/23 Balance C/Fwd	2023/24 PEF Allocation	Total Funding	Actual and Committed To Date	Projected Spend	Education Forecast
	£	£	£	£		£
Auchinleck PS	16,950	69,825	86,775	64,546	86,988	213
Catrine PS	250	47,775	48,025	36,949	48,025	0
Drongan PS	21,980	84,525	106,505	80,076	106,505	0
Mauchline PS	5,410	61,250	66,660	50,806	66,660	0
Muirkirk PS	14,170	44,100	58,270	38,087	58,633	363
Ochiltree PS	490	10,800	11,290	11,036	14,296	3,006
Sorn PS	-1,490	3,675	2,185	1,374	2,185	0
Robert Burns Academy	87,990	252,350	340,340	231,670	349,174	8,834
Lochnorris PS	44,310	150,675	194,985	137,260	195,261	276
Robert Burns SLC	11,550	35,525	47,075	37,913	47,176	101
Hillside School	19,890	41,650	61,540	46,853	61,792	252
Logan PS	32,490	44,100	76,590	53,389	76,616	26
Netherthird PS	22,320	71,050	93,370	61,385	93,370	0
New Cumnock PS	-2,340	74,725	72,385	62,975	72,749	364
<b>Robert Burns Education Group</b>	<b>273,970</b>	<b>992,025</b>	<b>1,265,995</b>	<b>914,317</b>	<b>1,279,431</b>	<b>13,436</b>
Bellsbank PS	31,250	69,825	101,075	72,812	98,007	-3,068
Dalmellington PS	2,640	28,175	30,815	29,597	34,921	4,106
Dalrymple/Littlemill PS	-5,030	52,675	47,645	27,986	45,422	-2,223
Doon Academy	9,890	55,125	65,015	45,433	64,670	-345
Patna PS	6,660	42,795	49,455	41,587	50,207	752
<b>Doon Education Group</b>	<b>45,410</b>	<b>248,595</b>	<b>294,005</b>	<b>217,415</b>	<b>293,227</b>	<b>-778</b>
Annanhill PS	(3,580)	75,950	72,370	61,924	78,209	5,839
Crosshouse Communication Unit	2,010	36,750	38,760	24,543	39,202	442
Crosshouse PS	-750	37,975	37,225	27,480	37,225	0
Gargieston PS	8,400	39,200	47,600	37,126	47,600	0
Grange Academy	37,410	159,250	196,660	117,560	196,483	-177
Hillhead PS	9,900	134,750	144,650	114,410	132,726	-11,924
Park School	12,330	75,950	88,280	58,858	85,370	-2,910
Shortlees PS	-21,960	279,300	257,340	250,808	298,633	41,293
<b>Grange Education Group</b>	<b>43,760</b>	<b>839,125</b>	<b>882,885</b>	<b>692,709</b>	<b>915,448</b>	<b>32,563</b>
Kilmarnock Academy	54,170	170,275	224,445	227,464	211,606	-12,839
Loanhead PS	-29,000	50,225	21,225	32,058	31,006	9,781
Whatriggs PS	132,240	175,175	307,415	232,453	298,994	-8,421
Onthank PS	52,650	138,425	191,075	216,772	187,779	-3,296
James Hamilton PS	67,080	144,470	211,550	130,500	207,723	-3,827
Willowbank School	38,000	98,000	136,000	86,081	130,840	-5,160
<b>Kilmarnock Education Group</b>	<b>315,140</b>	<b>776,570</b>	<b>1,091,710</b>	<b>925,329</b>	<b>1,067,948</b>	<b>-23,762</b>
Darvel PS	9,670	68,600	78,270	48,179	71,157	-7,113
Fenwick PS	-900	8,640	7,740	10,724	16,815	9,075
Galston PS	33,980	77,175	111,155	57,789	112,318	1,163
Hurford PS	-3,050	91,875	88,825	73,809	90,562	1,737
Loudoun Academy	40,260	95,550	135,810	65,171	131,571	-4,239
Newmilns PS	9,510	37,975	47,485	26,131	45,968	-1,517
<b>Loudoun Education Group</b>	<b>89,470</b>	<b>379,815</b>	<b>469,285</b>	<b>281,803</b>	<b>468,390</b>	<b>-895</b>



Establishment	Total 2023/24 Available Resources			2023/24 Expenditure & Commitments		
	2022/23 Balance C/Fwd	2023/24 PEF Allocation	Total Funding	Actual and Committed To Date	Projected Spend	Education Forecast
Mount Carmel PS	20,590	63,700	84,290	48,794	84,101	-189
St Andrew's PS	4,080	93,960	98,040	75,442	102,315	4,275
St Joseph's Academy	-10,250	95,040	84,790	68,642	84,790	0
St Patrick's PS	17,420	34,300	51,720	31,771	53,181	1,461
St Sophia's PS	16,030	44,100	60,130	41,522	63,599	3,469
St Xavier's PS	8,710	18,375	27,085	16,727	28,704	1,619
<b>St Joseph's Education Group</b>	<b>56,580</b>	<b>349,475</b>	<b>406,055</b>	<b>282,898</b>	<b>416,690</b>	<b>10,635</b>
Dunlop PS	-840	14,040	13,200	6,981	11,995	-1,205
Kilmaurs PS	-480	28,175	27,695	19,716	28,227	532
Lainshaw PS	-4,200	94,325	90,125	45,900	95,659	5,534
Nether Robertland PS	8,000	37,975	45,975	29,830	46,700	725
Stewarton Academy	11,320	49,000	60,320	35,988	57,408	-2,912
<b>Stewarton Education Group</b>	<b>13,800</b>	<b>223,515</b>	<b>237,315</b>	<b>138,415</b>	<b>239,988</b>	<b>2,673</b>
<b>East Ayrshire Total</b>	<b>838,130</b>	<b>3,809,120</b>	<b>4,647,250</b>	<b>3,452,886</b>	<b>4,681,122</b>	<b>33,872</b>

**Key Points:**

Schools have been allocated £3.809m of Pupil Equity Funding from the the Scottish Government in 2023/24 to address the poverty related attainment gap. This is in addition to the £0.838m of 2022/23 funding that was carried forward to be utilised by the end of the previous academic year.

The PEF funding is monitored by the Education Service. Schools can choose to manager resources through to the academic year and align with funding for 2024/25.

# ALTERNATIVE DELIVERY MODELS

Ayrshire Roads Alliance - Consolidated Budget Revenue	Revised Annual Budget £m	Projection to 31 March 2024 £m	Variance (favourable) / adverse £m
Strategic Delivery	3.966	3.332	(0.634)
Local Delivery - East Ayrshire	4.439	4.422	(0.017)
Local Delivery - South Ayrshire	4.253	5.616	1.363
<b>Total</b>	<b>12.658</b>	<b>13.370</b>	<b>0.712</b>

**Key Points:****STRATEGIC DELIVERY**

This variance reflects vacant posts and turnover across both Councils (£0.384m), savings on ARA - South unfunded superannuation (£0.100m) and insurance (£0.083m) and additional inspection and permit income (£0.137m) offset by various supplies and services costs £0.048m, mainly computer related. Other minor variances account for the balance.

**LOCAL DELIVERY – EAST AYRSHIRE**

This variance reflects vacant posts and turnover (£0.684m) and reduction in roads maintenance programme (£0.202m). This is offset by the loss of parking income £0.387m, reduction in Roads Maintenance ad-hoc income £0.365m, and an increase in bad debt provision £0.084m. Other minor variances account for the balance.

**LOCAL DELIVERY – SOUTH AYRSHIRE**

This variance reflects the loss of income from parking £0.220m and roads maintenance £0.117m. Overspends are expected in electricity costs for street lighting £0.404m and electric vehicle charging £0.200m, overtime £0.101m, sub-contractors £0.174m, various supplies & services £0.190m, purchase of parking terminals £0.089m, debt charges £0.044m, and vehicle maintenance £0.037m. These are offset by savings on employee costs (£0.285m). Other minor variances account for the balance.

Capital Budget	Budget Allocation £m	Expenditure to Date £m	Forecast Expenditure £m
<b>East Ayrshire</b>			
Bridges	4.100	0.924	1.600
Roads Resurfacing	3.493	2.738	3.493
SPT Schemes	1.820	1.048	1.820
Cycling Walking & Safer Routes	0.606	0.509	0.606
Footways Resurfacing	0.250	0.183	0.250
New Cumnock Flood Scheme	2.666	0.571	2.666
Street Lighting	0.250	0.108	0.250
Street Lighting LED	2.269	0.379	0.418
EAC Roads General Projects	4.195	0.975	1.926
<b>Total - East Ayrshire</b>	<b>19.649</b>	<b>7.435</b>	<b>13.029</b>
Bridges	0.278	0.130	0.278
Roads & Footways Resurfacing	2.813	3.170	3.170
Cycling Walking & Safer Routes	0.718	0.197	0.718
Street Lighting	0.250	0.210	0.250
SAC General Projects	0.622	1.068	1.589
<b>Total - South Ayrshire</b>	<b>4.681</b>	<b>4.775</b>	<b>6.005</b>

**Key Points:****CAPITAL – EAST AYRSHIRE****Bridges**

Various projects completed, other site works ongoing and new projects being worked up.

A number of bridge projects have been delayed or will likely be delayed due to land acquisitions issues and SEPA issues which restrict when work can be undertaken in a watercourse.

**Key Points:****New Cumnock Flood Scheme****Construction works are complete.**

This projected final project cost of £8.350m was reported to the Scottish Government and essentially capped the funding available from the Scottish Government at 80% of £8.350m, being £6.680m.

To date, the Council has received £6.551m of this funding and will receive £0.129m in the financial year 2023/24.

However, based on the most recent assessment, the final project cost estimate is £8.970m.

To date the Council has approved an allocation of £1.644m towards the scheme based on an earlier projected final cost of £8.220m as reported in the Cabinet Paper "Transformation Strategy Update, Building a Future East Ayrshire", 3 March 2021.

A summary of the above costs is as follows;

- Latest ARA projected final project cost for phases 1 and 2 is £8.970m
- Total Scottish Government capped funding is £6.680m
- Total current allocation of Council funding is £1.644m

Thus, the current projected shortfall in Council funding is estimated at £0.646m. This is considered to be a robust estimate based on the information available, however, there is potential for further costs to be sought by the contractor. Cabinet previously approved on 8 March 2023 that this shortfall will be met from the reallocation of current budget allocations within the overall bridges capital programme. Ongoing discussions are being held with Contractor, Consultant, ARA and Legal Services with regards final account.

All general and principal inspections of the bridge assets are up to date.

**Bus Station Improvements**

WH Kirkwood are continuing with the Phase 3 works which commenced January 2023 with a projected contract phase of 38 weeks. This project has experienced delays due to steelwork shortages. Funding for 2023/24 has been approved and allocated by SPT.

**Refurbishment of Car Parks**

Works are ongoing on the following:

Centrestage Contractor appointed with pre-start meeting arranged for 15 January 2024 contract duration 20 weeks.

Sturrock Street, complete.

Grange Street, with Facilities and Property Management regarding demolition works. Boundary wall remedial measures will be required pending any progress on car park redevelopment.

Multi Storey, ongoing design works and statutory applications ongoing, remaining tenant relocated, destructive asbestos survey to commence along with disconnection of remaining utility supply.

Brown Street main car park complete and opened, height restriction barrier installed, EV charger and lighting columns to commence January 2024.

B778 technical report now complete and CAD drawings to be submitted. Intention is to quantify work and value of potential land purchase to establish what's feasible with the monies available.

**Active Travel**

Crosshouse Shared Use Path – Direct award terms being negotiated

Doon Valley Active Travel Route – Stage 2 complete. Phase 1 acceptance for detailed design issued.

KGIL – Sturrock Street contract being prepared for design

Kilmarnock Greenspace/EV charging – Awarded for design

Annick Valley – Awarded for design

**Resurfacing**

2023/24 resurfacing programme is well underway with no adverse issues to report.

Timber Transport Funding has been awarded by Scottish Forestry for three surfacing projects;

A70 Ochiltree £39k Complete claim to be submitted

A70 Lugar £62k Complete claim to be submitted

A70 Muirkirk 90k Complete and claim submitted to Scottish Forestry.

**LED Replacement**

Works are ongoing with the LED Programme although the projected cost is lower than budget. This is mainly due to the costs of the programme being lower than originally anticipated. Proposal to utilise resource to remove all remaining concrete columns within the network and replace with steel and LED. ARA developing costs for discussion.

**CAPITAL – SOUTH AYRSHIRE**

The capital programme in South is well underway.

East Ayrshire Leisure Trust	Revised Annual Budget £m	Projection to 31 March 2024 £m	Variance (favourable) / adverse £m
Executive Management	0.290	0.194	(0.096)
Sharing Our Vision	0.447	0.426	(0.021)
Investing In Our People and Embracing Our Values	0.588	0.582	(0.006)
Creating a Solid Foundation for Growth	0.215	0.219	0.004
Leisure at the Heart of Every Community	2.105	2.208	0.103
Living Your Best Life	1.321	1.346	0.025
Protecting Our Environment	0.721	0.739	0.018
<b>Net Expenditure</b>	<b>5.687</b>	<b>5.714</b>	<b>0.027</b>
Management Fee	(5.532)	(5.532)	0.000
<b>Total</b>	<b>0.155</b>	<b>0.182</b>	<b>0.027</b>
Net Transfer to / from Reserves	(0.155)	(0.155)	0.000
<b>Total after Transfer to Reserves</b>	<b>0.000</b>	<b>0.027</b>	<b>0.027</b>

### Key Points:

#### Executive Management

The favourable variance relates to income from major events, and from EAC relating to the provision of Active Club membership. This membership is for young people aged 10-14 and covers activities across the Trust.

#### Sharing Our Vision

Minor underspend projected in relation to employee costs.

#### Investing in Our People and Embracing Our Values

A small favourable variance is expected.

#### Creating A Solid Foundation For Growth

Minor net variance reported.

#### Leisure at the Heart of the Community

Adverse variance is predominantly attributable to under-recovery of facility hire income, and an overspend in employee costs.

#### Living Your Best Life

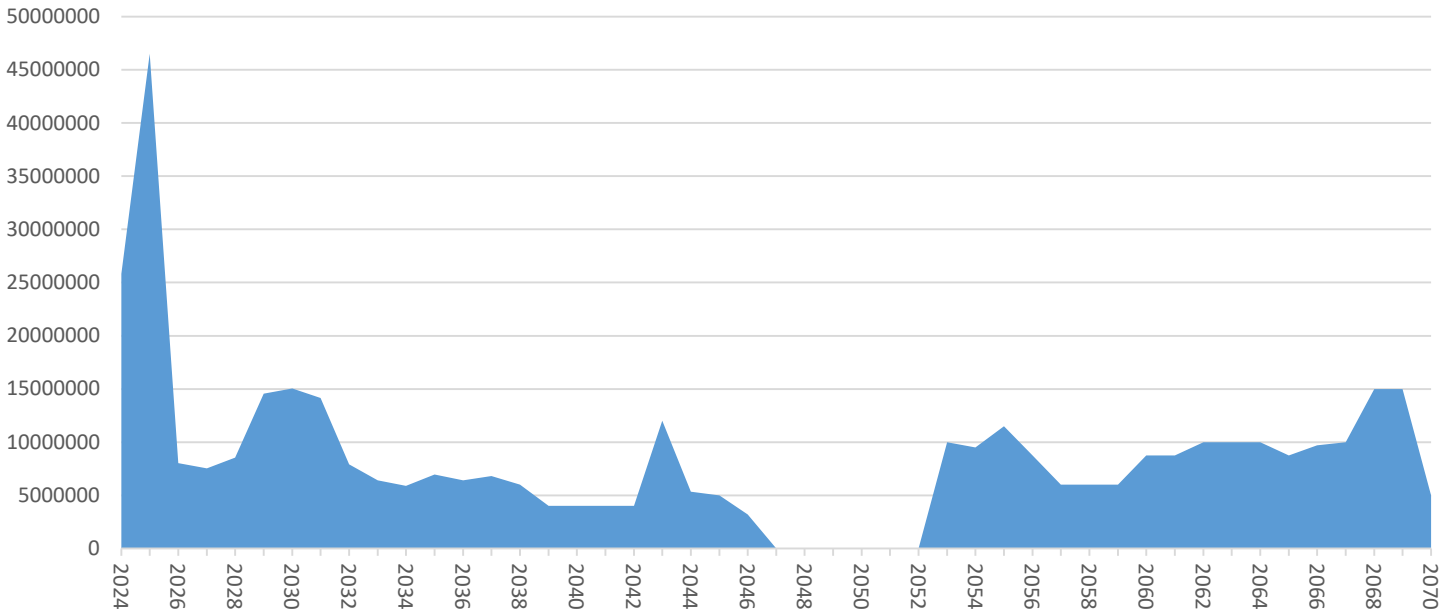
The adverse variance is predominantly the result of temporary Front of House staffing costs, and a shortfall in equipment hire and golf membership income.

#### Protecting Our Environment

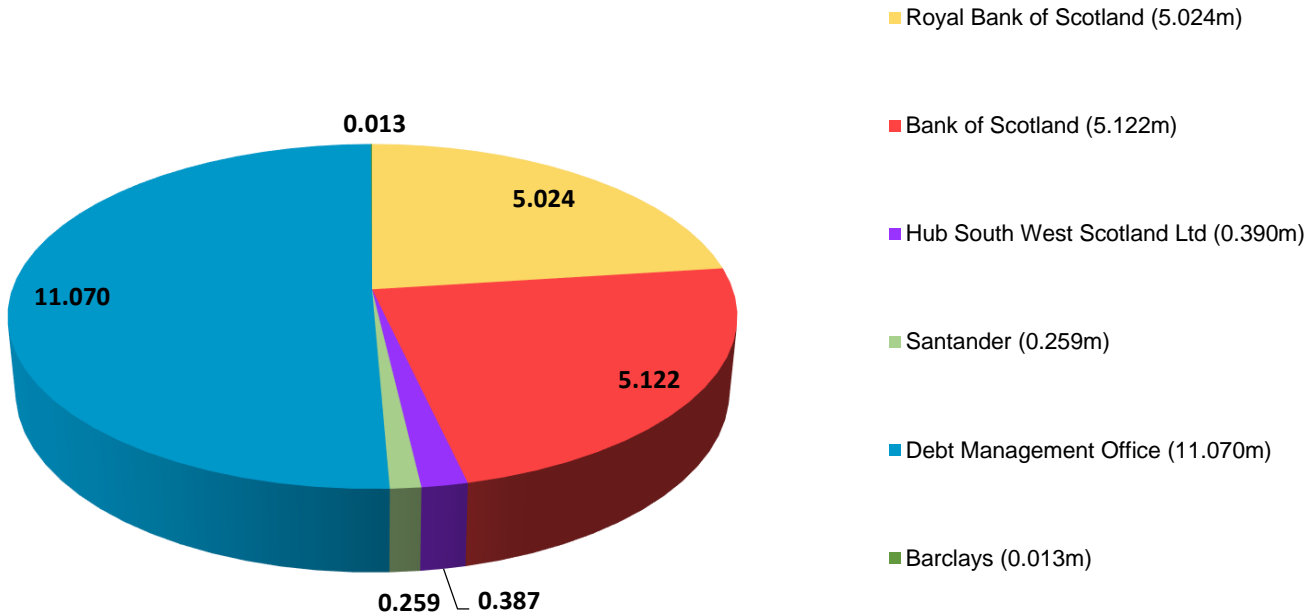
An adverse variance of £0.018m predominately relates to professional services income for a service which is no longer offered.

# TREASURY

Maturity Profile of Loan Debt



Investments (£'m)



Key Points:

The Council had a total debt portfolio of £451.761m at the date of the report. Of this 76.82% (£347.061m) is with the Public Works Loan Board (PWLB), with the balance being long term loans from money market institutions of £49.700m (11.00%) and £55.000m of short term borrowing from other local authorities (12.17%) which includes new loans taken since Period 6 of £40.000m to cover expected cash outflows and ensure sufficient liquidity. The annualised rate of interest for all external borrowing loans is currently 4.14%.

The Council had a total investment portfolio of £21.876m at the date of the report, of which £21.489m (98.23%) was deposited "on call" providing immediate access for liquidity purposes. The balance of £0.387m (1.77%) is the Council's holding of subordinated debt for Hub SW Scotland Limited.

# CAPITAL PROGRAMME



	Total Project Budget £m	Forecast Total Project Expenditure £m	Revised 2023/24 Budget £m	Forecast 2023/24 Expenditure £m	Project Progress /Risk
<b>Learning Estate</b>					
Dunlop Primary Extension & ECC	5.000	5.000	1.276	2.140	5
Stewarton Academy	15.675	15.675	4.178	0.700	3
St Sophia's Primary School	5.800	5.800	1.730	0.745	5
Loudoun Academy Refurbishment	3.910	3.910	0.097	0.097	2
Nether Robertland Primary Refurbishment	1.850	1.850	0.000	0.000	1
Logan Primary Refurbishment	0.690	0.690	0.000	0.000	1
Hillhead Primary Refurbishment	0.450	0.450	0.000	0.000	2
Kilmaurs Primary Refurbishment	1.041	1.041	0.000	0.000	2
Netherthird Primary	11.474	12.241	0.000	0.000	7
Doon Academy	41.100	62.400	3.537	1.000	4
North West Kilmarnock School	32.000	32.000	0.500	0.000	0
Lainshaw Primary School	15.000	15.000	0.000	0.000	0
Schools Meals Expansion	4.500	4.500	1.650	1.650	N/A
Early Years 1140 Hours Programme	14.783	14.783	0.246	0.246	N/A
General Projects	1.850	1.850	0.000	0.000	N/A
<b>Total Learning Estate</b>	<b>170.185</b>	<b>192.900</b>	<b>13.222</b>	<b>6.586</b>	

### Need to Know:

#### Stewarton Academy / Nether Robertland Primary School

**i) Extension and Refurbishment at Stewarton Academy** - design work has been temporarily suspended whilst the current designs for the new extension at Stewarton Academy are reviewed to ensure these are aligned with future growth projections and remain a sustainable proposition overall. Any updates will be included in the revised Capital Investment Programme that will be submitted to Cabinet in February 2024. **ii) Refurbishment at Nether Robertland Primary** - proposals for the refurbishment of Nether Robertland Primary School are currently on hold pending the outcome of a wider EnerPHit Informed Assessment of the entire Council estate relative to the Council's Net Zero aspirations. An update will be provided in the revised Capital Investment Programme that will be submitted to Cabinet in February 2024.

#### St Sophia's Primary School

Works commenced on-site 15 January 2024. Based on the current construction programme it is anticipated that works will be completed by March 2025, with pupils returning to their new building after the Easter school holidays in April 2025.

#### Dunlop Primary School and Early Childhood Centre

**Dunlop ECC** - external envelope works are largely completed with internal fit out on-going. Unfortunately there has been a delay due a number of challenges including adverse weather conditions and as a result it is now anticipated that works will not be completed until March 2024. **Dunlop Primary Refurbishment** - proposals are being developed for the refurbishment of the existing school. Progress is currently dependent on completion of the new ECC.

#### Doon Valley Community Campus

The formal planning application for new campus was submitted late November 2023. As noted previously, the application will be subject to an objection "in principle" from SEPA in relation to increased flood risk following the adoption of the National Planning Framework (NPF) 4 however, the Project Team have developed a planning strategy that they believe offers an appropriate counterbalance to these challenges. On this basis it has been agreed that the RIBA Stage 4 design process should recommence to avoid any further delay to project progress. Based on this revised programme it is currently anticipated that construction will commence in Autumn 2024, with completion by Summer 2026. The cost plan also continues to indicate significant financial pressures on the project as a result of market volatility and inflationary increases. Discussions have been on-going with project funders including the Scottish Government, NHS Ayrshire & Arran and Police Scotland regarding the implications of inflation and market volatility on their funding contributions. An update will be provided in the revised Capital Investment Programme report that will be submitted to Cabinet in February 2024.

### North West Kilmarnock School

The Scottish Government confirmed in October 2023 that the bid for grant funding for North West Kilmarnock schools as part of the Learning Estate Investment Programme - Phase 3 had been unsuccessful. Alternative options for the North West Kilmarnock schools will be presented within the updated Capital Investment Programme that will be submitted to Cabinet in February 2024.

### Schools Refurbishment Programme

The planned refurbishment works at Loudoun Academy, Nether Robertland, Kilmaurs, Logan, Hillhead and Lainshaw Primary Schools have been temporarily suspended pending further review relative to the wider EnerPHit study and to ensure investment is aligned with future growth projections and remains a sustainable proposition overall. An update will be included in the revised Capital Investment Programme that will be submitted to Cabinet in February 2024.

### Early Years Programme

All of the 1140 hour projects have now been completed with the exception of Dunlop ECC, progress of which is noted above.

	Total Project Budget £m	Forecast Total Project Expenditure £m	Revised 2023/24 Budget £m	Forecast 2023/24 Expenditure £m	Project Progress / Risk
<b>Business Growth Portfolio</b>					
<b>ECONOMIC DEVELOPMENT</b>					
Kilmarnock Town Centre Regeneration	1.000	1.000	0.500	0.500	N/A
Economic Regeneration & Development	8.950	8.950	0.350	0.350	0
Town Centre Regeneration Fund	2.312	2.312	0.251	0.251	5
Speculative Industrial Units	1.200	1.200	0.000	0.000	0
Place Based Investment Fund (1)	1.330	1.330	0.303	0.303	5
Place Based Investment Fund (2)	1.079	1.079	0.873	0.873	5
Place Based Investment Fund (3)	0.753	0.753	0.753	0.753	5
1 Dunlop Street / 12 Strand Street	1.000	1.000	0.300	0.050	2
Creative Industries Hub	1.500	1.500	0.000	0.000	1
<b>Total Business Growth</b>	<b>19.124</b>	<b>19.124</b>	<b>3.330</b>	<b>3.080</b>	
<b>AYRSHIRE GROWTH DEAL</b>					
Community Renewable Energy Project	24.500	24.500	0.000	0.000	1
Ayrshire Manufacturing Investment Corridor	23.500	23.500	0.221	0.221	2
Ayrshire Engineering Park	16.000	16.000	0.000	0.000	2
<b>Total Ayrshire Growth Deal</b>	<b>64.000</b>	<b>64.000</b>	<b>0.221</b>	<b>0.221</b>	

### Need to Know:

#### Town Centre Regeneration

A range of projects are being delivered as part of the Town Centre Regeneration; notable updates are as follows: **i) Kilmarnock Bus Station** – works have been delayed on-site due to material supply problems. As a result it is anticipated that works will now not be completed until Spring 2024.

#### Creative Industries Hub

The Council is currently working with key partners to consider how the facility can be used in the future.

#### 1 Dunlop Street / 12 Strand Street

As agreed by Council on 14 December 2023 it is proposed, subject to statutory consents, to demolish the building and replace with landscaping. These proposals are being taken forward by consultants acting on behalf of the Council.

#### Ayrshire Growth Deal

**Community Renewable Energy (CoRE)** - following the report to Cabinet on the 4th October 2023 work is on-going to develop options in consultation with key partners to support a revised Programme Business Case. **Ayrshire Innovation Park (AIP)** - work is on-going through RIBA Stage 2 to develop indicative designs for the combined development in consultation with key stakeholders / partners. Based on the revised programme it is anticipated that the first phase of the works (infrastructure) will commence on-site Autumn 2024 with the Centre of Excellence and industrial units being built on a phased basis thereafter until approximately Winter 2026.

	Total Project Budget £m	Forecast Total Project Expenditure £m	Revised 2023/24 Budget £m	Forecast 2023/24 Expenditure £m	Project Progress / Risk
<b>Corporate Estate</b>					
ICT Programme	10.770	10.770	2.604	2.604	N/A
Refurbishment & Component Renewal	18.374	18.374	3.476	1.241	N/A
Sustainability / Zero Carbon Fund	4.055	4.055	0.217	0.217	N/A
Waste & Recycling Depot - South Area	6.020	6.220	0.000	0.260	5
General Projects	1.245	1.245	0.849	0.408	N/A
<b>Total Corporate Estate</b>	<b>40.464</b>	<b>40.664</b>	<b>7.146</b>	<b>4.730</b>	

### Need to Know:

#### Refurbishment & Component Renewal

Refurbishment and component renewal works based on agreed budgets have been fully committed. Works are ongoing to deliver the programme however some projects funded from 2023/24 capital budget allocations will have to roll forward into 2024/25. This primarily relates to the planned river stabilisation works at Ayrshire Athletics Arena that has been delayed due to on-going discussions with SEPA and the complexity of finding a suitable design solution.

#### Waste & Recycling and Outdoor Amenities Centre

**Ayr Road Depot** – the Final Phase of works for the internal refurbishment of the offices and garage were completed in November 2023 and the facility due to be handed over, however, severe rainfall events that month resulted in damage to some internal finishes due to flooding from blocked drains. The contractor has now completed remedial works and handover is now anticipated by the end of January 2024.

#### Sustainability / Zero Carbon Fund

The Sustainable / Zero Carbon Fund continues to be utilised to support the implementation of actions to mitigate climate change; including installation of a second phase of Building Management Systems (BMS) upgrades and installation of increased numbers of Automatic Meter Readers (AMR) that have had a significant impact in terms of utility costs. The Fund also continues to support capital projects that contribute to the Councils zero carbon aspirations as defined by the recently approved Climate Change Strategy, including initial work to inform a decarbonisation strategy for our existing buildings via an EnerPHit informed approach, the adoption of EnerPHit at St Sophia's Primary School, and the Passivhaus standard for Dunlop Early Childhood Centre.

	Total Project Budget £m	Forecast Total Project Expenditure £m	Revised 2023/24 Budget £m	Forecast 2023/24 Expenditure £m	Project Progress / Risk
<b>Culture and Community Assets</b>					
Galston Office Development	3.450	3.450	1.388	0.738	5
Dean Castle Restoration Project	10.889	11.502	0.000	0.000	7
Cultural Kilmarnock	30.000	30.000	0.000	0.000	3
General Projects	1.300	1.300	3.490	2.967	N/A
<b>Total Culture and Community Assets</b>	<b>45.639</b>	<b>46.252</b>	<b>4.878</b>	<b>3.705</b>	
<b>Roads Infrastructure</b>					
Ayrshire Roads Alliance East Projects	N/A	N/A	19.649	13.029	N/A
<b>Total Roads Infrastructure</b>	<b>0.000</b>	<b>0.000</b>	<b>19.649</b>	<b>13.029</b>	
<b>Transport Fleet</b>					
Vehicle Purchases	6.000	6.000	1.000	1.000	N/A
<b>Total Transport Fleet</b>	<b>6.000</b>	<b>6.000</b>	<b>1.000</b>	<b>1.000</b>	
<b>Wellbeing, Sport and Outdoor Estate</b>					
Galleon Centre	13.850	13.850	0.600	0.300	
Health and Wellbeing Hub	8.500	8.500	0.000	0.000	
Private Sector Housing Grants	7.200	7.200	1.695	1.695	
Telecare	N/A	N/A	0.521	0.521	N/A
Infinity Loop	3.000	3.000	1.500	1.500	
Green Infrastructure	0.500	0.500	0.200	0.200	
Leisure Facilities Review	0.500	0.500	0.100	0.100	
<b>Total Wellbeing, Sport and Outdoor</b>	<b>33.550</b>	<b>33.550</b>	<b>4.616</b>	<b>4.316</b>	
<b>Housing Estate</b>					
Council House Building (SHIP)	81.048	81.048	10.257	10.257	N/A
Housing Investment Programme (HIP)	N/A	N/A	20.610	19.897	N/A
<b>Total Housing Estate</b>	<b>81.048</b>	<b>81.048</b>	<b>30.867</b>	<b>30.154</b>	

### Need to Know:

#### Cultural Kilmarnock

RIBA Stage 3 design works are on-going. Based on the current programme it is anticipated that works could commence on-site Spring 2025, with completion on a phased basis from Summer 2026 to late 2026 / early 2027. The project continues to face challenging financial conditions due to the complications of differing delivery programme timescales of the project funders (Levelling Up Fund, Heritage Lottery Fund and Historic Scotland), compounded by market volatility and inflationary pressures. The financial position remains under constant review and updates will be provided to Cabinet on a regular basis.

#### Galston Office Facilities

The construction contract to refurbish and extend the former Galston Chamber building was awarded in November 2023 with works commencing on site 15 January 2024. It is anticipated that works will be completed by January 2025.

#### Galleon Centre

A detailed RIBA Stage 1 report was issued to the Council by the external design team in November 2023 which includes three emerging feasibility options based on a tiered approach for increasing levels of intervention. The RIBA Stage 1 report is currently being reviewed and a further update report will be presented to members in due course. In October 2023, Council agreed a programme of cross-cutting service reviews, including a review of leisure related services which will also consider any interdependencies with the Galleon project. As a result, the external design team has been temporarily stood down to avoid abortive work pending completion of the Leisure Services Review.

#### Council House Build Programme

i) **Kilmarnock Road, Mauchline** - works were completed on site in December 2023 with tenants currently in the process of moving into their new homes. ii) **Kennedy Drive, Kilmarnock** - works commenced on-site 24 July 2023 and are progressing well, the project is anticipated to be completed by Winter 2024. iii) **Dalgleish Avenue, Cumnock** - following Cabinet approval in November 2023, design development works have recommenced. Currently anticipated that works could commence on-site by 2026. iv) **Mason Avenue, New Cumnock and Crown Hotel, New Cumnock** - Cabinet in November 2023 agreed to remove this project from the current SHIP programme.

	Total Project Budget £m	Forecast Total Project Expenditure £m	Revised 2023/24 Budget £m	Forecast 2023/24 Expenditure £m
<b>Total - General Fund</b>	<b>378.962</b>	<b>402.490</b>	<b>54.062</b>	<b>36.667</b>
<b>Total - HRA</b>	<b>81.048</b>	<b>81.048</b>	<b>30.867</b>	<b>30.154</b>
<b>TOTAL CAPITAL</b>	<b>460.010</b>	<b>483.538</b>	<b>84.929</b>	<b>66.821</b>

Funded By	General Fund £m	HRA £m	Total £m
General and Specific Capital Grants	15.858	4.636	20.494
Capital Funded from Current Revenue (CFCR)	0.000	3.349	3.349
Reserves	0.000	0.748	0.748
Capital Receipts	0.000	0.965	0.965
Net Financing (Borrowing)	20.809	20.456	41.265
<b>Total Funding - 2023/24</b>	<b>36.667</b>	<b>30.154</b>	<b>66.821</b>

### Key

Project Risk

Green	Amber	Red
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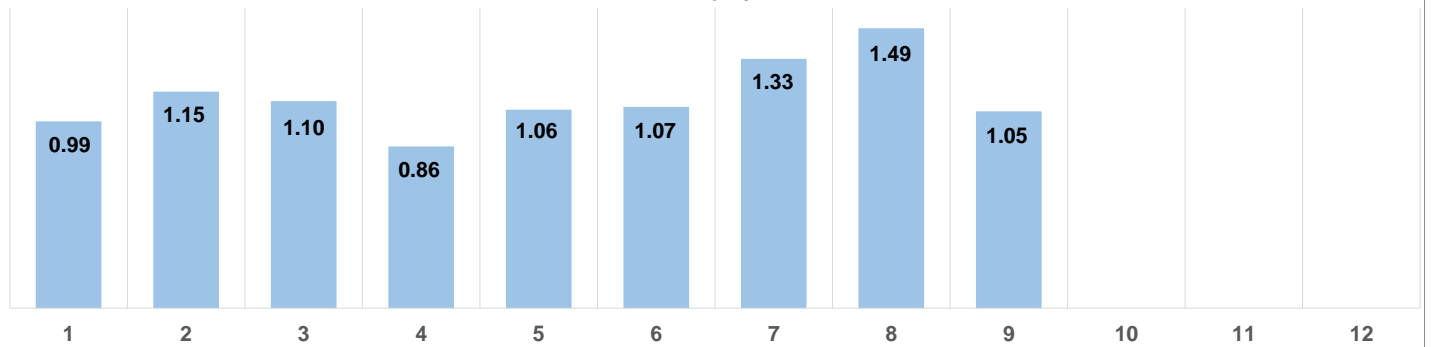
RIBA Plan of Work Stages

- 0 Strategic Design
- 1 Preparation and Brief
- 2 Concept Design
- 3 Developed Design
- 4 Technical Design
- 5 Construction
- 6 Handover and Close Out
- 7 In Use

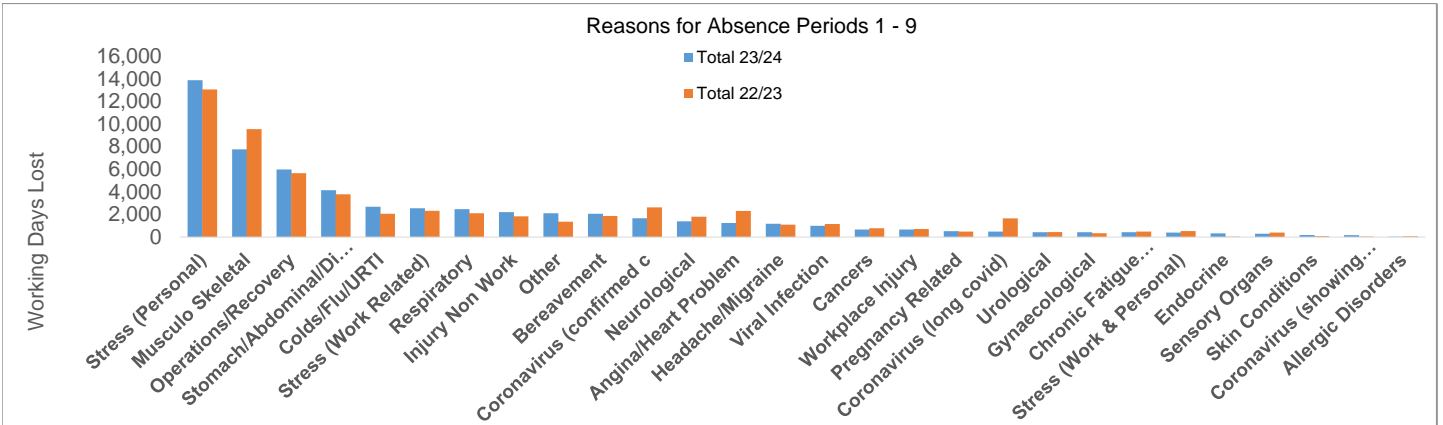
**PEOPLE**

Service Groupings	Breakdown of Absence Statistics				
	Average Employee Headcount	Average Employee FTE Numbers	Employees Absent in Period	Work Days Lost	WDL Per Employee
Chief Executive's Office YTD totals 23-24	3,169	2,776	1,663	20,959	7.55
Chief Executive's Office YTD Totals 22-23	3,189	2,806	1,716	21,228	7.57
Communities & Economy YTD Totals 23-24	1,964	1,665	923	18,782	11.28
Communities & Economy YTD Totals 22-23	1,907	1,607	914	21,059	13.11
Health & Social Care Partnership YTD Totals 23-24	1,669	1,329	953	18,586	13.98
Health & Social Care Partnership YTD Totals 22-23	1,549	1,211	852	17,215	14.21
Council Year to Date Totals 23-24	6,803	5,771	3,539	58,327	10.11
Council Year to Date Totals 22-23	6,645	5,623	3,472	59,502	10.58

WDL Per Employee

**Key Points:**

Within periods 1 - 9 the average number of employees within East Ayrshire Council was **6,803**. When adjustments were made to take account of part-time workers, the average number of Full Time Equivalent [FTE] employees was **5,771**. There were **3,539** instances of absence over the period giving a total of **58,327** Working Days Lost [WDL]. Noting that in 22-23 the total number of WDL for the Chief Executive's Office was **21,228**, Communities & Economy was **21,059**, and H&SCP was **17,215** [totalling **59,502** across the Council] this is a decrease of **1,175** WDL equating to **-0.47** per employee compared to last year.

**Key Points:**

In the Council, the **top 5 reasons** for absence were Stress (Personal), Musculo Skeletal, Operations/Recovery, Stomach/Abdominal/Digestion and Colds/Flu/URTI.

Service Groupings	Short Term Absence		
	1 day	2 days to 7 days	8 days to 1 month
Chief Executive's Office	912	1,440	502
Communities & Economy	508	664	392
Health & Social Care Partnership	433	699	360
Council Year to Date Totals 23-24	1,853	2,803	1,254
Council Year to Date Totals 22-23	1,993	2,893	1,219

Service Groupings	Long Term Absence Periods		
	1 month to 3 months	3 months to 6 months	Over 6 months
Chief Executive's Office	181	71	39
Communities & Economy	137	85	49
Health & Social Care Partnership	132	68	43
Council Year to Date Totals 23-24	450	224	131
Council Year to Date Totals 22-23	487	199	95

**Key Points:**

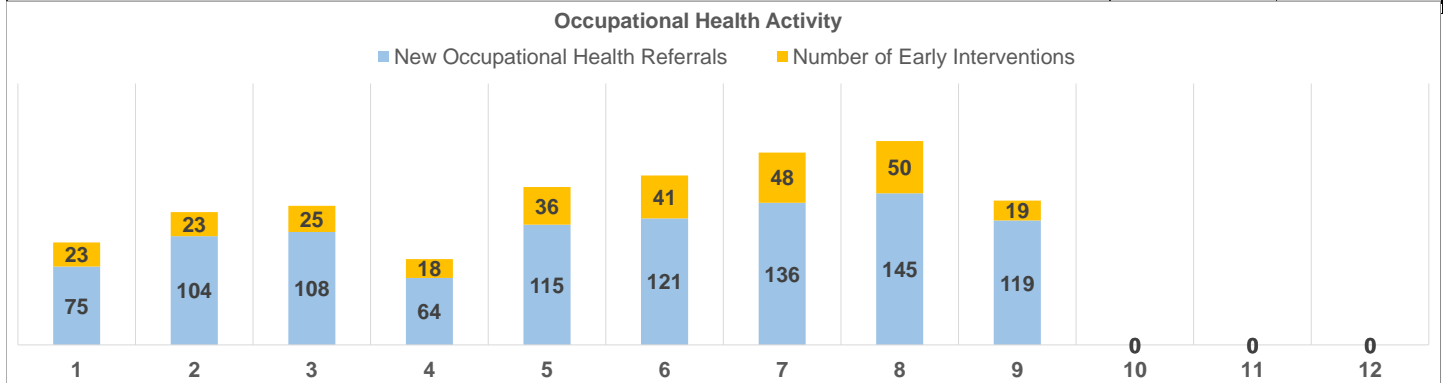
During the period **5,910** employees were absent for Short Term reasons and **805** were absent for Long Term reasons. Please note employees can be counted multiple times if they had multiple absences during the period. Work Days Lost for Short Term Absence was **32,851** and WDL per employee was **5.69**. Work Days Lost for Long Term Absence was **25,547** and the WDL per employee was **4.43**.

Service Groupings	Absence Monitoring Stages		
	Monitoring Stage 1	Monitoring Stage 2	Monitoring Stage 3
Chief Executive's Office	223	31	1
Communities & Economy	355	56	1
Health & Social Care Partnership	310	53	3
Council Year to Date Totals 23-24	888	140	5
Council Year to Date Totals 22-23	644	110	2

**Key Points:**

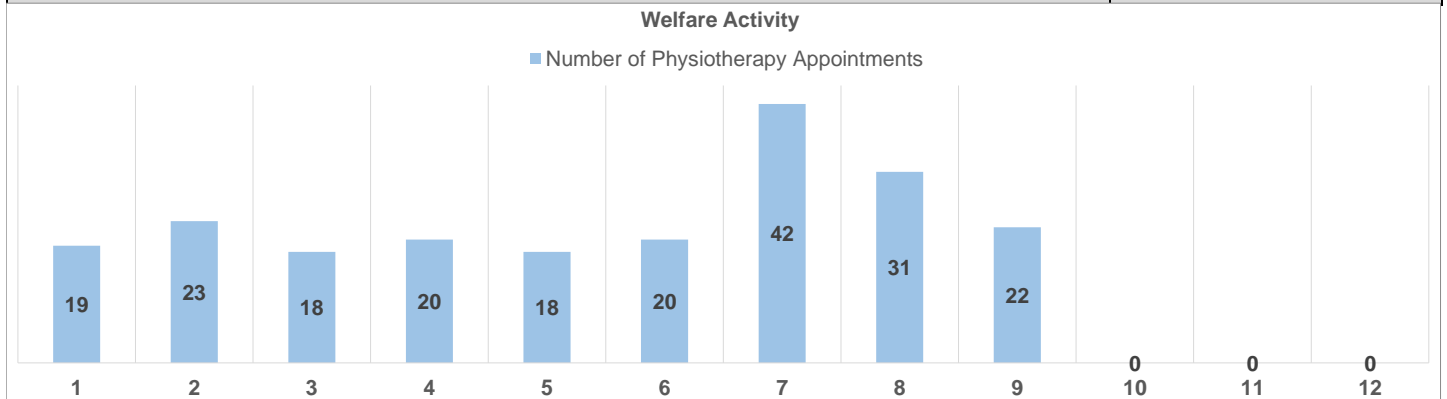
During the period there were **888** employees in Monitoring Stage 1, **140** in Stage 2 and **5** in Stage 3.

Service Groupings	Occupational Health Activity	
	Number of New Occupational Health Referrals	Number of Early Interventions
Chief Executive's Office	339	88
Communities & Economy	304	85
Health & Social Care Partnership	344	110
Council Year to Date Totals 23-24	987	283
Council Year to Date Totals 22-23	778	236

**Key Points:**

During the period there were **987** Occupational Health Appointments and **283** Early Interventions took place.

Service Groupings	Welfare
	Number of Physiotherapy Appointments
Chief Executive's Office	66
Communities & Economy	55
Health & Social Care Partnership	92
Council Year to Date Totals 23-24	213
Council Year to Date Totals 22-23	173

**Key Points:**

During the period **213** Physiotherapy Appointments took place.

Service Groupings	Disciplinary Activity					Outcome still under consideration
	Verbal Warning	Written Warning	Final Warning	Dismissal	Other	
Chief Executive's Office	0	5	0	0	0	1
Communities & Economy	0	3	1	0	4	0
Health & Social Care Partnership	1	2	4	0	2	1
Council Year to Date Totals 23-24	1	10	5	0	6	2
Council Year to Date Totals 22-23	2	19	7	4	5	8

**Key Points:**

During the period there was **1** Verbal Warning, **10** Written Warnings, **5** Final Warnings, **6** Others and **2** outcome's still under consideration.



Service Groupings	Grievance Activity			
	Concluded at Stage 2	Concluded at Stage 3	Concluded at Stage 4	On-going Case
Chief Executive's Office	0	0	0	1
Communities & Economy	0	1	0	1
Health & Social Care Partnership	0	0	0	1
<b>Council Year to Date Totals 23-24</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>3</b>
<b>Council Year to Date Totals 22-23</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>0</b>

**Key Points:**

During the period there was 1 grievance concluded at Stage 3 and 3 ongoing cases

Service Groupings	Whistleblowing Activity
	Number of Complaints
Chief Executive's Office	0
Communities & Economy	0
Health & Social Care Partnership	0
<b>Council Year to Date Totals 23-24</b>	<b>0</b>
<b>Council Year to Date Totals 22-23</b>	<b>1</b>

**Key Points:**

During the period there were no whistleblowing complaints received.

**Workforce Plan: Key Performance Areas**

The undernoted table shows the headcount split between Permanent and Temporary employees at 31 December 2023 and how it compares to the previous quarter figures at 30 September 2023. In addition it shows how the figures compare at 31 December 2022.

Service Groupings	Headcount as at 30 September 2023		
	Permanent	Temporary	Total H/count
Chief Executive's Office	2,805	299	3,104
Communities & Economy	1,744	212	1,956
Health & Social Care Partnership	1,578	113	1,691
<b>Total</b>	<b>6,127</b>	<b>624</b>	<b>6,751</b>
Service Groupings	Headcount as at 31 December 2023		
	Permanent	Temporary	Total H/count
Chief Executive's Office	2,803	314	3,117
Communities & Economy	1,743	235	1,978
Health & Social Care Partnership	1,603	109	1,712
<b>Total</b>	<b>6,149</b>	<b>658</b>	<b>6,807</b>

<b>Total Headcount as at December 2022</b>	<b>6,733</b>
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**Key Points:**

Since this time last year, the headcount for the Council overall has increased by 74 people or 1%, and during the period October - December 2023, it has also increased by 56 people or 0.8%. Across Services this increase is broken down as follows: Chief Executive's Office (increased of 13 employees); Communities & Economy (increase of 22 employees); Health & Social Care Partnership (increase of 21 employees). The number of permanent employees across the Council increased by 22 overall. Within Communities & Economy there was a decrease of 1 and within the Chief Executive's Office there was a decrease of 2, however within the Health and Social Care Partnership there was an increase of 25 employees. There was an overall increase of 34 temporary employees during the quarter with the biggest increase being 23 in Communities & Economy and 15 in Chief Executive's Office, however the Health & Social Care Partnership had a decrease of 4.

Service Groupings	FTE as at 30 September 2023		
	Permanent	Temporary	Total FTE
Chief Executive's Office	2,459.29	261.81	2,721.10
Communities & Economy	1,452.94	207.92	1,660.86
Health & Social Care Partnership	1,238.58	92.48	1,331.06
<b>Total</b>	<b>5,150.81</b>	<b>562.21</b>	<b>5,713.02</b>
Service Groupings	FTE as at 31 December 2023		
	Permanent	Temporary	Total FTE
Chief Executive's Office	2,463.64	273.59	2,737.23
Communities & Economy	1,455.56	227.46	1,683.02
Health & Social Care Partnership	1,279.22	90.44	1,369.66
<b>Total</b>	<b>5,198.42</b>	<b>591.49</b>	<b>5,789.91</b>

<b>Total FTE as at December 2022</b>	<b>5,696.75</b>
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**Key Points:**

Since this time last year, the FTE for the Council has increased by 93.16 FTE or 1.6%. During the period October - December 2023, it has increased by 76.89 FTE or 1.3%. Both permanent and temporary have increased in the last quarter with permanent increasing by 47.61 FTE and temporary increasing by 29.28 FTE.

**Developing a Young Workforce**

The undernoted table details the change in number of young people (under 25) employed within the Council, detailing apprentices and all other employees under 25. The figures include temporary employees.

Under 25's			
Service Groupings	30 September 2023		
	No. of Apprentices	All other under 25's	Total Under 25's
Chief Executive's Office	18	144	162
Communities & Economy	84	78	162
Health & Social Care Partnership	14	63	77
<b>Total Headcount</b>	<b>116</b>	<b>285</b>	<b>401</b>
Service Groupings	31 December 2023		
	No. of Apprentices	All other under 25's	Total Under 25's
Chief Executive's Office	16	144	160
Communities & Economy	78	87	165
Health & Social Care Partnership	14	72	86
<b>Total Headcount</b>	<b>108</b>	<b>303</b>	<b>411</b>
<b>Total Apprentices at December 2022</b>	<b>93</b>		
<b>Total other under 25's December 2022</b>	<b>306</b>		
<b>Total Under 25's at December 2022</b>	<b>399</b>		

**Key Points:**

Overall the number of young people under 25 working within the Council at the 31 December 2023 reporting date was **411**, with **108** of these young people being in apprenticeships; i.e. **26%**. There has been a decrease of **8** apprentices from the previous quarter. Of these **8** MAs, **2** have gained full time posts with East Ayrshire Council, **4** resigned to pursue other pathways, **1** left due to personal reasons and **1** left at the end of their training agreement. There are also **16** Graduate Interns under 25, however, it should also be noted that we do have **5** who are over 25 years old. There is an increase of **1** GI from the previous quarter. Within the period October - December 2023, there has been an overall increase of **10** employees under 25.

The Council's **Jobs and Training Fund** was agreed at Cabinet in February 2022 and this set an ambitious target to increase the number of training opportunities via Modern and Graduate Apprenticeships and Graduate Internships across the Local Authority area, with a mix of Council opportunities and Grants for MA's being provided to local business. The number was set at 200 placements over the period April 2022 - March 2025. The table below details the progress made.

Trainee Type	30-Sep-23	31-Dec-23
MA Business Admin/ Customer Services	27	29
Craft - (Electrical, Plastering, bricklaying, joinery, engineering)	15	14
Digital Marketing	1	1
Environmental	8	6
Facilities Management	3	5
Finance/Accountancy	3	3
Horticulture	10	8
Hospitality	4	4
IT	5	5
Social Care - Early Years, Play & Dev. Social Services	18	17
Youth Work	1	1
Graduate Apprentice*	2	2
Graduate Internship	20	21
<b>TOTAL</b>	<b>117</b>	<b>116</b>

<b>Total No. Apprentices March 2023</b>	<b>100</b>
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**Key Points:**

The number of Jobs and Training posts has decreased by **1** in the last quarter. Within this period, there were **10** new starts and **11** leavers. The leavers include **8** Modern Apprentices and **3** Graduate Interns. Of these **8** MAs, **2** have gained full time posts with East Ayrshire Council, **4** resigned to pursue other pathways, **1** left due to personal reasons and **1** left at the end of their training agreement. Of the **3** Graduate Interns, **2** gained posts with East Ayrshire Council and **1** gained a post with a neighbouring authority. Overall the number of Graduate Interns has increased within the quarter. Alongside the **116** Jobs and Training funded posts, there are currently a further **44** Apprentices being funded by Services giving a total of **160** Apprentices and Graduate Interns currently employed within this quarter. Although the total number of Apprentices and Graduate Interns is currently **160**, **124** of these employees are under 25 broken down by **108** Apprentices and **16** Graduate Interns. There are **5** Graduate Interns and **31** Apprentices who are over 25 years old. These include Adult Apprentices and Apprentices who started at the age of 24 and have now moved into the over 25 bracket. In addition to the Jobs and Training starts within the Council, there are **33** apprentices and **3** interns employed by local businesses supported by Jobs and Training Grants.

**Recruitment - Vacancies**

The following table details the number of posts advertised between October - December 2023 split between Frontline and non-Frontline posts. Frontline posts have been classified as posts such as Teaching and Early Childcare Centre (ECC) staff, Cleaning and Catering, Outdoor posts and Social Care frontline roles. Non-Frontline posts are classified as those posts which provide a support function or manager posts.

Service	Live Vacancies as at 30 September 2023			% of all vacancies
	Frontline	Non-Frontline	Total	
Chief Executive's Office	91	48	139	42%
Communities & Economy	52	79	131	39%
Health & Social Care Partnership	41	23	64	19%
<b>Total posts advertised</b>	<b>184</b>	<b>150</b>	<b>334</b>	<b>100%</b>
Service	Live Vacancies as at 31 December 2023			% of all vacancies
	Frontline	Non-Frontline	Total	
Chief Executive's Office	88	36	124	48%
Communities & Economy	44	48	92	35%
Health & Social Care Partnership	21	24	45	17%
<b>Total posts advertised</b>	<b>153</b>	<b>108</b>	<b>261</b>	<b>100%</b>

**Key Points:**

The total number of posts advertised this quarter in comparison to last quarter has decreased by **73** with advertising of both frontline and non-frontline posts decreasing. Within the Chief Executive's Office, there was a decrease of **12** non-frontline posts. There was a decrease of **3** frontline posts. Within Communities and Economy, there was a decrease of **31** non-frontline posts advertised. These included a decrease in Apprentices. This would be due to college starts needing to be in for August. There was a decrease of **8** frontline posts within this Service. Within the Health and Social Care Partnership, there has been a decrease in various frontline posts such as Social Workers, Day Service Assistant and Day Care Officers. There was an increase of **1** in the non-frontline posts.

**New Employees to the Council**

Service Groupings	New starts October - December	% of total new starts
Chief Executive's Office	29	20%
Communities & Economy	61	42%
Health & Social Care Partnership	56	38%
<b>Total New appointments</b>	<b>146</b>	<b>100%</b>
<b>New appointments in previous quarter</b>	<b>245</b>	

**Key Points:**

This table shows the number of new people joining the Council between October - December 2023, with a total of **146** new employees starting in post. This is a decrease of **99** new appointments or a **40%** decrease from the previous quarter when there were **245** total new appointments. The decrease is primarily within the Chief Executive's Office due to the Probationary Teacher intake and general Teacher recruitment for August.

**Employees leaving the Council**

Service Groupings	Leavers as at 31 December 2023		
	Retirement/ Redundancy	Other Reasons	Total
Chief Executive's Office	8	25	33
Communities & Economy	9	29	38
Health & Social Care Partnership	11	19	30
<b>Total Leavers</b>	<b>28</b>	<b>73</b>	<b>101</b>
<b>Leavers in previous quarter</b>	<b>178</b>		

**Key Points:**

This table shows the number of people leaving the Council during the period as a result of retirement, redundancy or for other reasons. There were a total of **101** employees who left the Council during the 3 month period. This was **77** less than in the previous quarter. The main reason for people leaving was resignations which equated to **57** people across the Council during the period. A large group of resignations came from Community Care Officers within the Health and Social Care Partnership. There were **10** resignations from this group within this period. There were also **7** resignations from Classroom Assistants within the Chief Executive's Office during this time.

Service Groupings	Payroll Activity				
	New Starts	Terminations	Hours Changes	Half Pay	No Pay
Chief Executive's Office	225	309	444	46	15
Communities & Economy	267	264	88	66	15
Health & Social Care Partnership	256	892	186	75	32
<b>Council Year to Date Totals 23-24</b>	<b>748</b>	<b>1465</b>	<b>718</b>	<b>187</b>	<b>62</b>
<b>Council Year to Date Totals 22-23</b>	<b>1,067</b>	<b>997</b>	<b>668</b>	<b>215</b>	<b>95</b>

**Key Points:**

Please note the above figures also include multi-contracts activity.

Service Groupings	Pays Processed
Chief Executive's Office	34,092
Communities & Economy	20,015
Health & Social Care Partnership	16,859
<b>Council Year to Date Totals 23-24</b>	<b>70,966</b>
<b>Council Year to Date Totals 22-23</b>	<b>67,282</b>

Service Groupings	Car Mileage	
	No. of Claims	Value of Claims
Chief Executive's Office	953	£88,356
Communities & Economy	805	£72,084
Health & Social Care Partnership	4,103	£383,380
<b>Council Year to Date Totals 23-24</b>	<b>5,861</b>	<b>£543,820</b>
<b>Council Year to Date Totals 22-23</b>	<b>4,876</b>	<b>£470,572</b>

Service Groupings	Car Leasing	
	No. of vehicles on the road	No. of vehicles awaiting delivery
Chief Executive's Office	277	13
Communities & Economy	101	3
Health & Social Care Partnership	108	3
<b>Council Year to Date Totals 23-24</b>	<b>486</b>	<b>19</b>
<b>Council Year to Date Totals 22-23</b>	<b>295</b>	<b>57</b>

**Communications Team: Overview**

Activity	This period	Previous Period	Variance
Media enquiries	49	55	-6
Media releases and statements	112	95	17
Average % press coverage	79%	100%	-21%
Graphics projects	95	90	5
Facebook followers	27,270	26,795	475
Twitter followers	22,634	22,554	80
Granicus subscribers	58,544	56,418	2,126
Granicus bulletins issued	391	349	42
Total number of recipients	1,749,215	1,772,305	-23,090
Average % open rate for bulletins	31.1%	30.6%	1.60
New web content	249	300	-51
Number of web visitors	207,351	208,620	-1,269
Unique page views	465,875	426,806	39,069

**Key points:**

There is a slight improvement on previous period's figures with followers and subscribers for digital channels continuing to grow.

**Hot topics and highlights****Press enquiries**

- ▶ Budget enquiries
- ▶ Closure of Auchinleck leisure facilities
- ▶ Council tax freeze
- ▶ Pavement parking proposals
- ▶ RAAC in schools and other council buildings

**Campaigns and new content**

- ▶ **Internal communications**
  - COSLA pay offer updates
  - Care at home staffing appeals
  - Employee survey
- ▶ **External campaigns**
  - Community defibrillator roll out
  - Budget consultation
  - Auchinleck leisure consultation
  - Podback recycling campaign

**A selection of Press releases**

- ▶ Council sets first for women's health
- ▶ New cycling initiative set for East Ayrshire Roads
- ▶ Bronze accreditation for Equally Safe at Work programme
- ▶ Catering services open new kiosk at athletics arena
- ▶ Multi million housing investment agreed by cabinet
- ▶ Dalmellington Early Childhood Centre official opening
- ▶ Kilmarnock welcomes £20million windfall
- ▶ Podback launch

**Organisational Development: Key Performance Areas****Welcome To East Ayrshire: Our online Welcome Induction**

122 out of 146 new starts (from Oct - 31 December 2023) have completed their Welcome to EA Induction Module

**Coaching Programme (approx. 4 month programme) - Embedding a Coaching approach across the organisation**

19 employees have completed the Coaching Programme from Oct - 31 December 2023

46 employees have complete the Coaching Program this financial year

**Impact - Quotes from the Coaching Programme**

*This has enabled me to listen more to my team and not feel the need to automatically fix their problems but to support them to achieve their outcomes*

*Have a better understanding of how to support staff with this approach*

*It has broken down barriers and empowered the people I serve.*

**Leadership Programmes**

**New and Aspiring Leadership** (5 month programme from August 2023 - December 2023): 11 employees completed

A total of 18 employees have completed the programme this financial year

**Leader as Coach** (12 month programme): Last cohort concluded May 2023 with 4 employees and 1 employee from the Scottish Fire and Rescue Service (SFRS) having completed the programme.

**Leader as Coach** (12 month programme): Currently 3 Cohorts ongoing, with 30 people attending.

▶ Cohort 6 started Feb 2023 – 7 EAC and 2 SFRS

▶ Cohort 7 started April 2023 – 9 EAC & 1 SFRS

▶ Cohort 8 started September 2023 – 9 EAC & 2 NHS

**Impact - Quotes from the Leadership Programmes**

*Amazing course with amazing guest speakers and leaders.*

*The guest slots were really good and provided a lot of information to me personally and help understand the purpose of the wider organisation in various ways.*

*It was also a great opportunity to have such a mix of people from various services as this really helped me to understand some of the less familiar services to me and find out what they do. It also feels we have made personal connections now and will help the wider communication and linking in for answers at times.*

*I really enjoyed the course and grateful to have participated. Thank you all for your inputs.*

**Mentoring Framework: facilitates the process of sharing skills, knowledge, and expertise through a mentor/mentee relationship. The Framework not only promotes and embeds our FACE qualities and behaviours, it supports the delivery of the Council's Corporate Strategic Plan through the development of our employees to learn and grow via the appropriate help and advice. The framework is open to all East Ayrshire Council and H&SCP employees.**

Current number of Mentors signed up to the Framework **78**. Active Mentors **30** (some Mentors have more than 1 Mentee). Current Number of Mentees **34**

**Impact - Quotes from the Mentoring Framework**

*At a point in my career where I felt that I had reached a ceiling my mentor provided me with the confidence and assurance to become a better leader. They provided a safe confidential space, away from work, where their support allowed me to take time to reflect and find better solutions. My development with the support of a mentor has very much exceed my expectations.*

*The process was enjoyed by us both and while I questioned my role beyond being a soundboard, the mentee stated that she had enjoyed her thoughts being challenged and insights from a completely different angle and she felt at ease and comfortable giving her honest opinions. The sessions also helped her keep focused and encouraged her to actions which would have remained 'to do'. It also opened up some new avenues that wouldn't have been considered.*

*I can't think of another arrangement that would have delivered on these outcomes except through the mentor process.*

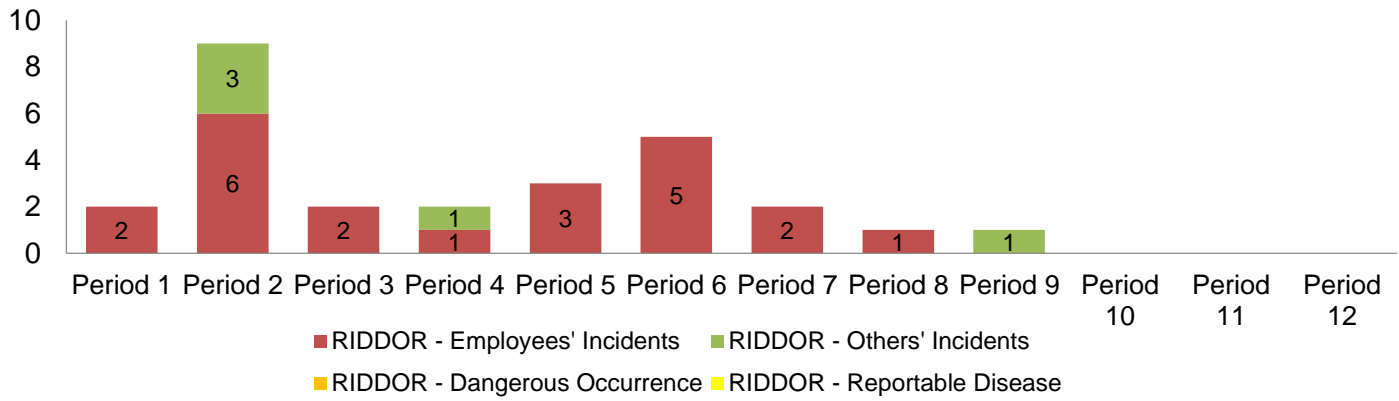
*I found the process refreshing where two people with no past baggage, but with experience and needs, can meet to mutual benefit.*

**FACE Time Engagement:** This information is over a 12 month period as this is a 12 month process

Service Groupings	Employees completed or working on FACE Time
Chief Executive's Office	588
Communities & Economy	521
Health & Social Care Partnership	925
<b>Total number either completed, or working through, their FACE Time *Excluding Teaching Staff</b>	<b>2,034</b>
<b>Percentage who have completed, or who are working through, their FACE Time *Excluding Teaching Staff</b>	<b>38%</b>

# HEALTH AND SAFETY

**Reportable Incidents**



RIDDOR - The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013

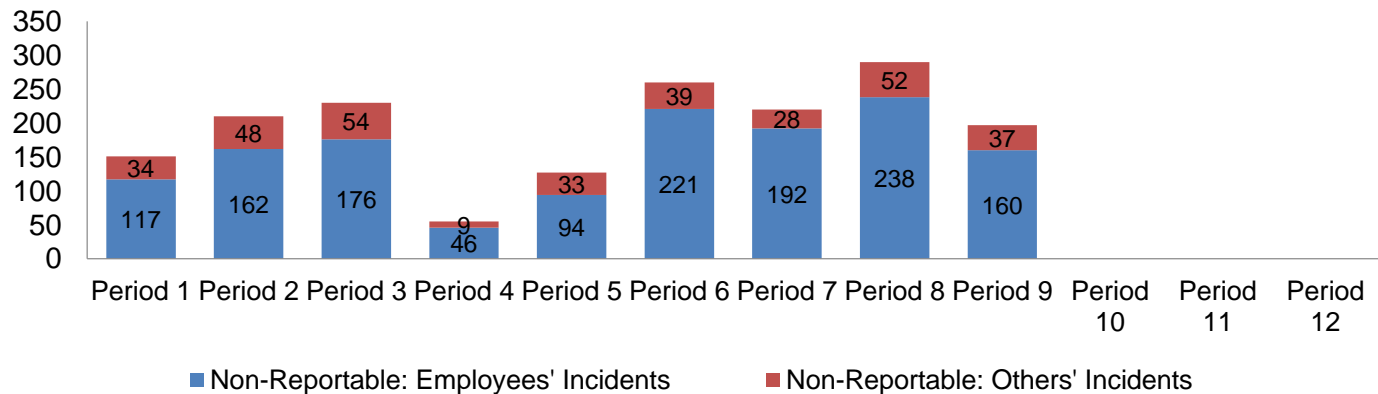
**Key Points:**

During Periods 7 - 9 (2023/24) there were a total of 711 incidents reported to the Health and Safety Team. This is an increase of 187 incidents when compared with Periods 7 - 9 (2022/23) where there were 524 incidents reported.

Of the 711 incidents reported to the Health and Safety Team, 4 required to be reported to HSE in line with RIDDOR. This is a decrease of 16 when compared to Periods 7 - 9 (2022/23) when there were 20 reported to HSE.

The 'Causes' of the 4 incidents were: Slips-Trips-Falls x 2; Manual Handling x 1 and Struck by Moving Object x 1.

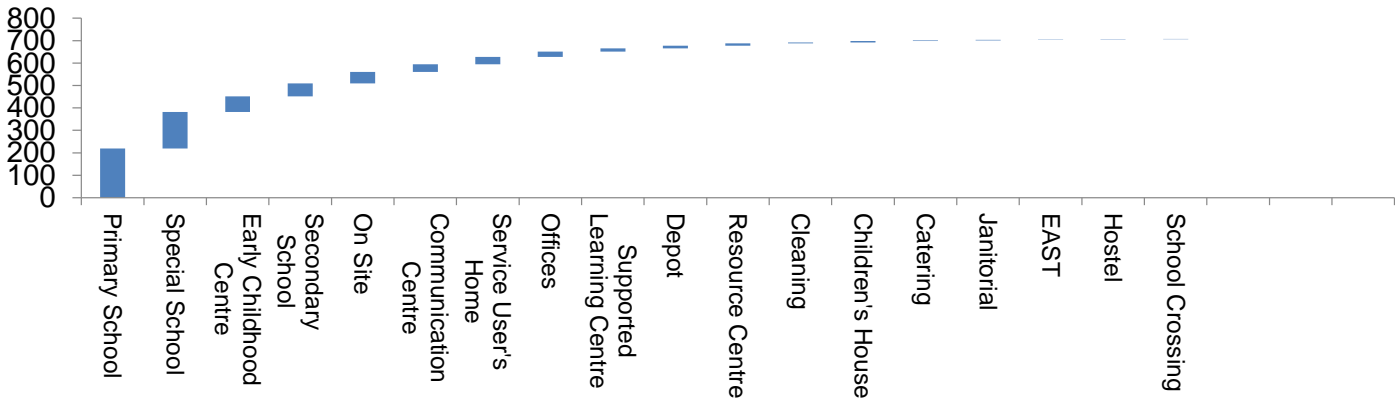
**Non Reportable Incidents**



**Key Points:**

Of the 707 'non-reportable' incidents reported to the Health and Safety Team during Periods 7 - 9 (2023/24) the 3 main 'Causes' were: Violence and Aggression x 510 (72%); Slips-Trips-Falls x 48 (7%) and Playground/Horseplay x 25 (4%).

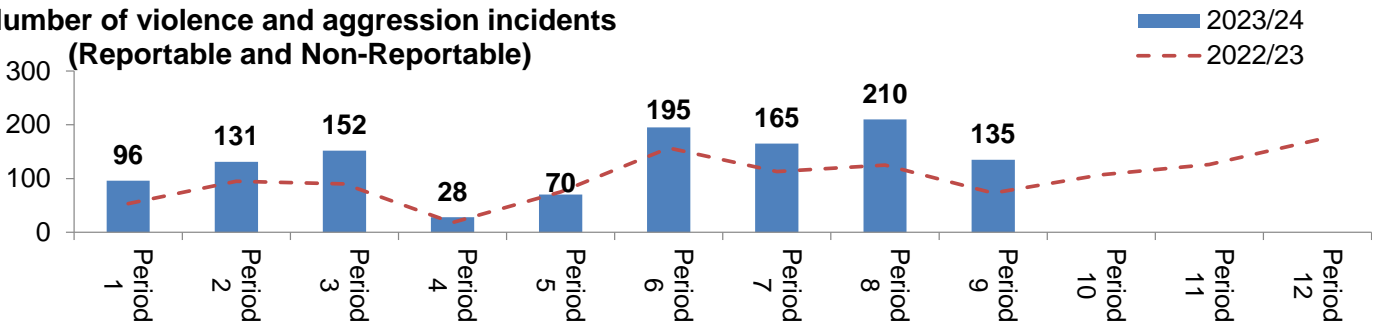
Location of Non-Reportable Incidents 2023/24



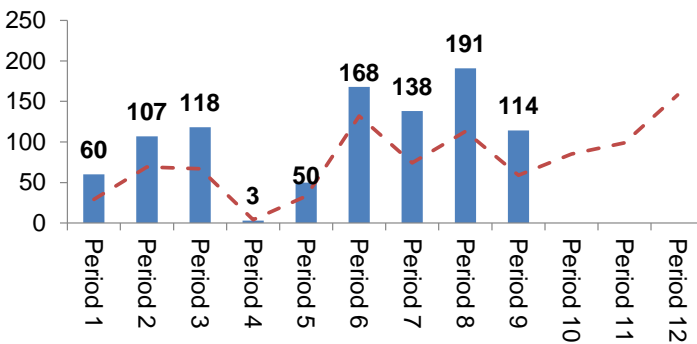
Key Points:

A high percentage (79%) of non-reportable incidents occurred within Educational Establishments, and in particular Primary Schools.

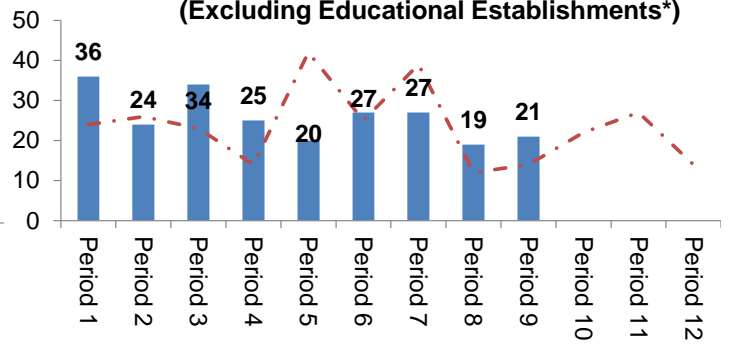
Number of violence and aggression incidents (Reportable and Non-Reportable)



Number of violence and aggression incidents (Educational Establishments\*)



Number of violence and aggression incidents (Excluding Educational Establishments\*)



Average days to report an incident



\* Educational Establishments includes early childhood centres, primary schools, secondary schools, special schools and ASN Facilities.



**Key Points:**

During Periods 7 - 9 (2023/24) there were 510 incidents of Violence and Aggression, none (0) of which required to be reported to HSE in line with RIDDOR. This is an increase of 200 incidents compared to Periods 7 - 9 (2022/23) when there were 310 incidents. Of the 510 incidents 306 were physical and 204 were verbal.

The average number of days to report an incident during Periods 7 - 9 (2023/24) was **3.3** days. This is an increase when compared with Periods 7 - 9 (2022/23) where the average number of days to report an incident was 2.9 days.

# **BUSINESS BRIEFINGS**

	Period	Target	Result	Status
<b>Chief Executive</b>				
Average number of days to process a new benefits claim or change event	YTD Dec	5.0	5.5	
Percentage of benefits claims processed that are accurate	YTD Dec	97.0%	99.45%	
Average time (weeks) to deal with all householder planning applications	Dec	8.0	10.4	
Average time (weeks) to deal with all non-householder planning applications	Dec	25.0	13.8	
Average number of weeks to process a building warrant	Dec	32	11	
Legacy planning applications as a percentage of all live planning applications	Dec	20.0%	15.8%	

## Key Points:

### Benefits Processing

At 5.5 days the average number of days to process a new benefit claim or change event is slightly above the annual target of 5 days. The figure is higher than the same period in 22/23 and this drop in performance was due to the need for staff within the Processing Team to support and train new colleagues recruited as part of the F&ICT Service Redesign. This has now taken place and performance will recover.

The percentage of claims processed accurately remains high and the service continues to ensure that staff are trained and supported to carry out processing to a high standard. We have recently carried out some refresher training to ensure accuracy is maintained

As more and more customers move onto Universal Credit this reduces the number of Housing Benefit claims but increases the number of changes for Council Tax Reduction. Much of the resource within the service is focused on processing Council Tax Reduction claims and this means it can take longer to process Housing Benefit claims.

We are also dealing with a number of National Fraud Initiative (NFI) matches and resources have been moved to be able to complete these by the deadline on March 2024.

However, taking into account all of the above we are still hoping to be within the target set by the end of the financial year.

### Householder and non-householder planning applications

Timescales lengthened slightly in both categories over the last month although the non-householder category remains well ahead of target. It should be noted that the figures include legacy applications and further, the majority of these applications are subject to 'stop the clock' or processing agreements which can cause significant delays. Performance can be skewed by a single application being determined over target and most applications are issued within the target period.

## Building Warrants

The statutory backstop period for determining applications is 9 months after the initial first response which is 4 weeks. Management procedures previously introduced for monitoring work and the refusal procedure continue to maintain a high response which assists to remove historic applications.

## Legacy Planning Applications

The position is unchanged from the previous month; moreover, analysis over time shows that the Service has consistently exceeded its target. This reflects the ongoing deployment of staff resources to deal with these cases, and quarterly reports to Planning Committee help to keep the matter in focus. The determination of legacy cases is a complex process, often requiring the submission of outstanding technical information from the applicant and completion of legal agreements before the applications can be determined.

## Achievement of Curriculum for Excellence Levels (ACEL) 2022-23

Achievement of Curriculum for Excellence Levels (ACEL) results for the 2022-23 session were published by Scottish Government in December 2023. East Ayrshire results were extremely positive, with notable improvements across a number of components and stages for primary stages (P1, P4, P7 and P147 Combined) -

P1 Reading - 80.2% - an increase of 0.3pp from 2021-22.

P1 Numeracy - 86.3% - an increase of 0.8pp from 2021-22.

P4 Reading - 74.6% - an increase of 4.3pp from 2021-22.

P4 Writing - 66.8% - an increase of 1.8pp from 2021-22.

P4 Listening & Talking - 85.8% - an increase of 2.2pp from 2021-22.

P4 Literacy - 64.4% - an increase of 2.8pp from 2021-22.

P4 Numeracy - 72.9% - an increase of 3.7pp from 2021-22.

P7 Reading - 74.7% - an increase of 1.3pp from 2021-22.

P7 Writing - 70.9% - an increase of 3.2pp from 2021-22.

P7 Listening & Talking - 84.8% - an increase of 1.2pp from 2021-22.

P7 Literacy - 67.4% - an increase of 3.2pp from 2021-22.

P7 Numeracy - 74.4% - an increase of 2.3pp from 2021-22.

P1,4,7 Combined Reading - 76.4% - an increase of 1.9pp from 2021-22.

P1,4,7 Combined Writing - 71.1% - an increase of 1.0pp from 2021-22.

P1,4,7 Combined Listening & Talking - 86.0% - an increase of 0.8pp from 2021-22.

P1,4,7 Combined Literacy - 68.2% - an increase of 1.4pp from 2021-22.

P1,4,7 Combined Numeracy - 77.5% - an increase of 2.1pp from 2021-22.

In 2022-23 the secondary sector (S3) also saw notable improvements across a number of different components -

S3 Reading (3rd Level or above) - 88.0% - an increase of 3.9pp from 2021-22.

S3 Writing (3rd Level or above) - 86.3% - an increase of 3.0pp from 2021-22.

S3 Listening & Talking (3rd Level or above) - 89.4% - an increase of 3.7pp from 2021-22.

S3 Literacy (3rd Level or above) - 85.3% - an increase of 3.7pp from 2021-22.

S3 Reading (4th Level) - 59.9% - an increase of 6.4pp from 2021-22.

S3 Writing (4th Level) - 61.5% - an increase of 11.9pp from 2021-22.

S3 Listening & Talking (4th Level) - 61.6% - an increase of 7.2pp from 2021-22.

S3 Literacy (4th Level) - 55.9% - an increase of 7.6pp from 2021-22.

S3 Numeracy (4th Level) - 65.2% - an increase of 0.8pp from 2021-22.

### SL33 - Community Learning & Development Progress Visit Report

The Community Learning & Development Progress Visit Report, published by Education Scotland on 19 December 2023 identified SL33 as making a significant contribution to supporting young people into positive destinations and specified as practice worth sharing more widely.

The report can be found here - <https://education.gov.scot/media/2cqlwgn2/east-ayrshire-council-cld-pv-191223.pdf>

	Period	Target	Result	Status
<b>Communities and Economy</b>				
Percentage of new tenancies sustained for more than a year	Dec	84.0%	88.8%	
Percentage of rent due lost through properties being empty during the last year	Dec	3.0%	1.60%	
Average number of days taken to re-let properties	Dec	60 days	55.5 days	
Current tenant arrears as a percentage of the gross amount of rent due in the year	Dec	5.67%	5.16%	
Percentage of repeat homelessness	Dec	6.5%	0.3%	
Percentage of factored block inspections carried out	Quarter 3	100%	58%	
Businesses supported with an intervention by the Business Support Team	End Q3	248	259	
Number of apprenticeships & interns actively supported within local businesses via the Jobs and Training Fund and Employability support	End Q3	60	74	
Number of case studies completed by the Business Support Team	End Q3	18	15	

### Sustainability

The current figure for overall sustainability is 88.8% which compares with the December 2022 reported figure of 88.8%. In the current period, Cumnock and Doon Valley performance is 89.7%, with Irvine Valley and Kilmarnock South at 88.3% and Kilmarnock North and Central at 88.3%. Currently sustainability from the Transfer Group is 93.3%, the Waiting Group is 90.1% and from the Homeless Group is 85.3%. The Council's Rapid Rehousing Transition Plan 2019-24 aims to reduce homelessness and increase tenancy sustainment through partnership working with key stakeholders, focussing on prevention and early intervention.

### Void Rent Loss

Current performance is 1.60% compared with December 2022 at 1.31%. Currently Cumnock and Doon Valley performance is 1.46%, Irvine Valley and Kilmarnock South is 1.51% and 1.83% at Kilmarnock North and Central. In the ARC 2022/23, East Ayrshire reported a void rent loss figure of 1.3%.

### Relets

Current performance for December is 55.0 days. The current year to date performance is 53.8 days compared with 59.9 days in December 2022. In the current year there have been 760 properties re-let compares with 713 in the same period in 2022/23. Year to date performance in Cumnock and Doon Valley is 55.0 days, 47.3 days in Irvine Valley and Kilmarnock South and 58.9 days in Kilmarnock North and Central. Year to date, the core performance of lets were under 16 weeks was 93.6% and the average time to let these properties was 46.9 days. 6.4% of relets took 16 weeks to 52 weeks (average days of 154.4 days) and 0% relets took over a year to re-let (average days 0 days). In 2022/23, East Ayrshire reported an average days to re-let figure of 58.5 days and the Scottish local authority average for 2022/23 was reported as 66.9 days.

## Key Points:

### Arrears

The value of Current Tenant Arrears is £2.550m (current arrears as a percentage of gross rent is 5.16%). The Council continues to offer support and advice for our tenants, including signposting to appropriate benefits and income maximisation. Universal Credit (UC) is directly attributable for £432,852 of current rent arrears which equates to 3,460 cases claiming UC and in arrears (average arrear of £413.10). Tenants in receipt of UC will owe on average £420 to £450 due to the monthly payment cycle. As more people convert from legacy benefits (currently an average of 60 per month) the arrears directly attributable to UC will continue to rise.

### Repeat Homelessness

Year to date performance is 0.3% (2 case) compared with 1.0% (6 cases) for the same period in 2022/23.

### Factoring

To date, the Factoring Service has completed 98 block inspections of the required 223 factored block annual inspections. The remaining surveys are scheduled to be carried out within this financial year. The Council will continue to work towards securing invoice payments. In the current year, 100 owners are Homeowners' Maintenance Plan in relation to repairs associated with communal doors and entry lighting with targeted promotion underway.

### Business Support

Many businesses remain reluctant to invest in new activities as a result of continuing economic challenges and the support provided by the Team allows them to press ahead with investment decisions which otherwise may not have proceeded. It was anticipated that there would be some seasonal slowing down; nevertheless, the Team remains on track to achieve its annual target.

### Jobs and Training Fund/Employability Support

Take-up of apprenticeships and internships by the private sector has been hugely encouraging and the annual target is likely to be exceeded in Quarter 4. This measure includes both the Jobs & Training Fund and Recruitment Incentive Grant (RIG) funded places (40 each over the year). Employability plays an essential role in delivering the Scottish Government's aims of tackling poverty, promoting inclusion and social justice and creating a fair and prosperous Scotland.

### Case Studies

In conjunction with BeReady and GoStrategy consultants, 15 separate case studies are in development and will be used across social media platforms and in other digital materials such as BeReady brochures. Case studies are important to demonstrate success stories from within our local business base and also help to showcase the activities of the Business Support Team.

	Period	Target	Result	Status
<b>Wellbeing</b>				
Hospital discharge (over 2 weeks) as at the end of the month (standard delay reasons)	Nov	0	0	
Delayed discharge bed days	Nov	733	663	
Number of Looked After and Accommodated Children and Young People	Dec	Reduce	389	

## Key Points:

### Delayed Discharge

The number of people who remain in hospital when assessed as fit to be more appropriately supported in another setting (known as 'delayed discharges') for over 2 weeks was maintained at zero throughout 2022/23 and also during the eight months in 2023/24 to date. The target of zero has been consistently met in East Ayrshire for a number of years.

Following a period of increase in the number of 'delayed discharge' bed days over recent years and related system pressures experienced across Scotland, local performance remains strong relative to benchmark comparators and national levels. During 2023/24 the number of bed days occupied by delayed discharge peaked in July and since then has been decreasing. In November 2023, the total of 663 bed days included 117 'Standard' delay bed days and 546 complex discharges ('Code 9' reasons). The monthly average total bed days in the first eight months of 2023/24 was 817. The average number of bed days occupied due to delays in complex discharges during the first eight months of 2023/24 stands at 636, a decrease of 3.7% from the same period in 2022/23. A benchmarking exercise has been undertaken to revise the target for this indicator (733), based on upper quartile performance and for the current reporting period performance is within this target level.

The ongoing focus on Discharge without Delay and Home First principles alongside improved ICT pathways, has continued to facilitate discharges in East Ayrshire during a period of additional and new demands across the whole system. Frequent whole system liaison and the mobilisation of resources such as East Ayrshire Community Hospital, has helped maintain flow. A service-wide reablement approach has been rolled out from 28th August 2023 and early indications are of positive impact in promoting independence for supported people.

### Number of Looked After and Accommodated Children and Young People

There has been a long-term reduction in the number of looked after and accommodated children and young people in East Ayrshire, with the rate per 1,000 0-17 population having declined from 20.6 in 2014 to 16.5 in 2022. This positive long-term trend is associated with increased partnership working and asset-based ways of working in relation to prevention and early intervention. Stability of placements has also improved and we continue to proactively engage with care experienced young people, utilising a strength based approach to mitigate risks within the community. The most recent national statistics show a total of 387 looked after and accommodated children and young people in East Ayrshire on 31st July 2022.

As at December 2023, there were 389 looked after and accommodated children and young people, with no additional children and young people being recorded as 'becoming looked after' at the time of reporting. The overall number of children and young people looked after and accommodated has seen an increase in recent months (339 in the previous reporting period), with the number of children and young people 'becoming looked after' having remained at 0 in this period.

It should be noted that the data for this indicator is sourced from our Social Work Information Management System (Liquidlogic), which is currently undergoing a data cleansing process. Senior Management have advised that there has not been a substantive increase in the number of looked after and accommodated children and young people during the last quarter, which suggests that the notable increase reported within this period is attributable to the data cleansing process.

The longer term impact of the pandemic continues to be experienced by children and young people in our communities, and indeed across Scotland, with higher levels of need and complexity evident. It is possible that as this need continues to emerge, the number of looked after children may require to increase. To mitigate this, services and approaches to support early intervention and prevention are being developed, with the evolution of Help Everyone At the Right Time (HEART) and the community multi-disciplinary teams, in addition to the Whole Family Wellbeing Fund investment for family support.



# COMPLAINTS

The Council's revised Complaints Handling Procedure was implemented on 1 April 2021, to ensure compliance with the Scottish Public Services Ombudsman (SPSO) Model Complaints Handling Procedure which was revised in 2020.

The SPSO is currently developing new Child Friendly Complaints Handling Principles to complement the existing Complaints Handling Procedure and it is anticipated that these will come into force from 1 April 2024.

	Complaints Received (Quarter 3 2023/24)			
	Stage 1 Complaints	Stage 2 Complaints	Escalated Complaints	Number of complaints
Chief Executive	2	6	2	10
Communities and Economy	15	0	1	16
Pan-Department	0	0	0	0
<b>East Ayrshire Council</b>	<b>17</b>	<b>6</b>	<b>3</b>	<b>26</b>

### Key Points:

During Quarter 3 of 2023/24, a total of 26 complaints were received and a further 8 complaints were carried forward from Quarter 2. In 2022/23 by comparison, there was a total of 34 complaints received during Quarter 3 and a further 5 complaints carried forward from Quarter 2.

There has been a decrease in the number of complaints received in Quarter 3 of 2023/24 (26) in comparison with Quarter 3 of the previous year (34).

	Complaints Closed (Quarter 3 2023/24)						
	Number Closed	Number Closed Within Time*	Average Time In Working Days To Respond	Outcomes			
				Fully Upheld	Partially Upheld	Not Upheld	Resolved
Stage 1 Complaints	13	12 (92.3%)	4.1	4 (30.8%)	5 (38.5%)	4 (30.8%)	0 (0.0%)
Stage 2 Complaints	8	4 (50.0%)	23.1	2 (25.0%)	6 (75.0%)	0 (0.0%)	0 (0.0%)
Escalated Complaints	7	5 (71.4%)	19.0	0 (0.0%)	3 (42.9%)	4 (57.1%)	0 (0.0%)

\* Closed within 5 working days for Stage 1 complaints, within 20 working days for Stage 2 complaints and within 20 working days for Escalated complaints.

### Key Points:

During Quarter 3, 28 complaints were closed with a full response given and there were 6 complaints which remained open and were therefore carried forward to Quarter 4 of 2023/24.

Of the 28 complaints closed with a full response given, 13 were dealt with only at Stage 1 of the Complaints Handling Procedure, 8 complaints were dealt with only at Stage 2 and 7 complaints were Escalated. Escalated complaints are complaints which have been escalated from Stage 1 to Stage 2 of the Complaints Handling Procedure.

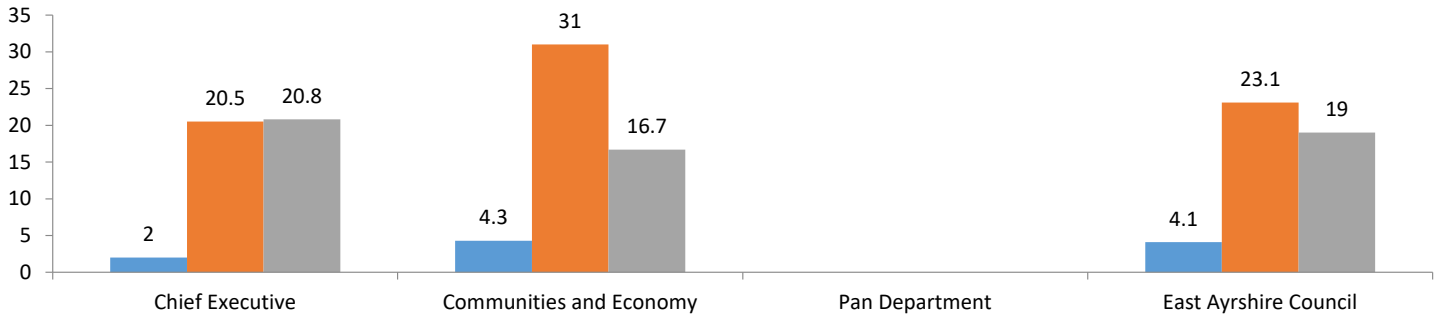
During Quarter 3, of the 28 complaints responded to in full, 21 (75.0%) were responded to within the required timeframe\*. This is a decline in performance in comparison with Quarter 3 in 2022/23 during which 84.4% (27 out of 32) were responded to within the required timeframe\*.

### Improvement Actions

Of the 28 complaints closed with a full response in Quarter 3, 16 complaints had improvement actions associated with them including 4 within the Ayrshire Roads Alliance, 7 within Education, 3 within Housing and Communities, 2 within Planning and Regulatory Services.

## Average time in working days to respond

■ stage 1 ■ stage 2 ■ escalated



## Key Points:

In Quarter 3, the average time in working days to respond to:

- a Stage 1 complaint was 4.1 days (5.3 days in 2022/23);
- a Stage 2 complaint was 23.1 days (18.9 days in 2022/23); and
- an Escalated complaint was 19.0 days (19.3 days in 2022/23).

The percentage of complaints which were fully upheld:

- for Stage 1 complaints was 30.8% (36.8% in 2022/23);
- for Stage 2 complaints was 25.0% (10.0% in 2022/23); and
- for Escalated complaints was 0.0% (0.0% in 2022/23).

The percentage of complaints which were partially upheld:

- for Stage 1 complaints was 38.5% (21.1% in 2022/23);
- for Stage 2 complaints was 75.0% (30.0% in 2022/23); and
- for Escalated complaints was 42.9% (66.7% in 2022/23).

The percentage of complaints which were not upheld:

- for Stage 1 complaints was 30.8% (42.1% in 2022/23);
- for Stage 2 complaints was 0.0% (60.0% in 2022/23); and
- for Escalated complaints was 57.1% (33.3% in 2022/23).

The percentage of complaints which were resolved:

- for Stage 1 complaints was 0.0% (0.0% in 2022/23);
- for Stage 2 complaints was 0.0% (0.0% in 2022/23); and
- for Escalated complaints was 0.0% (0.0% in 2022/23).

Figures in brackets relate to Quarter 3 of 2022/23.

# RISKS

Risk No.	Risk	Risk Owner	Overall Risk
1a	<p><b>Economic climate</b> - The level of grant funding available in the future will not support existing service levels.</p>	<p><b>Chief Financial Officer and Head of Finance &amp; ICT</b></p>	<p>We consider the overall risk rating to be High given the significant challenges that have arisen following the Coronavirus Pandemic which has had an unprecedented impact on UK Government borrowing levels, which will potentially lead to reduced funding allocations going forward. The current high levels of inflation and impact this has on local households, businesses and the operation of the Council has resulted in a high demand and significantly increased cost of providing Council Services, against a backdrop of increasingly restricted levels of funding.</p> <p>We recognise that the volatility around inflation, energy costs and the cost of living will continue in the short term. The Resource Spending Review and the Medium Term Financial Plan published by the Scottish Government in May 2022 shows that funding to Local Government will be held at 2022/23 levels until 2025/26 which will in turn present additional financial pressures given demand levels and the current rate of inflation.</p> <p>The financial outlook for the years from 2022/23 highlighted in our Medium Term Financial Strategy sees the Council's gap widen with a requirement to identify further efficiencies to balance the budget going forward. The Financial Strategy highlights an anticipated cumulative budget gap of £39m by 2027 based on a medium risk scenario and will require continued collaboration and planning to close the gap and achieve a balanced budget each financial year. The report recognised the challenges services had identifying options to close the budget gap, the significant pressures that continue to exist within service budgets and the difficult decisions councils across Scotland will have to take to balance 2023/24 budgets.</p> <p>As part of the financial settlement for 2023/24 the Scottish Government imposed conditions that required Councils to maintain teacher numbers at September 2022 levels, classroom assistant numbers at March 2023 levels, prescribing the standard hours of the school learning week, as well as mandating the council offer a training place for probationer teachers. The consequence of this resulted in expenditure reduction options totalling £1.250m requiring to be removed, and the requirement to raise Council Tax levels by 5% rather than the initially planned 3%. The application of the conditions means that substantial elements of the Council's largest service budget is, to all intents and purposes, ring-fenced which will cause serious challenges in trying to balance the budget in future years. The budget report was presented to Cabinet and Council on 22 and 23 February 2023 and was approved, removing one further proposed option and committing £2.596m of one-off initiatives.</p> <p>The Quarter 3 East Ayrshire Performs reports shows the significant financial challenges the Council currently faces with a projected net overspend of £5.466m across services. In order to address this, all services have been advised that they need to strongly consider the continued level of service provision that can affordably be made to communities to return themselves to a balanced financial position.</p> <p>A report on the Medium Term Financial Strategy - 2024/25 Budget Strategy was presented to Council on the 26 October 2023. The report highlighted an estimated £7m budget gap for 2024/25 and detailed efficiency targets that had been allocated to service areas. Proposals for expenditure reductions have been finalised by officers and are currently being considered by Members. The Scottish Budget was on the 19th December following on from the UK Government Autumn Statement on 22 November. The Settlement for Local Government was very disappointing and the details of it are still being discussed nationally via COSLA at both an officer and member level. The Revenue Settlement was not flat cash as had been anticipated but is a 0.5% reduction nationally, with East Ayrshire seeing further reductions as a result of GAE redistribution. Overall current assessment of Revenue funding is that an additional £2.7m shortfall requires to be addressed. This continues to be reviewed for clarity with options to bridge the gap being considered. The impact of the Scottish Government Council Tax Freeze is not in the current settlement, however assessment both locally and nationally is that the proposed quantum by the Scottish Government falls short of the overall impact on Council funding of an assumed 5% uplift. Capital Funding has also been reduced by approximately 10%.</p>
High			
1b	<p><b>Economic climate</b> - The current economic position will have an impact on the income collected by the Council</p>	<p><b>Chief Financial Officer and Head of Finance &amp; ICT</b></p>	<p>We consider the overall risk to be High given the impact that ongoing high levels of inflation are having on both household and commercial income levels in the post pandemic climate across the Council.</p> <p>Analysis shows that some income budgets are recovering although the pace of recovery is relatively slow. However there are specific income budgets that continue to see a deterioration in recovery levels and work continues to support those most in need while seeking ways to manage income levels. This East Ayrshire Performs report continues to show income pressures around parking and capital fee income. Significant pressures that now exist due to the Cost of Living crisis means that there is a need to continue close monitoring on specific income budgets in the months ahead.</p>
High			
1c	<p><b>Economic climate</b> - The local economic position will have a direct impact on the residents of East Ayrshire and their demand for council services.</p>	<p><b>Chief Financial Officer and Head of Finance &amp; ICT</b></p>	<p>The local economic position will have a direct impact on the residents of East Ayrshire and their demand for Council services. We consider the overall risk to be High and while earlier risk analysis and assessments highlighted the issues around the impact of welfare reform on residents and individuals these have been compounded further by the lingering impact of the pandemic as well as the Cost of Living crisis.</p> <p>Limitations on Scottish Government funding has meant that Council Tax has been raised by 5% in 2023/24 with specific measures to help those most in need. Council Tax Reduction, Discretionary Housing Payments and Scottish Welfare Fund are seeing significant pressure with the number of applications steadily growing despite substantial resources being deployed to deal with the applications. The continued high level of inflation, coupled with high energy and food costs and the rise over the past year in interest rates, means that households will experience significant financial pressures in the short to medium term.</p> <p>The Council has provided funding of £3.1m to support specific households and businesses and the Head of Wellbeing and Recovery is leading the Councils plans and efforts to respond to the crisis and support communities and businesses. Officers are working across Council and identifying all available opportunities for support with the Councils communications and website providing information and signposting on practical and financial support.</p> <p>The East Ayrshire Performs report highlights the difficulties our communities are experiencing with the request to transfer £0.400m to the Scottish Welfare Fund at Quarter 1 to maintain eligibility criteria at Low approved by Cabinet, as well as the increasing pressure on Council Tax Reduction costs with a £0.900m overspend projected.</p>
High			
2a	<p><b>Financial Risk</b> - The UK's withdrawal from the European Union will have an impact on local communities, the provision of goods and services, supply chains, the local economy, business survival and the Council's financial position. It is recognised that any impact is likely to be exacerbated by the concurrent impacts relating to the Covid-19 pandemic and other civic emergencies, with consequent impacts on organisational capacity.</p>	<p><b>Chief Financial Officer and Head of Finance &amp; ICT</b></p>	<p>We consider the overall risk to be High. The UK potential loss of funding, impact on economic conditions including growth, borrowing costs, and the potential for further changes to local government funding all present a significant financial risk to the Council and the local economy, including the number of public and private sector jobs. There are also potential risks to the Council in respect of the impact on the supply of goods, services, and supply chains that are reliant on EU countries.</p> <p>While the EU Exit Withdrawal Agreement has been reached, issues remain including the impact on EU funded projects and how specifically, the UK Prosperity Fund will take over the new and existing projects after December 2022. The impact has not yet materialised but the matter remains under constant and detailed scrutiny. The four Community Renewal Fund projects that had received total funding of £1.298m have now ended with the required final evaluation and assurance process completed on 31 January 2023 in accordance with UK Government guidance. In addition, the Levelling Up Fund bid for Cultural Kilmarnock, involving the refurbishment of the Palace Theatre and Grand Hall was successful in being awarded £20m. The funding allocation from the UK Shared Prosperity Fund (UKSPF) has been announced by the UK Government and shows that East Ayrshire Council will receive £6.1m as part of the wider Ayrshire region allocation of £17m.</p> <p>East Ayrshire Council's Shared Prosperity Fund Investment Plan which was approved by Cabinet on 24 August 2022 was submitted to the UK Government on the 30 August 2022 in line with the deadline for submission. An update was provided to the meeting of Cabinet on 18 January 2023 and confirmed the validation of the Council's Shared Prosperity Fund (SPF) Investment Plan by the UK Government and set out details of how the respective programmes and projects will be implemented between now and the end of the 2024/25 financial year.</p>
High			

Risk No.	Risk	Risk Owner	Overall Risk
2b	Financial Risk - Ayrshire Growth Deal	Chief Financial Officer/ Head of Facilities & Property Management/ Head of Economic Growth	<p>This risk recognises the increasing costs of general capital works and given the scale and complexity of certain AGD projects there is an increased risk that the financial plan approved in 2019 and which the funding from Government has been agreed may be insufficient to undertake and complete projects in line with the expected outcomes.</p> <p>This increasing risk applies across all projects within the Deal and the CFO HoF&amp;ICT, as Accountable Officer for the Ayrshire Growth Deal, is currently supporting the assessment of the wider capital project risks in order to mitigate, wherever possible, the impact on specific projects.</p> <p style="text-align: center;">Medium</p>
3	Health and Safety - implementation of arrangements fails to adequately address risk.	Head of People and Culture	<p>The overall risk is Medium recognising the importance and focus the Council places on Health and Safety and Wellbeing and the resources the Council invests in maintaining a strong safety culture within the organisation. Failure in this area would have significant consequences for employees, service users and the Council. In order to minimise these risks, the Council has robust arrangements in place to manage health and safety and wellbeing, which are kept under regular review. The Chief Executive's Health and Safety Strategy Group, which includes Trade Union representation, meets on a quarterly basis and regularly reviews policy; health and safety performance and relevant operational matters. Regular Safety Flashes and Bulletins are issued to ensure awareness across the organisation of key Health and Safety issues and regular site safety inspections of higher risk activities, such as construction, ensures that a strong safety culture is maintained. The safety arrangements of the Council, which are contained in Health and Safety Standards, are reviewed and updated regularly in consultation with trade unions. It is recognised that penalties and fines for Health and Safety breaches have increased in severity since new sentencing guidelines were introduced in England and Wales in 2016, which has also resulted in a notable increase in fines and penalties being handed down by courts in Scotland. Any significant fines and penalties would have a serious impact on the Council's budget and reputation and are uninsurable. The Council's safety management arrangements are therefore designed around prevention, in order to minimise the risk of accidents occurring and the subsequent risk of prosecution.</p> <p style="text-align: center;">Medium</p>
4	Scottish Child Abuse Inquiry - resource requirements on the Council could, and potential financial risk depending on claims made against the Council	Director of Health and Social Care	<p>The overall risk is currently assessed as Medium. The inquiry has been taking evidence for a number of years. Areas of focus thus far have been religious orders, child migrants, boarding schools foster care, with the current focus on residential care. The Inquiry is currently gathering evidence around residential care via section 21 requests. Reports on the findings following the Foster Care phase are awaited although anticipated it highlight areas of systemic deficit. As noted the current phase of the inquiry is focusing on the experiences in children's houses and residential care, with a related section 21 request being processed. It is still feasible that the Council may be compelled to give evidence, in this regard it is likely the evidence will be presented by the CSWO.</p> <p>As the work of the inquiry progresses there remains the possibility that historic claims for damages will be submitted. Thus far, six claims have been submitted, with three of them currently live. These claims are in the process of being dealt with on behalf of the Council by specialist solicitors/claim assessors. Given the complexity of historic/legacy insurance arrangements, the current insurance arrangements are likely to be financially challenging. There has been an increase in subject access requests, some linked directly to the enquiry.</p> <p>An inquiry preparation group has been operational and is populated with officers from across the Local Authority and HSCP. This group will lead on responding to section 21 requests as they are received, and consider how records can be produced and managed appropriately taking into account the many legal considerations. The Scottish Governments Advanced Payment Scheme (APS) opened on 25 April 2019 for those who suffered abuse in care in Scotland before 2004 and who have either a terminal illness or are over 68 years of age; the authority has been contacted to supported such requests. The financial redress scheme opened in December 2021, and it is proposed that the scheme will be limited to a maximum payment of £100,000, and that by receiving compensation through the scheme an individual waives their right to take civil action against organisations that have made fair and meaningful financial contributions to the scheme. The Council will assess any potential implications as matters develop further.</p> <p style="text-align: center;">Medium</p>
5	Protection of Children and Vulnerable Adults - individuals are not adequately protected.	Director of Health and Social Care	<p>The overall risk is Medium - However, should an individual not be adequately protected the impact for individuals could potentially be severe and would likely adversely impact on the Council's reputation. In mitigation the Chief Officer's Group (Public Protection) maintains a robust strategic overview of child protection, adult protection, MAPPAs and violence against women activity and developments with a focus on new and emerging risks. Learning and improvement actions from the pandemic, recent Inspection and Learning Review activity has been fully considered and new arrangements have been taken forward and embedded into practice. The Child Protection Committee, Adult Protection Committee, South West Scotland Strategic Oversight Group for MAPPAs and the Violence Against Women Partnership are all in place and operating effectively. These groups have responsibility for strategic planning, quality assurance, continuous improvement/development, workforce development and public information/engagement. These partnerships report directly and regularly to the Chief Officer Group where a high level of scrutiny and challenge exists. Independent Charing arrangements are in place for the Child Protection Committee, Adult Protection Committee, and Alcohol and Drugs Partnership which creates opportunities to further improve our governance and accountability arrangements. The Public protection arrangements which were restructured in late 2019 are now well embedded with cohesive collaborative working taking place across all public protection areas, resulting in a holistic approach.</p> <p>The child protection committee and children and young people strategic group are aligned in terms of planning priorities, quality assurance and self-evaluation, with work ongoing on a continuous basis. The Adult Support and Protection Inspection in 2021 found key strengths in the service balanced with a number of key areas for development which have been incorporated into an improvement plan led by the Chief Officers Group through the work of the Adults Support and Protection committee. This improvement plan has now been incorporated into normal business.</p> <p>Although there are mitigations in place there are significant staffing challenges being experienced across Children and Families Localities and Adults social work services (particularly on the delivery of statutory MHO services). Recruitment continues but the market is challenging with the vast majority of candidates newly qualified social workers.</p> <p style="text-align: center;">Medium</p>
6	Fraud and misappropriation of council resources - the Council is faced with financial loss through fraudulent activities.	Chief Financial Officer and Head of Finance & ICT	<p>The overall risk is Medium as the nature of the activity is such that new attacks are increasingly likely. The National Fraud Initiative (NFI) report published by Audit Scotland noted that since 2006/07 £2.4billion of fraud and error has been identified across the UK public sector including £158.5million in Scotland. Within East Ayrshire Council enhanced procedures are in place to prevent and detect fraud, information received from colleagues in other areas and anti-fraud networks is assessed as received. This includes the National Anti-Fraud Network (NAFN) which most UK Councils participate in, the Scottish Local Authorities Chief Internal Auditors Group (SLACIAG), Police Scotland, and intelligence shared with the Council's Monitoring Officer as the Council's Single Point of Contact (SPOC) for Serious &amp; Organised Crime (SOC). The Council also engages with the UK-wide NFI exercise carried out every two years; the outcomes of the latest NFI exercise were shared with the Governance &amp; Scrutiny Committee on 3 November 2022 with no significant issues arising for East Ayrshire Council. Work is underway to investigate matches supplied by the Cabinet Office for the current 2022/23 NFI exercise. In early 2022 the Scottish Government's Head of Counter Fraud Profession met with Internal Audit to walk through Covid grants controls at East Ayrshire and subsequently indicated arrangements were "impressive". Fraud risk continues to inform Internal Audit Plans, with outcomes indicating a high level of awareness of fraud risk in key services, and corporate anti-fraud work continues to be delivered via the partnership established with North Ayrshire Council in the form of the shared Corporate Fraud Team, which has now been operational since late 2016, with outcomes reported to the Governance and Scrutiny Committee twice a year. External Audit in their annual report to the Governance and Scrutiny Committee on 12 October 2023 stated that:</p> <ul style="list-style-type: none"> <li>The internal audit service provides members and management with independent assurance on risk management, internal control and corporate governance processes as well as providing a deterrent effect to potential fraud.(Para 88)</li> <li>We have concluded that the council has in place appropriate arrangements for the prevention and detection of fraud and other irregularities. We are not aware of any specific issues that we need to bring to your attention. (Para 98).</li> </ul> <p style="text-align: center;">Medium</p>

Risk No.	Risk	Risk Owner	Overall Risk
7	<p><b>Business Risk</b> - the Council is unable to properly manage the impact of multiple internal and external change programmes</p>	<p><b>Chief Financial Officer and Head of Finance &amp; ICT</b></p>	<p>The overall risk is Medium as failure to manage the consolidated impact of the current range of internal and external change programmes could be significant.</p> <p>The consolidated impact of the current range of internal and external change programmes is significant and failure to manage the programme effectively represents a financial and service risk. The Executive Management Team are alert to the consolidated impact of change programmes. It will continue to be important for individual project leads to maintain specific risk registers and to highlight any change in the level of risk, and for the EMT to ensure that sufficient resource and capacity exists to maintain organisational resilience as change is implemented. The Strategic Plan was approved by Council in June 2022 and the creation of the Programme Management Office within Corporate Support will provide support to services as they undertake change programmes.</p> <p style="text-align: center;"><b>Medium</b></p>
8	<p><b>Business Risk</b> - the Council is subject to a ransomware or other cyber attack resulting in loss of systems or data</p>	<p><b>Chief Financial Officer and Head of Finance &amp; ICT</b></p>	<p>The risk remains medium and the service continues to maintain a range of security measures that remain under constant monitoring and review.</p> <p>Our systems remained intact and compliant throughout the pandemic and following external PEN testing in August 2021, the Cabinet Office confirmed EAC were fully PSN compliant, and so the Council has been certified to 28 November 2023.</p> <p>The Council will continue to fully engage with both the Government Digital Service (GDS) and Scottish Government Cyber Resilience Unit and a new cyber security awareness module has been developed for all staff to undertake by March 2022. The service will continue to monitor the national risk, and act on security alerts issued by the UK Government National Cyber Security Centre.</p> <p>Internal Audit continues to carry out annual ICT/Cyber assurance and advisory work supported by outsourced computer audit resources and informed by risks identified by the UK Government's National Cyber Security Centre (NCSC). No significant issues have arisen from this work with close engagement from the ICT service. Work in recent years has included home working controls, benchmarking to national lessons from the SEPA cyber-attack, information risk management, user education and awareness and externally hosted data including cloud storage.</p> <p style="text-align: center;"><b>Medium</b></p>
9a	<p><b>Environmental Climate Risk</b> - the Council recognises the implications of its decisions and actions on the environment and takes positive steps to mitigate and offset its carbon footprint</p>	<p><b>Depute Chief Executive</b></p>	<p>The Council recognises the implications of its decisions and actions on the environment and takes positive steps to mitigate and offset its carbon footprint.</p> <p>This risk considers the work the Council has undertaken over the years to reduce its carbon footprint and recognises the increasing focus on climate change and anticipates further activity required by the Council to reduce our carbon footprint at a greater pace. The overall risk is classed as Medium at this stage.</p> <p>The Council's overall approach is outlined in our Climate Change Strategy and associated action plan, which was approved by Council in June 2021. This included a range of programmes to convert our fleet from carbon based fuels to fully electric vehicles, reduce energy use throughout our buildings, minimise waste and increase recycling and support jobs in the renewable energy sector and enhance our local environment and biodiversity. There remains a challenge in achieving future national targets, and the even more ambitious net zero targets set by the Council. To accelerate progress towards these, Cabinet in February 2022, as part of the Annual Budget process, established a £1m Climate Change investment fund, which will see us extend our focus to educate and encourage behaviour change to reduce carbon emissions across the wider authority area by a range of initiatives in our Schools, Communities and Business Sector. Our commitment to work with our communities to cut emissions and deliver a clean green East Ayrshire is also reflected as a key priority in the Council's Strategic Plan. Progress is monitored through the annual climate change declaration report, the latest of which was approved by Cabinet in November 2023. This evidenced that our increased focus on climate change supported by the implementation of a range of carbon reduction measures in 2022/23 saw the Council's carbon emissions fall by 35.6% in a single year (a reduction of 11,300 Tonnes of carbon), our biggest drop since we began recording in 2012.</p> <p>A Local Heat and Energy Efficiency Strategy (LHEES), is legislatively required to be produced by each local authority. This will provide an area-based, long term strategic framework of how all the homes, businesses, and public buildings across the whole of the authority area could be altered to improve energy efficiency and decarbonise the supply of heat to these properties. It must include proposals to alter the way buildings are heated, in order to improve the energy performance of buildings and reduce the emission of greenhouse gasses produced by heating these buildings. There is significant crossover between LHEES and the Ayrshire Energy Masterplan initiative, which is detailed below. The Consultant appointed to deliver the Masterplan is therefore utilising LHEES methodology to complete the relevant work packages which bridge both initiatives. Internally the Council are in the process of writing the elements of LHEES which are not fully covered by the Masterplan. The Scottish Government had targeted Local Authorities to have their LHEES published by the end of December 2023, however, due to delays in the data collection process and data sharing agreement challenges, this was not met. The final LHEES document is anticipated to be published in April 2024. The Scottish Government appointed Consultant Arup has reviewed and confirmed their approval of the LHEES stages and outcomes which have been completed to date. A cross-departmental steering group led by Economic Growth and comprising officers from Facilities and Property Management, Finance, Governance, Housing &amp; Communities and the Climate Change Lead has been created to assist with the finalisation of the LHEES.</p> <p>In addition, the Council is currently working to progress an Ayrshire Energy Masterplan (AEM), which will help Ayrshire to deliver on net zero by providing the opportunity to plan for a robust net-zero energy infrastructure that will support Ayrshire's clean growth aspirations by helping to transform energy systems towards net zero. It will do this by identifying opportunities to connect energy (including heat, power and transport) resources with demand in the most cost effective, sustainable and low carbon way. The Council procured a lead consultant, Atkins-Réalisis, to deliver the masterplan and monthly meetings are being held between the three Ayrshire Councils and consultant to manage this process. Development of the masterplan is ongoing, with two of the four work packages completed. The final report is programmed to be published in early April 2024. A high-level study has also recently been undertaken to assess the appropriate levels of EnerPhit informed fabric intervention to allow decarbonisation of the Council's existing buildings. The results of this collaborative study, involving Edinburgh City Council, Fife and Perth &amp; Kinross are now available and data will be analysed and shared to cost and inform our future strategy to decarbonise the Council's estate.</p> <p style="text-align: center;"><b>Medium</b></p>
9b	<p><b>Environmental Climate Risk</b> - Climate change is having an impact on global weather patterns with unseasonal extreme events which will become a regular and intense occurrence.</p>	<p><b>Depute Chief Executive</b></p>	<p>Climate change is having an impact on global weather patterns with unseasonal extreme events which will become a regular and intense occurrence.</p> <p>Extreme weather events are occurring more frequently leading to national agencies such as SEPA updating models on for example the regularity of flooding events. These events impact across local and national infrastructure, impact on building and development plans, and lead to an increase in the need for resources to mitigate disruption and protect our communities. There are also significant consequential impacts on insurance costs for both the Council and our communities and there is also significantly adverse impacts on the economy overall.</p> <p>The Council has robust resilience arrangements in place to deal with adverse weather events however national modelling shows that while these plans are in place the frequency and scale of these events will only increase over time.</p> <p>Multi service incident room arrangements are in place and enhanced partnership planning arrangements for severe weather warnings. SEPA issue daily flood guidance to ARA on potential areas of risk within the flood map area. SEPA's 3 day advance flood forecast is now live. During flood events ARA team maintain contact with SEPA weather forecasters and hydrologists to monitor anticipated flooding levels and determine our local response.</p> <p style="text-align: center;"><b>High</b></p>

Risk No.	Risk	Risk Owner	Overall Risk
10	<p><b>Risk of a Pandemic</b> – the Council recognises the four areas of impact that a pandemic and associated lockdown measures can have on our workforce, local communities, local economy, the delivery and performance of services and budgets – direct health impact, indirect health impact, societal impact and economic impact.</p>	<p><b>Chief Executive</b></p>	<p>On 5 May 2023, the Director-General of the World Health Organisation, on the advice of the Emergency Committee, which was convened under International Health Regulations in response to Covid-19, declared "an end to the public health emergency of international concern". The Director General went on to state that this does not mean that Covid-19 is over as a global health threat and that what this news meant is that "it is time for countries to transition from emergency mode to managing Covid-19 alongside other infectious diseases".</p> <p>This risk therefore continues to recognise the wide impact of the Coronavirus (COVID-19) Pandemic, along with the Council's community based response and will be kept under review.</p> <p>We consider the overall risk to be high, noting that the pandemic has significantly affected the health and wellbeing of our communities, society and the economy. We know that for some groups, the social, economic and health harms caused by both the virus and associated lockdown measures, has been and will continue to be greater, and could have a profound and long lasting impact, exacerbating already existing inequalities in our communities.</p> <p>Planning and preparation are critical to mitigating the risk and impact of pandemics and to managing response and recovery. The Council is experienced in planning for and managing local resilience matters and we have robust arrangements in place with community planning partners to ensure we are well equipped to respond, as and when required, to emergency situations. We work closely with colleagues locally, regionally and nationally through the Ayrshire Local Resilience Partnership and West of Scotland Regional Resilience Partnership. The Council's emergency response arrangements are overseen by our Council Management Team, with regular updating and communications provided by the Chief Executive and Communications Team. These arrangements are stepped up, as necessary, to respond to escalations in case numbers and any impact on services and communities.</p> <p>We have experienced greater demand for certain services, most services have required to be delivered differently, while others had to be stood down. As we have seen during the Covid Pandemic, in a very short space of time, the council was able to rapidly transform the way it works in order to maintain essential services and to ensure support for our communities. The Council has worked closely with Partners and communities, building on a well-established network of contacts, skills, knowledge and expertise to help protect and support residents. We have continued to monitor the impact on our workforce and our communities, maintaining close oversight of virus spread and the impact of lockdown measures, and we have adapted our services to protect and support employees, communities and local businesses.</p> <p>With effect from 12 October 2023, Public Health Scotland will report COVID-19 statistics as part of a wider infection report to also include winter flu infections. This new report will be published weekly.</p> <p>The Scottish Government Strategic Framework makes clear that in future they will seek to rely much less on legally imposed measures to control the virus and move on vaccines, treatments, sensible adaptations and good public health behaviours. As a priority, they continue to ensure maximum possible availability and uptake of vaccination, in line with expert advice.</p>
			High