

Leadership of the development of the council's strategic priorities

Best Value thematic work in North Ayrshire Council
2022-23



Prepared by Audit Scotland
October 2023

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Key messages

- 1** The Council has continued to demonstrate a strong culture of continuous improvement since its last Best Value report in 2020. It has robust arrangements in place to secure Best Value. It reports on how it is delivering improvements for communities and residents and has a clear understanding of where it needs to improve.
- 2** The council and its partners have a shared, long-term vision focused on addressing inequalities – *A North Ayrshire that is fair for all*. The council sets out four clear priorities that are aligned with the CPP's three key themes, in *Our Council Plan 2023-28*.
- 3** The council's new priorities were developed from sustained engagement with its communities. The council demonstrates genuine commitment to working with and empowering local communities.
- 4** Reducing inequalities is central to the vision and priorities of both the council and the Community Planning Partnership. The council views increasing inequalities as a very high risk. Addressing climate change is also a clear priority for both.
- 5** The council has adopted an ambitious target for North Ayrshire to be net zero by 2030. The council is using interim targets to help it track progress. A 49 per cent reduction in emissions has been reported since 2005.
- 6** A council-wide workforce strategy is in place however clear alignment will be needed with the council's Sustainable Change Programme as it progresses to maintain a synergy between workforce, service, financial and digital plans.
- 7** Financial management is effective, However the current Medium Term Financial Plan shows significant funding gaps for 2024/25 of £11.8 million and £11.4 million for 2025/26. Strategic initiatives which require long-term revenue and capital commitments are properly incorporated into the financial planning process. To deliver balanced budgets over the medium-term delivery of the Sustainable Change Programme is key.
- 8** The leadership has been effective in setting clear priorities but now needs to finalise Delivery Strategies and Action Plans to ensure cross council delivery of the strategic aims and outcomes.

- 9** Continuous improvement continues to be embedded in the council's culture. The council uses regular activities alongside more innovative approaches to identify areas for improvement.
- 10** The council has a well established performance reporting framework. However development continues and in November an updated approach to self-assessment is being discussed alongside an improved Performance Management Strategy.
- 11** The new Council Plan Performance Management Framework includes 26 performance indicators directly linked to the council's priorities. All indicators have a baseline value and targets. The first mid-year progress report on *Our Council Plan 2023-28* will be published in January 2024.
- 12** Council Plan progress update reports and LGBF reports are balanced and informative, providing a wealth of information, but many of the current public performance reporting pages on the council's website need to be updated.
- 13** The council's overall performance is improving. The number of Local Government Benchmarking Framework (LGBF) indicators in the top two quartiles has increased over time to 48 per cent in 2021/22.
- 14** Good progress has been made on all four of the recommendations made in the 2020 Best Value Assurance Report.
- 15** The council's improvement actions from this review are included at Appendix 1 of this report. It also sets out the council's response to audit recommendations made.

Scope of the audit

1. When discussing the Local government in Scotland Overview 2022, the Accounts Commission noted: “Councils are operating in a complex and increasingly volatile, unprecedented and unpredictable environment. Strong leadership from councils is needed now more than ever, with new and returning councillors being able and willing to make difficult decisions about where and how to spend highly pressurised resources.”
2. This report concludes on the effectiveness of the council’s leadership of the development of the council’s strategic priorities, following the 2022 local government elections.
3. [The Accounts Commission’s Strategy \(2021-26\)](#) sets out its priorities to focus on inequalities, funding, communities and recovery. The Code of Audit practice sets out the Best Value work required to report on these priorities.

Code of Audit Practice 2020 Best Value reporting requirements

Best Value reporting – extract from the Code

87. The Accounts Commission’s approach to Best Value involves reporting on individual local government bodies and thematically across the local government sector through performance reports:

- As part of their integrated wider-scope annual audit work appointed auditors use a risk-based approach to assess and report whether the audited body has made proper arrangements for securing Best Value and is complying with its community planning duties, including reporting progress against previous Best Value findings and recommendations.
- The Accounts Commission also requires the Controller of Audit to report to the Accounts Commission on each council or Integration Joint Board (IJB) at least once over the five-year audit appointment on the body’s performance on its Best Value duty. This enables the Accounts Commission to make findings for improvement where appropriate. ¹
- The Accounts Commission reports nationally on thematic aspects of local government bodies’ approaches to, and performance in, meeting their Best Value and community planning duties. Local government appointed auditors report locally on any such Best Value thematic work prescribed by the Accounts Commission.

¹ The Controller of Audit will report the first tranche of council BV reports to the Commission between October 2023 and August 2024 on Moray, Falkirk, Dundee City, Orkney Islands, South Ayrshire, Dumfries and Galloway, Clackmannanshire and West Dunbartonshire.

4. This report covers the thematic aspect of the Best Value audit requirements. The Commission has directed auditors to report on the effectiveness of the leadership of the development of the council's strategic priorities.



5. In carrying out the work auditors have considered the following questions:

- How clear is the new council vision and its priorities?
- How effectively have the views of citizens and communities been reflected in the priorities and decisions taken by the council?
- How effectively do the council priorities reflect the need to reduce inequalities and climate change?
- How good are the delivery plans and is there alignment of financial, workforce, asset and digital plans with the council's priorities?
- Overall, how effective has the leadership been (political and officer) in setting clear priorities and a sustainable approach to delivering them?

6. This report reflects upon and includes an update on the areas covered by recommendations in the [North Ayrshire Council Best Value Assurance Report \(BVAR\)](#) published in June 2020.

7. An improvement action plan is included at Appendix 1 of this report. This sets out audit recommendations in key areas, and the council's planned response including responsible officers and dates for implementation.

8. The coverage of the work is in line with the expectations for council's arrangements for the seven Best Value themes in the [Local Government in Scotland Act 2003, Best Value Statutory Guidance 2020](#).

Council vision and priorities

The council and its partners have a shared, long-term vision focused on addressing inequalities – *A North Ayrshire that is fair for all.*

9. A council focused on achieving Best Value in how it operates will be able to demonstrate that elected members and officers have a clear vision and priorities for their area. The [Local government in Scotland Overview 2023](#) highlighted the need for council leaders to set out a clear vision for their long-term policy and performance priorities, and how it will be delivered and monitored.

10. The council's [Best Value Assurance Report](#), published in June 2020, commented that: *The council has a clear vision... This vision is shared by the council's partners and aligns with the vision set out in the Local Outcome Improvement Plan.* The council has retained the same vision from its previous council plan and this vision continues to be shared with its partners. The council's vision, set out in *Our Council Plan 2023-28* and the Community Planning Partnership's vision, set out in *The North Ayrshire Partnership Plan 2022-30*, is: *A North Ayrshire that is fair for all.*

The council sets out four clear priorities that are aligned with the CPP's three key themes, in *Our Council Plan 2023-28.*

11. The council published [Our Council Plan 2023-28](#) in June 2023, describing it as *'our living contract with our communities in North Ayrshire. It is the most important plan for our Council as it contains the priorities of our residents, it is our joint plan, "our Council Plan".'*

12. It has intentionally designed [Our Council Plan 2023-28](#) to build on the progress of the previous plan, recognising that many of the challenges North Ayrshire experiences are complex and longer-term solutions are required to address them. The priorities set out in its previous plan, Council Plan 2019-24, were aspiring communities, inspiring place and a council for the future. The council's four new strategic priorities, that it describes as being interlinked and interdependent, are listed below and set out in [Exhibit 1](#):

- **Wellbeing** - To transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people.
- **Communities and local democracy** - We will have active, inclusive and resilient communities.
- **Climate change** - To achieve net-zero by 2030.

- **A sustainable council** - A Community Wealth Building Council that is efficient and accessible, maximising investment and focusing resources towards our priorities.

Exhibit 1

North Ayrshire Council – Our Council Plan 2023-28

Vision: *A North Ayrshire that is fair for all*

Mission: *Working together to improve the lives of our people in North Ayrshire*

Priorities:



Source: North Ayrshire Council: *Our Council Plan 2023-28*

13. North Ayrshire Community Planning Partnership is a group of public agencies working in partnership locally with communities, the private and third sectors with the aim of planning and delivering better services. It published *The North Ayrshire Partnership Plan 2022-30*, its most recent Local Outcomes Improvement Plan, in October 2022. There is commonality between the council's strategic priorities and the three key themes set out in *The North Ayrshire Partnership Plan 2022-30*:

- **Wellbeing** – Health and wellbeing: We will address health inequalities. We will promote children and young people's wellbeing. We will enable community wellbeing.

- **Work** – Economy and skills: We will increase employment. We will develop volunteering. We will better support our young people.
- **World** – Climate Change: We will work together to reduce carbon emissions and mitigate the impacts of climate change. We will increase active travel. We will increase carbon literacy within our organisations and communities.

14. Outcomes are also aligned between the CPP and the council. [Exhibit 2](#) provides an example of the way in which outcomes are aligned in relation to addressing climate change:

Exhibit 2

Alignment of outcomes related to addressing climate change in the LOIP and *Our Council Plan 2023-28*

| Outcomes set out in <i>The North Ayrshire Partnership Plan (LOIP) 2022-30</i> | A subset of outcomes set out in <i>Our Council Plan 2023-28</i> |
|---|---|
| We share best practice, and work more closely together as partner organisations to reduce carbon emissions | Carbon emissions are reducing with a clear pathway to net zero |
| Awareness of the carbon dioxide costs and impacts of everyday activities, and the ability and motivation to reduce emissions is increased | Our local businesses and communities recognise how they can mitigate the impacts of climate change and adopt changes to help reduce their carbon footprint. |
| We promote increased levels of active travel across our organisations and in our communities | Our transport infrastructure enables people to make active travel choices and switch to low and zero carbon vehicles. |

Source: *The North Ayrshire Partnership Plan 2022-30*, *Our Council Plan 2023-28*

The council is applying and developing innovative approaches to communicating its vision and priorities to its residents. Improving its website would help more residents access this material

15. *Our Council Plan 2023-28* makes good use of infographics and photographs. The text is large, the layout is clear and the language used is easy to understand while still effectively communicating its vision and priorities. This makes it accessible for interested parties from a range of backgrounds. Jargon is kept to a minimum. For example instead of using the word ‘outcomes’ the council uses ‘We will know we’re making progress when...’.

16. The council has produced an effective and engaging [two-minute video](#) as one way of communicating its vision and priorities, as set out in *Our Council*

Plan 2023-28. The video can be found on the council's website and uses plain language and images from around North Ayrshire to bring to life its priorities. A British Sign Language version of the video has also been created.

17. The council is planning further innovative approaches to sharing its vision and priorities. It has plans to:

- create a **child-friendly version of its council plan** by the end of 2024. To help develop this version of the plan it is consulting with young people including members of the Scottish Youth Parliament, care-experienced children and P7 members of pupil councils across schools in North Ayrshire.
- **develop a plan on a page with a QR code** to be distributed to frontline services. It is intended that this will be set out as a contract with residents, setting out the council's four priorities and will be signed by the Chief Executive and the Leader of the council. The QR code will take the user to a page on the council's website where performance reports developed in a magazine style will be able to be accessed.

18. The council has acknowledged that its website would benefit from improvement and it is currently being reviewed with a view to being replaced by Autumn 2024. At present there is no reference to *Our Council Plan 2023-28* on the council's homepage. To access the plan, the user has to click on 'Council & democracy', then click on 'Strategies, plans and policies' and then access the plan from a long alphabetical list. Therefore unless the user knows the plan exists and conducts an internet search for it then they would not come across it.

Recommendation 1

The council should conclude its website review and make its improvements as soon as possible. This will bring many benefits to users, including raising more awareness of its vision and priorities.

The council has clearly set out what performance it wants to achieve in its priority areas and will produce its first mid-year progress report on *Our Council Plan 2023-28* in January 2024

19. In *Our Council Plan 2023-28* the council has listed what it wants to achieve for each of its four priorities. These are set out in sections headed up 'We will know we're making progress when...' and includes:

- There is a sustained decrease in the percentage of children living in poverty.
- Communities are directly managing and operating more assets and are allocating community funding to initiatives that are local priorities.
- Carbon emissions are reducing with a clear pathway to net zero.

- Lived experience is central in our approach to improving services and developing policy.

20. The Our Council Plan Performance Management Framework was approved by Cabinet in August 2023. It includes 26 performance indicators directly linked to the council's priorities. Ten of these 26 indicators are from the LGBF. All 26 indicators have a baseline value and a target for 2023/24. Twenty-three of the 26 indicators have a further target for 2027/28. 2027/28 targets for the remaining three education indicators are to be confirmed after the national independent review of qualifications and assessment concludes.

21. Examples of performance indicators that are not LGBF indicators are:

- number of residents participating in community learning and development activity including youth work
- average total tariff score of pupils living in the 20% most deprived SIMD areas
- number of unemployed people progressing into employment supported by the council's Employability Service
- number of new build housing units reaching completion (all tenures)
- percentage of council budget directed via participatory methods
- number of trees planted under the North Ayrshire 2030 Tree Planting Strategy.

22. The council intends to report on its progress against the priorities set out in *Our Council Plan 2023-28* every six months to Cabinet and subsequently to the Audit and Scrutiny Committee. Its first mid-year progress report is scheduled to be published in January 2024. It has set out that progress reports will:

- report progress in 26 indicators directly linked to the council's priorities, set out in its Performance Management Framework
- provide updates on *Our Council Plan* actions
- include case studies to capture real lived experience
- provide contextual information. A locally developed tool, the Inclusive Growth Dashboard, provides contextual data on trends within North Ayrshire including indicators such as child poverty rates, employability and area-wide climate measures
- report on Local Government Benchmarking Framework (LGBF) indicators directly linked to the council's priorities. These allow the council to compare its performance with other local authorities in Scotland so they can learn from each other and improve.

23. This approach to reporting is similar to that taken by the council when reporting against its previous plan, Council Plan 2019-24. As described in

paragraph 29, the council has produced two detailed performance reports per year to allow residents to track the council's progress against its priorities.

The council addressed the 2020 BVAR recommendation to review its public reporting online portal by replacing it with an innovative, internally-developed performance dashboard. Due to resource constraints, the council has not been able to keep the data up-to-date this year and has decided to keep it offline until it can be updated.

24. The council's 2020 Best Value Assurance Report (BVAR) commented that:

...Performance reporting systems are clearly focused on priority areas. Targets are realistic and kept under review. Performance information is readily available in a variety of formats. Reports have become more user-friendly and focused in recent years.

25. The BVAR recommended that the council should review its public reporting online portal, North Ayrshire Performs, to make it more user friendly and accessible. The council reported in March 2022 that it had replaced its North Ayrshire Performs portal with a new performance dashboard developed in-house by the Corporate Policy, Performance and Elections Team and launched in February 2021. The dashboard was designed to provide a much more user friendly and accessible way for residents to access our performance data. The layout of the dashboard was seen as innovative and the council was asked to demonstrate it to a number of other councils.

26. When accessing the performance dashboard a notice appears – *We are in the process of updating our dashboard with the most recent data.* This holding page has been in place for a number of months. Due to capacity issues this year within the Corporate Policy, Performance and Elections Team, and to prevent out of date information being displayed, the council decided to take the performance dashboard down.

27. The holding page contains a link to the council's performance reporting webpages and contains contact details for the team. The council intends to refresh the dashboard to reflect *Our Council Plan 2023-28* over the next few months.

Council Plan progress update reports and LGBF reports are balanced and informative, providing a wealth of information, but many of the current public performance reporting pages on the council's website need to be updated

28. The Accounts Commission issued a new Statutory Performance Information Direction in December 2021 which applies for the three years from 2022/23. It requires a council to report its:

- performance in improving local public services (including those provided with its partners and communities), and progress against agreed desired outcomes (SPI 1). The Commission expects this reporting to

allow comparison both over time and with other similar bodies (drawing on Local Government Benchmarking Framework and/or other benchmarking activities)

- own assessment and audit, scrutiny and inspection body assessments of how it is performing against its duty of Best Value, and how it has responded to these assessments (SPI 2).

29. Annual and mid-term Council Plan performance reports are made available on the council's performance webpage to allow residents to track the council's progress against its priorities. These balanced reports tend to be in-depth documents, over 40 pages long, and include, for each of the council's priorities, key activities, case studies and areas for focus. A performance summary is also included that sets out, in pie charts using a traffic light colour scheme, how many performance indicators and actions are on target or complete, slightly adrift of target, adrift of target or status unknown. Further information, including actions being taken, is then provided about performance indicators and actions adrift of target.

30. The council also produces much shorter, around five pages long, 'at a glance' annual performance reports. These are very visual, making good use of photographs and infographics and provide a link upfront back to the more detailed Council Plan performance report. There is reference to the percentage of Council Plan performance indicators and actions on or only slightly adrift of target but this report would benefit from an overview of the areas for focus outlined in the Council Plan performance report to make it more balanced.

31. Alongside the Council Plan progress update and annual performance reports, every year, the council publishes a tailored LGBF report. The last LGBF report was published in September 2022, using 2020/21 data. This in-depth report includes further analysis by the council of the LGBF data, split it into three time periods – those indicators that can be reported in the short term (one year), medium term (three years) and long term (ten years). The report includes a graphical summary of the percentage of indicators improving, with no change, marginal decline or declining across these three time periods. Further analysis and graphics are included on the types of indicators (eg financial or performance), ranking, quartiles, Scottish average and LGBF indicators that are also Council Plan indicators. Detailed analysis is also presented at service and directorate level.

32. The council has dedicated public performance reporting webpages, but they are not always up-to-date. In addition to the reports set out in [paragraphs 29 to 31](#), other public performance information reported by the council on its webpages includes:

- a [Performance dashboard](#). As described in [paragraphs 25 to 26](#), this is currently offline until it can be updated with recent data
- a 'How your council is performing' webpage. This provides a link to LGBF data provided by the Improvement Service but not to the most recent version with increased functionality. The most recent benchmarking report included on this webpage is dated 2016 despite a LGBF report being

published in September 2022, as described in [paragraph 31](#). Individual pages for children’s services, corporate services, culture and leisure services, economic growth, environmental services, housing services include extracts of data but these are all five years out of date, referring to 2017/18 data

- a [Best Value assurance page](#). This includes a link to the Best Value Assurance report from 2020 along with a video from the council’s Chief Executive drawing out the key messages. This page would benefit from also setting out how the council responded to the recommendations in the BVAR.
- an [Audits and inspections page](#). This page provides links to Education Scotland, the Scottish Housing Regulator, Food Standards Scotland and Audit Scotland. These links tend to be to the home page or a generic information page of those organisations and do not link to specific reports about North Ayrshire Council and so it is not obvious what inspection and audit activity has taken place and when. There is also no information about how the council has responded to its audits and inspections. One of the Audit Scotland links takes the user to another webpage – ‘Budgets and Finance’ that does list Annual Audit Reports, although the latest one is dated 2017/18.

33. The Council Plan Progress Report 2022-23, Annual Performance Report 2022-23 and the 2022/23 LGBF Report, referring to data from 2021/22, are all due to be considered by Cabinet on 7 November 2023.

34. The council has acknowledged that the content of its performance pages needs to be refreshed and, in particular, its Performance Dashboard needs to be updated. As discussed in [paragraph 18](#), the council recognises the need to improve its website as a whole and is working towards launching a new website in Autumn 2024. In addition, it plans to report the results of, and its response to, audit and inspection work in its Council Plan progress updates going forward.

35. We will monitor these planned improvements along with the council’s new plans for self-assessing its services, discussed in [paragraphs 148 to 151](#) to ensure it meet the requirements of the new SPI direction as part of our annual audit work.

Recommendation 2

The council should ensure that all the performance information published on its website is up-to-date, performance reports are as timely as possible and audit and inspection information is easily accessible and includes how the council is responding to recommendations.

The council's overall performance is improving and its rate of service improvement is faster than other councils

36. The Accounts Commission's [Local Government in Scotland Overview 2023](#) says that councils should have a clear plan for strengthening their use of data to understand needs, make decisions and direct resources.

37. The Council Plan Progress Report 2022-23, Annual Performance Report 2022-23 and the 2022/23 Local Government Benchmarking Framework Report, referring to data from 2021/22, are all due to be considered by Cabinet on 7 November 2023. The equivalent reports for 2021/22 and 2020/21 respectively, were approved by Cabinet in September 2022.

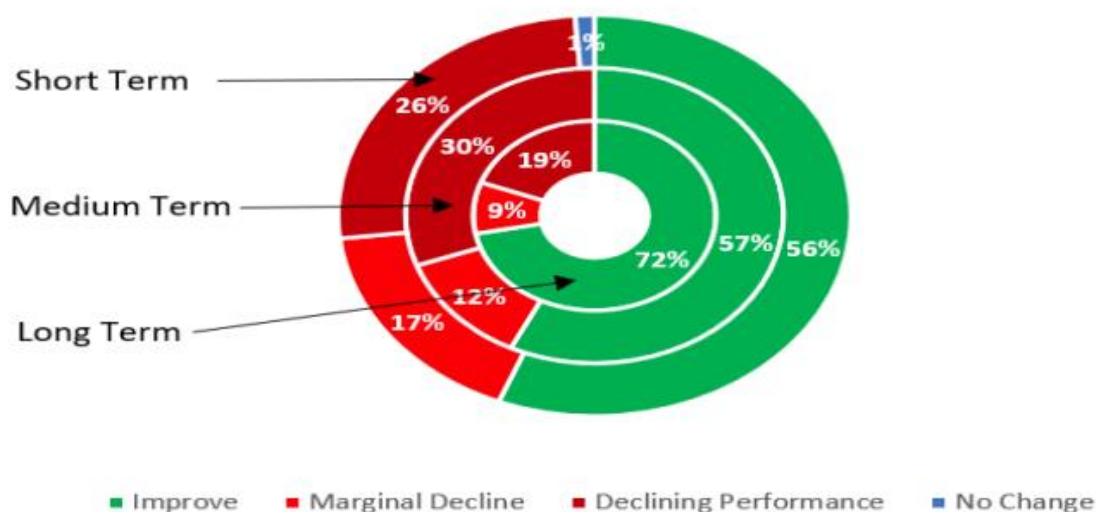
38. In September 2022, the council reported that in 2021/22, 79 per cent of the council's performance indicators, where the status was known, were on target or just slightly adrift of target, slightly more than 2020/21 (78 per cent).

39. The council participates in the Local Government Benchmarking Framework (LGBF). The framework brings together a wide range of information about how all Scottish councils perform in delivering services, including the cost of services and how satisfied citizens are with them. The council's tailored LGBF report from September 2022, referring to performance information from 2020/21, reported that:

- where a short-term comparison is available, 56 per cent of all indicators have improved, one per cent have not changed and 43 per cent have declined (though 17 per cent have declined only marginally). Medium-term, 57 per cent of indicators have improved and long-term, 72 per cent have improved (Exhibit 3).
- 24 per cent of indicators were in the top quartile
- 50 per cent of indicators were performing better than the Scottish average.

Exhibit 3

North Ayrshire Council's LGFB indicators overview – 2020/21



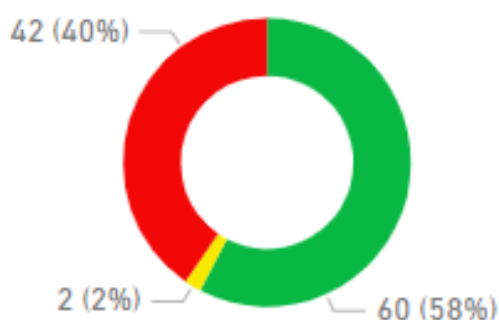
Source: Local Government Benchmarking Framework Data Analysis 2020/21, North Ayrshire Council

40. In analysing the LGBF data it is recognised that local policy choices about council services and strategic priority areas will have an impact on the results. Councils also operate in different environments and these different local factors such as levels of deprivation, population distribution, size of council area and geography affect service demand and performance. An ageing population, such as that of North Ayrshire, increases demand for social care services. Rurality can make it more difficult to deliver services cost-effectively, and deprivation and poverty have wide-ranging impacts which can affect council services.

41. The most recent National Benchmarking Overview Report 2021/22 by the Improvement Service was published in March 2023. Using 2021/22 LGBF data, [Exhibit 4](#) shows the council's 2021/22 overall performance across services when compared with the relevant data's base year. Of the 104 indicators reported, 60 (58%) of these have improved for the council since the base year.

Exhibit 4

Proportion of LGBF indicators that have improved, deteriorated or stayed the same since the base year



Source: Local Government Benchmarking Framework

42. The number of indicators in the top two quartiles has increased from 40 per cent in the base year to 48 per cent in 2021/22. These results indicate that while the council's overall performance year-on-year has improved, its performance has also improved at a faster rate than other councils over this period.

43. A tailored report, based on the 2021/22 LGBF information is to be considered by Cabinet in November 2023 along with the Council Plan Year End Report for 2022/23 and the Annual Performance Report 2022/23. These reports are being made available two months later than in 2022 due to resource constraints within the team producing them.

Citizen and community engagement

The council's new priorities were developed from sustained engagement with its communities. The council demonstrates genuine commitment to working with and empowering local communities

44. Councils, with their community planning partners, have a responsibility to ensure that people and communities are able to be fully involved in the decisions that affect their everyday lives.

45. Early and meaningful engagement and effective collaboration with communities to identify and understand local needs, and in decisions that affect the planning and delivery of services should be a core part of determining a council's vision and priorities.

46. North Ayrshire Council's 2020 [Best Value Assurance Report](#) commented very positively on the council's citizen and community engagement, referring to it being recognised as a sector leader in community empowerment by the Scottish Government and COSLA and embedding community empowerment in everyday business.

The importance the council places on working in partnership with its communities to improve services is clear from *Our Council Plan 2023-28*

47. Throughout *Our Council Plan 2023-28*, the focus, effort and importance the council places on working with communities is evident.

48. The introduction on the website and the Foreword of *Our Council Plan 2023-28* make it very clear the central role the council sees communities having in developing and improving services. The use of the word 'Our' in the name of the plan sets the scene. In the introductory page of its website the council explains that the 'Our' in the name refers to both the council and its residents as the plan was jointly created and will be delivered in partnership. The first sentence in the Foreword of the plan states: *We have developed our Council Plan 2023-28 together.*

49. It goes on to describe how it views the plan as a living contract with its communities and not simply a document. It describes the purpose of the plan as explaining how it will meet its communities' needs and expectations over the next five years. The new plan sets out what it sees as the role of residents,

including actively participating in decision making, volunteering within the community and spending locally where possible.

50. One of the council's four priorities in *Our Council Plan 2023-28* is **communities and local democracy**. The strategic aim of this priority is for the council to have active, inclusive and resilient communities.

51. The council sets out in the plan what key activities it will undertake to achieve this strategic aim. These include:

- providing support for community organisations in achieving their goals, including as Community Wealth Building anchor organisations.
- creating a participation and engagement framework which ensures opportunities and support for all residents to take part in influencing local democracy and Council and partner strategies.
- supporting participatory budgeting
- supporting community asset transfer and community owned and operated/managed assets.
- placemaking, including creation of locality action plans based on the Community Plan (LOIP) priorities and supporting the delivery of Islands Plans.

52. A number of outcomes for the communities and local democracy priority are set out by the council under the heading: *We will know we're making progress when*. These include:

- More residents are actively involved in their communities. Strong, relevant social support networks are established that value diversity.
- Communities are directly managing and operating more assets and are allocating community funding to initiatives that are local priorities.
- Our residents, including our children and young people, are confident in exercising their rights and actively do so.
- Our places encourage strong inclusive communities and respect the local environment and cultural heritage.
- Our approach to Community Wealth Building is further embedded across partners.

The council consulted extensively with its partners and communities, using a variety of methods, as well as using the results of recent prior engagement, to inform its new priorities

53. A seven-page Council Plan engagement paper accompanied *Our Council Plan 2023-28* when it was approved by the full council in June 2023. This paper describes the collaborative approach the council took to developing its new plan as well as providing detailed feedback from six locality sessions held in January

2023. The priorities in the new plan are informed by lived experience, data and the learning gained from previous council plans and other key strategies.

54. Since October 2022 the council has held a series of ‘mini-enquiries’ directed by its Child Poverty and Cost of Living Board. These events have included public, private and third sector partners, alongside representatives from communities, resulting in direct conversations about challenges and how they could be addressed. These resulted in the development of action plans for each area that fed into the council’s Child Poverty Action Plan and subsequently informed the *Our Council Plan 2023-28*. During 2022 and 2023 mini enquiries were held on the following themes:

- No Wrong Door
- Employability
- Food
- Islands – Arran
- Islands – Cumbrae
- Childcare.

55. *Our Council Plan 2023-28* is also informed by data. Examples include, population statistics setting out population decrease and demographic change, child poverty statistics, the Scottish Index of Multiple Deprivation and data on climate change.

56. The council drew on the results of recent prior engagement to inform its priorities, ensuring it gathered as wide a range of views as possible while minimising duplication. This included consultations on:

- The North Ayrshire Partnership Plan 2022-30 (LOIP) (2022). This drew upon an online survey with 645 responses.
- Health and Social Care Partnership Strategic Plan (2022)
- Locality Plans (2021/2022)
- Island Plans – Arran and Cumbrae (2022)
- Child Poverty Strategy (2023)
- Children’s Services Plan (2023).

57. In January 2023 the Leader of the Council, the Chief Executive and Chief Officers held in-depth discussions with community group representatives across all six localities to ensure *Our Council Plan* reflected the priorities of local residents. The council linked consultation on the new plan in with budget planning consultation to make it clear that it cannot deliver everything and cut money at the same time. Detailed feedback was provided for each of the six locality consultation sessions that took place in January 2023 in the paper

accompanying *Our Council Plan 2023-28* in June 2023. Key topics of discussion for participants were:

- What is impacting on your locality?
- Priorities for next year and beyond
- Preparations for Council Plan: What differences do you want to see?
- Three most important services
- Three least important services.

58. Feedback, as would be expected, varied between the different localities. However there were some common themes around cost of living, fuel costs, lack of public transport, lack of affordable housing and road condition impacting communities. Examples of the differences localities wanted to see included:

- Community solutions to islands issues
- Transport improvements
- Invest more in solar panels / green energy and electric chargers
- More community food investment
- Regeneration of the town centre
- Improve the routes to get people into employment.

59. Other engagement tools used were:

- a pre-election workshop with political parties about what to change in the plan. After the election the council held a series of workshops with the new administration
- a survey, attracting 1,400 responses
- Internal consultation including Chief Officer Development Workshops, the wider staff Leadership Conference, and the Executive Leadership Team.
- Three staff engagement sessions - one online and two physical sessions with over 100 people at each one.
- sharing the views from the consultation exercises with its Modern Apprentices (aged 16 to 24 years) in April 2023 for their comments. They confirmed that the draft priorities are “the most important and crucial” to them and were satisfied that the language and layout of the plan is clear, straightforward and easy to read.

The council continues to effectively support its citizens to be involved in making decisions about services in their communities

60. The aim of the Community Empowerment (Scotland) Act 2015 is to encourage and empower people to be more engaged with local politics and policy. At the heart of this is an intent to reduce disadvantage and inequality. As reported in the 2020 BVAR, the council seeks to embed community engagement and empowerment in everyday business, and to allow communities and elected members to have equal access to local decision-making. There are many recent examples of the council involving local people in decision-making.

61. There are six locality partnerships in North Ayrshire - Arran, Garnock Valley, Irvine, Kilwinning, Three Towns and North Coast. Each area has a locality plan. The CPP website includes the publication of plans, meeting papers and events calendars. A refresh of the locality planning approach is ongoing.

62. As described in [paragraph 54](#), mini enquiries involving public, private and third sector partners, alongside representatives from North Ayrshire's communities have enabled honest conversations about challenges and how particular issues could be addressed. These have directly informed the council's recent Child Poverty Action Plan and Council Plan.

63. North Ayrshire Council's Young People's Participatory Budgeting Initiative invited those aged between eight and 25 to vote on projects across the area, resulting in almost 100 youth projects sharing £56,000. Over 4,000 young people cast over 12,000 votes (three votes each) for youth projects across North Ayrshire. Voting was carried out online through Young Scot's voting platform or in schools and at youth centres. All projects represented at least one of the following themes:

- Health and wellbeing
- Poverty and inequality
- Voice and participation
- Climate Challenge.

64. Youth projects successful in receiving grants up to £1,000 included Parent Councils, school House Captains, community football and rugby clubs, a curling club, a music school to support it to enter a Pipe Band competition, Christmas lights and a theatre and arts group.

65. In North Ayrshire there are nine fully-completed community asset transfers including a town hall, a toilet block and football pitches. A recent community asset transfer is Thornhouse Avenue Tennis Courts, now owned by Irvine Tennis Club. The tennis courts required upgrading and the Club is planning to apply for external funding to develop the courts, installing floodlights and a clubhouse, and create opportunities for the local community.

66. A further three applications have been approved at Cabinet and are being progressed. Nine full applications are currently being assessed including a sports pavilion in a public park in Dalry. The request wishes for it to be transferred to a community sports club to provide modern sports changing facilities. Six further initial expressions of interest have been received.

The council has published locality impact reports for five of its six localities.

67. The 2020 BVAR recommended **the council should work with locality partnerships to make clear what the intended impacts are of locality plans and make them publicly available.** It reported:

The locality partnerships have all produced locality plans, which include actions intended to address their priorities. Most actions incorporate timescales and designate groups responsible for delivery including community stakeholders and partnership organisations, but some could be clearer about the impact they are expected to achieve. While all plans were published, they are not all still available online and are not all easily accessible.

68. A report was made to full council in March 2022 to advise members on the progress with the BVAR recommendations. It was reported that local partnership priorities were refreshed during 2020 and 2021, providing increased focus on priorities targeting local inequalities, with five of the six locality partnerships agreeing their ongoing priorities in June 2021. The refresh of Arran's local partnership priorities was ongoing to take into account the development of its Island Plan, subsequently published in March 2022. The intention was to publish these on North Ayrshire's Community Planning website.

69. At October 2023:

- Arran's locality plan only includes priorities and no plan. Its comprehensive Island Plan is not linked to the CPP website
- Links to the locality plans on the CPP's website for Irvine and Three Towns are not working
- Locality planning impact reports, produced in Summer 2021, that contain achievements such as total amounts of Community Grants and Community Investment Fund awarded are available on the CPP website for all localities except Arran.

Recommendation 3

The council should update all locality planning information and corresponding links as soon as possible.

Reducing inequalities and tackling climate change

Reducing inequalities is central to the vision and priorities of both the council and the Community Planning Partnership. The council classifies increasing inequalities as a very high risk. Addressing climate change is also a clear priority for both.

70. The Accounts Commission's [Local government in Scotland Overview 2023](#) highlights that changing demographics, the pandemic and the cost-of-living crisis have increased pressure on council services and people already experiencing inequality are most affected. As councils take steps to radically change how they deliver services, the needs of the most vulnerable or people living in poverty must be at the centre. As councils take steps to radically change how they deliver services, the needs of the most vulnerable or people living in poverty must be at the centre.

71. The Accounts Commission's report also notes that councils have a critical role in achieving Scotland's national climate change goals and contributing towards the national target of net zero by 2045.

72. Council priorities are expected to reflect the Best Value expectations that all activity should contribute to tackling poverty, reducing inequality and promoting fairness, respect and dignity for all citizens, alongside a focus on sustainable development, including climate change.

73. The council classifies inequalities as a very high risk in its risk register, detailing this as: *Residents of North Ayrshire, and in particular, certain excluded groups will experience increasing levels of poverty and its effects as a result of the economic situation and Covid-19. Health inequality is closely linked to poverty, employment and people's earliest experiences as children, and will increase. A larger proportion of population is projected to be not economically active in future.* It anticipates the potential impact of this risk, if it is realised, will be increased demand for services, potential increase in crisis interventions and negative impact on the local economy.

74. The main mitigations and controls the council sets out in relation to the high risk of increasing inequalities are:

- Tackling inequalities is a strategic priority of the CPP, the council and the HSCP.
- A new LOIP has been developed with the purpose of reducing inequalities.

- A new Child Poverty and Cost of Living Board is chaired by the Council Leader.

75. As discussed in [paragraph 10](#), both the council and the CPP have the same vision with reducing inequalities at its heart: *A North Ayrshire that is fair for all*. The wording of the vision is reiterated many times throughout *Our Council Plan 2023-28* and the LOIP, *The North Ayrshire Partnership Plan 2022-30*. The Foreword of the LOIP sets out: *Every person in North Ayrshire is valued and should have the best opportunities to live their life to their full potential. However, we know that not everyone has the same opportunities and there are inequalities in North Ayrshire. **This plan concentrates on what we as partners can achieve by working together to reduce inequalities.***

76. Reducing inequalities and addressing climate change are key priorities for both the council and the CPP. [Exhibit 1](#) sets out the council's four priorities from *Our Council Plan 2023-28*. One of these priorities is centred around reducing inequalities and another is specifically about addressing climate change:

- Wellbeing - To transition to a wellbeing economy, delivering prosperity, wellbeing and resilience for local people. This encompasses tackling child poverty and addressing the cost of living crisis.
- Climate change - To achieve net-zero by 2030.

77. North Ayrshire's LOIP has three priorities, as described in [paragraph 13](#). Two of these three priorities are:

- Wellbeing. This is described in more detail as 'Health and wellbeing – **we will reduce inequalities** by targeted support to improve individual, family and community health and wellbeing'.
- World. A fuller description of which is 'Climate Change: **We will work together to reduce carbon emissions and mitigate the impacts of climate change.** We will increase active travel. We will increase carbon literacy within our organisations and communities'.

The views of those facing inequalities are reflected in *Our Council Plan 2023-28*

78. As described in [paragraphs 53-59](#), the council consulted extensively across its communities when developing *Our Council Plan 2023-28*. This included consultation with those potentially facing inequalities. One of the council's equality outcomes as described in [paragraph 81](#), is for people in Ayrshire to have equal opportunity to access and shape public services.

79. Those with lived experience of poverty took part in the mini enquiries described in [paragraph 54](#) resulting in co-produced action plans for each topic or area. These in turn fed into the council's Child Poverty Action Plan and subsequently informed *Our Council Plan 2023-28*. For example:

- One of the key activities set out in *Our Council Plan 2023-28* under the 'Wellbeing' priority is 'Maximising access to and uptake of benefits,

entitlements and financial advice'. There is a clear link between this activity and the co-produced actions developed in the 'No Wrong Door' mini enquiry that took place in Autumn 2022. These actions included:

- The council will work to automate benefits where possible, making them more easily accessible.
 - We will use data more effectively, so we can identify and support residents most at need.
- Another key activity set out in *Our Council Plan 2023-28* under the 'Wellbeing' priority is developing a community wealth building approach to a wellbeing economy. This includes ensuring the best labour market outcomes for residents, supporting pathways to employment for residents and promoting a Fair Work economy. In November 2022 an employability mini enquiry was held. Council services, partners and residents who have taken part in employability programmes discussed what was working, potential barriers to employment and how these could be removed and developed an action plan. This included a number of actions clearly linked to activities in *Our Council Plan 2023-28*:
 - We will promote the benefits of fair work including impact of becoming a Living Wage Employer and adopting flexible working hours.
 - We will promote the benefits of employment such as positive impact on mental wellbeing and through 'better off in work' financial calculations.
 - We will develop opportunities for job shadowing and work experience and promote these to parents through channels such as job application websites.

80. The council uses other methods to try and find out the views of diverse communities. When developing *Our Council Plan 2023-28* it worked with its Customer Contact Centre, the Community Learning and Development Team, the Education Service, Library Service and specialist Engagement Officers within the Council to ensure as many of its residents as possible had the opportunity to have their say. The council offered British Sign Language interpreters on request at events, induction hearing loops and information in alternative languages.

The council has agreed actions to tackle inequality and poverty through its equality outcomes framework and its newly established Child Poverty and Cost of Living Board

81. Public sector organisations are required to publish equality information once every two years and consult on and develop Equality Outcomes once every four years. The council jointly developed four overarching equality outcomes and ten sub-outcomes as part of the Ayrshire Equality Partnership (AEP) for the period 2021-25. The AEP is made up of councils and Health and Social Care

Partnerships across Ayrshire as well as Ayrshire College, Ayrshire Valuation Joint Board and NHS Ayrshire and Arran. Two of the overarching shared equality outcomes that have been developed, along with associated sub-outcomes are:

- In Ayrshire, people have equal opportunity to access and shape our public services:
 - More disabled people, older people and women access public transport safely and in comfort with an integrated service that provides accessible information, appropriate assistance and support from transport employees.
 - Improve engagement with our services and enhance access to information for marginalised and under-represented groups.
- In Ayrshire, people have opportunities to fulfil their potential throughout their life.
 - Our young people, disabled people and women have access to training and employment.
 - To continue to embed UNCRC across schools in North Ayrshire to eliminate discrimination and promote equality of opportunity in our schools and in the wider community.
 - Our young LGBT people feel supported and have access to improved digital platforms and sources of support.
 - Support the integration of our refugee population into life in North Ayrshire.

82. For each equality outcome, the council has set out specific actions to be taken forward along with context, outputs, measurement, protected characteristics, general duty, lead officer and timescale. Examples of these actions include:

- Barriers to accessing transport:
 - Engagement with disabled people, women, older people and organisations including third sector organisations
 - Meet with transport providers
 - Consultation about changes
 - Program of support and improvements agreed
 - Test and pilot new and modified service methods, technology, vehicles and practices
 - Gather feedback and revise program where necessary.
- Employment opportunities:

- Provide support for unemployed, in particularly people with disabilities and women, residents to overcome health barriers to economic activity.
- Support local business to access health-related supports to improve retention and productivity of their workforce
- To offer candidates the opportunity of paid work experience in the Horticulture industry whilst working alongside several local organisations creating a Community Garden.

83. The Ayrshire Equality Partnership undertook a consultation exercise during October and November 2020 to inform the development of its equality outcomes and associated actions. An online and paper-based questionnaire was used to seek views from communities and build upon previous discussion and consultation with equality groups. The AEP published a 26-page document detailing the consultation results. A total of 128 responses were received and information on whether or not respondents had protected characteristics was gathered. For example, 65 per cent of respondents were female and 19 per cent confirmed they had a disability.

84. Ultimately, 87 per cent of respondents agreed that the previous equality outcomes were still relevant and they remained unchanged but a lot of useful information was gathered through the process that informed the associated actions. A large number of individual quotes are set out in the document – both positive and negative - and various conclusions are drawn from these across the ten equality outcomes. For example, in relation to the equality outcome of people having equal opportunities to access and shape our public services, one of the conclusions made was: *Opportunities for engagement should be more widely publicised. Communication across the board could be improved with special consideration taken to ensure information is accessible by all.* The actions for that outcome relate to creating both a British Sign Language friendly and a community language landing page on the council's website.

85. A mid-term report on the equality outcomes was published in May 2023. The key highlights identified in this report include:

- introduction of a British Sign Language video landing page on the council's website.
- the creation of a Black and Minority Ethnic (BAME), pan-Ayrshire employee forum.
- an increase in the number of gold accreditations from four to ten schools for the Rights Respecting Schools awards.
- successful implementation of the Equal Supported Employment programme, supporting young people with learning disabilities with work experience in horticultural skills and qualifications.

86. In June 2022, the council's Cabinet agreed to the creation of a Child Poverty and Cost of Living Board. The Board is chaired by the Leader of the council and supported by Community Planning partners. The aim of the board is

to provide leadership in the development and delivery of its child poverty action plan and its approach to addressing the cost of living crisis.

87. The council published its 2023-24 child poverty action plan in June 2023. The action plan was integrated with its child poverty progress report for 2022-23 and its child poverty strategy for 2023-26. The report summarises the existing and planned activity intended to reduce child poverty in North Ayrshire. The council has organised its actions around the three main drivers of reducing child poverty:

- maximising income from employment
- maximising income from benefits
- reducing household costs and mitigating the effects of poverty

88. For each of these three drivers, the council has set out in detail a list of actions it is already committed to doing and a note of progress against these. Case studies are also included, bringing to life the impact of the actions on residents. Areas of focus for 2023-24 are split into 'What will change?', 'Our actions', and 'How will we know?'. These actions have been developed from consultation with young people, Community Planning partners and national agencies. The use of mini enquiries, as discussed in [paragraph 54](#), has strengthened this approach.

The council uses its equality impact assessment process effectively to ensure children's rights, human rights, socio-economic inequalities and the challenges islands face are considered in new policies, procedures, strategies and the budget-setting process

89. The council's Corporate Equality Group is made up of elected members from each of the main political parties as well as representatives from all the council's services. This group meets quarterly to consider equality and diversity-related issues and is responsible for directing, supporting and reviewing the arrangements for:

- promoting equality
- tackling discrimination
- fostering good relations.

90. It provides support to council services in completing equality impact assessments.

91. The council uses an Equality and Children's Rights Impact Assessment (ECRIA) process. Children's Rights, Human Rights, the Fairer Scotland Duty and Island proofing have all been integrated into this online tool. New or revised policies, procedures and strategies are assessed to ensure the council is meeting the needs of the equality duty.

92. The council has a toolkit that sets out the impact assessment process in detail. This includes the screening process to be used for deciding whether a proposal is required to be assessed and who should be involved in conducting the assessment. It advises that a small group of staff should be involved, including frontline staff and managers, with a good understanding of both the policy or practice and equality groups. It also suggests including a service user and colleagues who can provide a different perspective and challenge.

93. The role of elected members is to actively consider the general equality duty when deciding whether to approve a new or revised policy or practice and the process of making decisions in this regard must be clear, transparent and properly recorded.

94. The guidance highlights that carrying out the assessment should not be a last-minute check and time is needed to make the changes the assessment process has highlighted. The use of both initial and interim assessment dates are advised. The interim assessment date is to consider any changes to the proposal that might affect the impact assessment.

95. Summaries of recent impact assessments are published on the council's website. The summary impact assessment for *Our Council Plan 2023-28* concludes that there is no possible discrimination or adverse impact and all opportunities to promote equality have been taken. It notes for each area, why it believes the impact is positive. For example, it found that:

- *Our Council Plan 2023-28* impacted positively across all the equality groups. For example, in relation to race/ethnicity, it referred to actively welcoming and supporting asylum seekers and refugees affected by the war in Ukraine and more generally identified three relevant key activities:
 - Ensuring that wellbeing is at the heart of local life and opportunities, with a focus on tackling inequalities
 - Ensuring an inclusive, fair, rights-based and asset-based approach in our work
 - Accessible public services, both digitally and locally, ensuring a 'no wrong door' approach.
- the needs of its island communities are included within *Our Council Plan 2023-28* through supporting the Island Plans. Accessibility of places where people want to live, visit and work is included, highlighting the key activity - Exploration of models and the development of pilot schemes to increase access to and use of public/community transport.

96. ECRIAs are also used by the council in relation to budget proposals each year. They provide information for elected members to consider, in advance of making a decision, the impact potential cuts or increases in charges would have on the groups covered by the ECRIA. Six different ECRIAs were published on the council's website in relation to the 2023/24 budget including removing the Cost of the School Day Fund and reducing community learning and development youth and adult learning provision.

97. In December 2022, an ECRIA was conducted in relation to the potential closure or repurpose of Arran Outdoor Education Centre. It found there was the potential for adverse impact or missed opportunities to promote equality in relation to young people. This contributed to the potential closure not being included in the 2023/24 budget.

The council is making meaningful progress in securing and promoting human rights in its work, with a particular focus on children's rights

98. There is legislation which covers human rights. Taking a human rights based approach is about making sure that people's rights are put at the centre of policies and practices and giving people opportunity to realise those rights. Councils should make explicit reference to the work they do to promote this or reflect it as part of their plans to reduce inequalities.

99. The council is making meaningful progress in securing and promoting human rights in its work, with a particular focus on children's rights. Ensuring an inclusive, fair, rights-based and asset-based approach in its work is one of the key activities set out in *Our Council Plan 2023-28* under the Communities and local democracy priority. A measure of success is: *Our residents, including our children and young people, are confident in exercising their rights and actively do so.* A number of practical examples of how the council is taking a human rights based across its services are highlighted in [paragraphs 60 to 66](#) in relation to how it empowers its communities.

100. In relation to children's rights, in June 2023, Cabinet approved the North Ayrshire Children's Rights Report 2020/23. This sets out the council's activities to secure and promote children's rights and is structured around the UNCRRC. The achievements reported by the council include:

- almost 90 per cent of children with additional support needs and young carers having their voice heard
- establishing an anti-bullying policy
- a pilot project where tutoring is provided by in school staff for care experienced learners.
- no young person going without a school meal in North Ayrshire
- the council's electronic cashless catering system providing anonymity for those entitled to free school meals.

101. Other examples of how the council already secures and promotes children's rights across its services include:

- meaningful participation work with residents. For example the council has a Joint Cabinet that meets twice a year, made up of young people from the North Ayrshire Youth Council Executive Committee (Members of Scottish Youth Parliament), Members of North Ayrshire Council Cabinet, Senior Managers and Heads of Services and partners such as NHS and Police

with around 100 young people from across S1-S6 years from each secondary school.

- The Rights Respecting Schools programme (RRS) has been promoted and introduced into almost all schools in North Ayrshire. The Rights Respecting Schools Award (RRSA) recognises achievement in putting the United Nations Convention on the Rights of the Child (UNCRC) at the heart of a school's planning, policies, practice and ethos.
- the council's Strategic Housing Investment Plan 2023-28. Linked to the UNCRC, this sets out that every new build council home will include a study area for young people as well as a garden.

The council has adopted an ambitious target for North Ayrshire to be net zero by 2030. The council is using interim targets to help it track progress. A 49 per cent reduction in emissions has been reported since 2005

102. The Scottish Government has recently published guidance on public sector leadership on the global climate emergency to help public bodies in leading climate action. Around two-thirds of councils in Scotland, including North Ayrshire Council, have formally declared a climate emergency.

103. The council declared a climate emergency in June 2019. Its Environmental Sustainability and Climate Change Strategy 2021-23 established its current targets - to reduce and remove emissions for North Ayrshire to achieve net-zero carbon status by 2030, applicable to both the council's own estate, and North Ayrshire as a whole. The council has also set interim targets for 2023 and 2027, helping it to track progress and ensure that achieving the final net zero target remains a priority.

104. Like all public bodies in Scotland, the council is required to report annually on its compliance with its climate change duties. It reported in November 2022 that it had achieved a reduction in council estate emissions of 68 per cent in comparison with its baseline in 2005 and across North Ayrshire emissions had reduced by 49 per cent.

Addressing climate change is a clear priority for the council and the CPP. It has been identified as one of a small number of priorities for both. A new 2024-26 climate change strategy is being developed

105. Addressing climate change by achieving net-zero by 2030 is one of the council's four priorities in its 2023-28 plan and is also one of the CPP's three key themes, as set out in *The North Ayrshire Partnership Plan 2022-30*.

106. As well as listing the key activities it is undertaking to achieve net-zero by 2030, *Our Council Plan 2023-28* also sets out how it will know it is making progress, including:

- Carbon emissions are reducing with a clear pathway to net zero

- Clean, renewable municipal and community-owned electricity is being generated
- Homes and buildings are well-insulated and energy efficient, making them cheaper to heat and reducing their emissions.
- The amount of waste generated is reducing, whilst levels of reuse and recycling increase.

107. The council is currently consulting on a new Environmental Sustainability and Climate Change Strategy covering 2024-26, due to be published by the end of 2023. The new strategy will include a greater focus on adaptation and carbon sequestration and will set out more detailed proposals about how the council plans to reduce emissions further.

The council is building two solar farms on former landfill sites to generate renewable energy and income

108. The council is investing £12.8 million building two solar farms on former landfill sites, with limited scope for alternative uses, at Nethermains and Shewalton. The tender for delivery was awarded in March 2023 with Nethermains scheduled to be completed by Spring 2024 and Shewalton by Autumn 2024. It is expected that both will be generating clean, renewable energy in 2024 and they are seen as a key in helping the council achieve its target of net zero carbon emissions by 2030. The council also anticipates that they will produce an annual net income that can be reinvested in the local area.

The council does not have a dedicated climate change webpage. There is scope for user-friendly information to be placed on its website about how it is addressing climate change and the progress it is making

109. The council's website does not currently have a dedicated climate change webpage, although it does have an energy management webpage that refers to a small number of its climate change-related activities. The council plans to improve its website as a whole and is exploring the inclusion of more information on carbon emissions and climate change as part of a Sustainability Awareness Communications Plan.

Recommendation 4

The council should consider including more information on its website about what it is doing to address climate change and the progress it is making.

Alignment of delivery plans

Strategic initiatives which require long-term revenue and capital commitments are properly incorporated into the financial planning process however the council needs to align its cost base with available funding and the key priorities.

110. Making the best use of public resources is at the heart of delivering Best Value. With clear plans and strategies in place, and with sound governance and strong leadership, a council will be well placed to ensure that all of its resources are deployed to achieve its strategic priorities, meet the needs of its communities and deliver continuous improvement.

111. The council's [Best Value Assurance Report](#), published in June 2020, commented that: *There is a clear link between council plans and priorities to operational service plans and individual actions and staff roles.*

The council has effective financial management and a good process in place for financial planning

112. The council has well-established and robust processes for setting and monitoring budgets. Its General Fund Long Term Financial Outlook (LTFO) is central to the council's strategic financial framework and establishes a sound basis for the development of the Medium-Term Financial Outlook (MTFO) and subsequent annual budgets, enabling the council to address the challenges it faces and align resources to key priorities. The LTFO ensures that strategic initiatives which require long-term revenue and capital commitments are properly incorporated into the financial planning process.

113. In December 2020 the Council approved its current LTFO for the period 2021/22 to 2030/31 and MTFO 2021/22 to 2023/24. The LTFO 2021/22 to 2030/31 identified an estimated funding shortfall of £120 million over the period which the council requires to address. This was based on best estimates with sensitivity analysis highlighting that a 1% change in the underlying assumptions could result in this increasing to as much as £228 million over the same period.

114. An updated MTFO is presented to the Council in November and an updated Medium-Term Financial Plan (MTFP) providing an overview of the council's anticipated financial position on the General Fund revenue budget for the next three financial years is presented to the Council in March. The MTFO for the period 2023/24 to 2025/26 was approved by the Council in November 2022.

The council has a capital investment strategy which underpins the development and refinement of capital investment plans

115. The council's latest Capital Investment Strategy was approved by the Council in March 2023. This Strategy brings together the various asset management plans and strategies across the council, aligning investment plans with these strategies and with strategic priorities. The strategy is reviewed and updated on an annual basis alongside individual asset management plans. The refreshed Capital Investment Programme 2023/24 to 2030/31 confirms total investment of £434.1 million over the period.

116. The Strategic Housing Investment Plan (SHIP) 2023 – 2028 sets out the priorities and locations for affordable housing investment by the council and Registered Social Landlords in North Ayrshire over the next five years. The SHIP is based on projected Scottish Government grant funding provision for the Council and partner Registered Social Landlords of £120.9 million during the period 2023 – 2028 and represents council investment of £84.8 million. The Scottish Government has committed to providing North Ayrshire Council with grant funding for the council and RSL partners of £63.0 million from April 2022 to March 2026.

The current MTFP shows significant funding gaps from 2024/25. This position continues to present a significant challenge to the sustainability of the council's finances

117. In his report to the March 2023 Council meeting, the Head of Service (Finance) noted the significant ongoing risks to the financial sustainability of service delivery and the requirement for the council to hold a sufficient level of Reserves. He also noted that the level of Reserves set out in the Budget aligns with known future commitments but that the Change and Service Redesign Fund will require to be kept under review to ensure sufficient resources are available to continue to support the council's Sustainable Change Programme.

118. The MTFP for 2023/24 to 2025/26 builds on the analysis reflected in the MTFO and provides a balanced budget for 2023/24 with indicative funding gaps remaining for 2024/25 and 2025/26 of £11.8 million and £11.4 million respectively. This position, however, includes the profiled use of Service Concession flexibility totalling £1.9 million in 2023/24, £5.0 million in 2024/25 and £4.0 million in 2025/26. This position continues to present a significant challenge to the sustainability of the council's finances.

The use of Service Concessions has partially mitigated medium-term financial challenges

119. Under Local Government Finance Circular 10/2022 – Finance Leases and Service Concession Arrangements, the Scottish Government outlined a provision for financial flexibility to allow local authorities to apply a retrospective recalculation of the annual charges to the General Fund in relation to the principal capital repayment element of service concession arrangements, including PPP and DBFM contracts.

120. The council has a number of PFI and similar projects which fall within the scope of the arrangements; North Ayrshire Council Schools and Largs Campus. By bringing the accounting of PPP / DBFM contracts into alignment with the accounting for all other local authority assets and following approval by the Council in February 2023, the retrospective sum of £21.5 million up to 2022/23 is available to support the significant pressures in the MTFP.

121. In a report to the February 2023 Council meeting, the Head of Service (Finance) noted that the retrospective element of this change would be utilised to help temporarily and partially mitigate the significant challenges identified in the budget gap within the medium-term General Services Revenue Budget. He also noted that use of this flexibility, however, would have to be applied in a limited and controlled manner across several financial years, and critically, that this runs in parallel with more sustainable measures to reduce the cost base of the council in line with available funding and the key priorities.

The council's reserves have enabled the council to deliver medium to long-term strategies, fund one-off costs and smooth its core revenue budget requirement.

122. In support of the General Services Revenue Estimates for 2023/24 to 2025/26, the Council agreed to reduce the level of unearmarked balances to 2% of budgeted expenditure. The General Fund Unearmarked Balance at 31 March 2023 is £8.1 million (2 %). The balance of earmarked funds is £102.1 million.

123. The earmarked element of usable reserves increased in the year by £27.5m mainly as a result of service concessions. There are a number of significant earmarked reserves including:

- The Loans Fund Reserve of £18.9 million which supports borrowing linked to the capital investment programme;
- The Renewal Fund of £12.9 million which supports delivery of the Council's Renewal and Recovery Strategy;
- The Future Budget Strategy of £17.7 million which supports the MTFs; and
- Earmarked Funds of £18.6 million for various specific projects.

124. The council's reserves have enabled the council to deliver medium to long-term strategies, fund one-off costs and smooth its core revenue budget requirement. However the council acknowledge that while conditions around funding remain, including the requirement to passport full funding to the IJB and maintain teaching and support staff numbers at 2022 levels, this places a disproportionate burden on other areas of council services as well as creating a financial risk to the council.

125. The Head of Service (Finance) acknowledges that based on current estimates, delivering balanced Budgets over the medium-term will be very challenging and will require a range of approaches, including reduced investment in services, further service reform / re-design, income generation,

efficiencies from the Sustainable Change Programme, use of council reserves and a level of Council Tax increase that balances inflation against the impact on citizens.

To deliver balanced budgets over the medium-term delivery of the Sustainable change Programme is key.

126. The council's 2020 Best Value Assurance Report (BVAR) commented that:

... The council has made good progress with its transformation agenda; however, it still faces a significant shortfall and detailed plans are not yet in place.

127. The BVAR recommended that the council should fully develop and deliver detailed transformation plans to meet the current estimated funding shortfall. To achieve this, it should ensure sufficient arrangements are in place to support, monitor and deliver the expected outcomes.

128. In the 2021/22 Report on the Audit, Deloitte reported that the council continues to be faced with significant financial challenges over the medium and longer-term. They also noted that it is positive to see the work progressing with the Sustainable Change Programme but progress continues to be impacted by the pandemic and it is critical that this work is progressed at pace and scale to ensure that the planned benefits are realised.

129. We identified that good progress continues to be made in developing the Sustainable Change Programme. Financial efficiencies generated from the Sustainable Change Programme of £1.05 million in 2024/25 and £0.3 million in 2025/26 will help address budget gaps over the medium-term. The 2024/25 savings arise mainly from the production of renewable energy at Nethermains and Shewalton. Further emerging projects are currently under discussion by the Transformation Board. These projects have the potential to deliver a material financial benefit to the council.

130. The council recognise that it is important that a pipeline of activity continues to be identified, with a primary focus on generating financial efficiencies to help address the significant financial pressures across the MTFP. The Transformation Board which considers and agrees work to be progressed under the Programme is chaired by the Chief Executive with sponsors identified across all workstreams at Chief Officer level.

131. The programme is subject to regular review and monitoring via a benefits tracker. The tracker includes projected savings, any workforce implications for delivery and a roadmap that outlines when key milestones will be delivered and by whom. Current workstreams include:

- Use of Land and Property Assets;
- Transport and Travel efficiencies and decarbonisation of fleet;
- Sustainability initiatives including major renewable energy investment; and
- Accessing Our Council and Financial Inclusion.

132. The council acknowledge that the more progress that can be made through delivery of the Programme, the less impact there could potentially be on key services delivered to communities. The rising costs of delivering services means that the council has little prospect of delivering balanced budgets over the medium-term unless the sustainability of its funding model is secured through delivery of the Programme.

The council has identified digital transformation as a key part of delivering differently

133. Digitalisation of services has been identified by the council as a key part of delivering services differently. The council has good examples of positive impacts of digital initiatives on delivering services. These include more online services being available on the council's website, the launch of the Xpressions App (a service providing parents with an app to receive messages from the school) and the use of digital technology to enhance visitor experiences through the use of QR codes.

134. In May 2023, Cabinet approved a refreshed North Ayrshire Digital Strategy 2023-2028. The strategy incorporates the principles outlined by the Scottish Government in its April 2021 digital strategy "A Changing Nation: How Scotland Will Thrive in a Digital World".

135. In developing the Digital strategy, priority areas have been identified by the council and the Strategy sets out specific areas of focus across each Priority. An action plan has been included in the Strategy to provide the initial baseline of activity as well as a monitoring framework that will enable progress to be tracked across the life of the Strategy. Key action points for the period 2022-2024 include:

- Review of online digital services to identify opportunities for improvement and promote to customers.
- Investigating robotic process automation opportunities
- Streamline referral pathways to ensure customers gain access to the appropriate support service
- Website – accessibility and usability.

Clear alignment of workforce plans will be needed with the council's Sustainable Change Programme as it progresses

136. The council's 2020 Best Value Assurance Report (BVAR) commented that:

The council has a coordinated approach to workforce planning and is developing workforce plans to support transformational change

137. The BVAR recommended that the council must evolve workforce planning across all services, and clearly align service workforce plans to the transformation projects. In the 2020/21 Report on the Audit, Deloitte were pleased to note that work was progressing in response to the recommendation made in the BVAR audit to align service workforce plans to the transformation projects.

138. North Ayrshire Council has more than 7,500 employees at an annual cost of some £333 million. The council has established corporate and service workforce plans which include: active management of the size of its permanent work force; vacancy management; review of temporary contracts; together with selective use of voluntary severance and early retirement.

139. The council's workforce strategy, 'A Workforce for the Future' is linked to the MTFO and recognises and reflects on the significant external pressures and financial uncertainty facing the council. Anticipated workforce implications associated with the MTFP are that the workforce is projected to reduce by 26.9 Full Time Equivalent posts (FTE's) in 2023/24 and increase by 22 FTE's in 2024/25. This is prior to the outcome of the 2024/25 budget process. The reduction to workforce levels in 2023/24 will be managed through a combination of vacancy management, redeployment and voluntary early release.

140. The council intends to implement further change in relation to the workforce as part of wider strategies supporting transformation. As future service models emerge from the council's transformation activity, the workforce plans will require to be developed further. Clear alignment will continue to be needed with the council's Sustainable Change Programme in order to ensure they adhere to the council's priorities over the medium and longer-term and maintain a synergy between workforce, service, financial and digital plans.

Leadership

The leadership has been effective in setting clear priorities but now needs to finalise Delivery Strategies and Action Plans to ensure cross council delivery of the strategic aims and outcomes

141. Effective leadership from councillors, chief executives and senior officers, is key to councils achieving their objectives and providing clear strategic direction. The complex local government environment means collaborative leadership, working with partners, communities and citizens to improve outcomes is more important than ever.

142. Leaders need to be skilled in effective strategic thinking, decision-making and collaborative working and able to learn lessons from new ways of working. Councillors and officers must be clear on their roles in setting the vision and planning for its delivery.

143. Leaders should demonstrate behaviours and working relationships that foster a culture of cooperation, and a commitment to continuous improvement and innovation. Good conduct and behaviours when working together are crucial. Working relationships between members and between members and officers should be constructive and productive. Councillors should show a commitment to agreed council priorities and work together to achieve them.

144. In May 2022, local government elections were held across Scotland. Thirty-three councillors were elected to represent the nine wards of North Ayrshire Council. A minority SNP administration was formed. Prior to the election a minority Labour administration was in place.

145. The Council is supported by the following main committees:

- Audit and Scrutiny Committee
- Cabinet
- Education Appeals Committee
- Licensing Committee
- Local Development Plan Committee
- Planning Committee
- Appeals Committee
- Ayrshire Shared Services Joint Committee
- Ayrshire Economic Joint Committee

The council plans to introduce a new approach to self-assessing its services

146. The Accounts Commission's [Local Government in Scotland Overview 2023](#) says councils have never faced such a challenging situation. Radical change, achieved through greater collaboration, is urgently needed if councils are to maintain services. This needs to be driven by a structured approach to self-evaluation in councils.

147. The council's 2020 [Best Value Assurance Report](#) reported that continuous improvement was embedded in the council's culture. Staff play an active role in identifying areas for improvement and are empowered to make changes. Improvement activity is aligned with priorities and there is evidence of improvement activity resulting in better outcomes for residents.

148. In January 2022 the council's Executive Leadership Team (ELT) decided the council should refresh its approach to self-assessment. This is being developed in conjunction with performance management arrangements for *Our Council Plan 2023-28* and is due to be considered by ELT in November 2023 as part of the council's revised Performance Management Strategy.

149. Currently, the council uses regular activities to monitor performance and identify areas for improvement. Services review their performance every quarter with their Head of Service and Director through Operational Plan meetings and reporting. The recent mini enquiries have also allowed the council to look at how it is delivering its services. These discussions between services, partners and those with lived experience resulted in detailed action plans that have subsequently fed into the council's Child Poverty Action Plan and the Council Plan.

150. A good example of an area where services have improved as a result of the council's improvement activities is in relation to tackling child poverty. The annual Child Poverty Action Plan and Progress report have driven service improvements such as:

- improving the identification and tracking of vulnerable leavers and employing an outreach worker to target young people facing challenges in accessing a positive destination to increase positive destinations. In February 2023, nearly 96 per cent of all school leavers from North Ayrshire achieved an initial positive destination – the highest figure ever recorded for North Ayrshire.
- increased automation and streamlining of access to benefits
- reducing the cost of the school day by address barriers to learning through provision of food, IT and school clothing and equipment. This work was informed by a conference which took place in May 2022.

151. The council is considering using a Public Service Improvement Framework (PSIF) approach combined with performance peer review meetings. Its self-assessment approach is expected to include details of audits, assessments and

accreditations for each service, any action points and how these have been responded to. Operational Plan reports will also be considered.

The council has a clear vision that staff and community planning partners understand

152. As set out earlier, the council and its partners have a shared, long-term vision focused on addressing inequalities – A North Ayrshire that is fair for all. The Plan is constructed around four strategic priorities and aims: Wellbeing, Communities and Local Democracy, Climate Change and a Sustainable Council. The first three priorities focus on frontline delivery of services. The fourth priority ‘A Sustainable Council’, enables effective delivery through effective governance and management of resources.

153. The different priorities are all supported by a number of corporate plans and strategies. There are similarities between the different sets of outcomes and priorities and they all contribute to the central long-term vision. The Council Plan notes that every plan, strategy and policy within the council aligns with the Council Plan 2023-28.

The different sets of actions and strategies to deliver the vision are being finalised

154. In submitting the Council Plan for approval by the Council in June 2023 the Chief Executive noted that once the Council Plan has been approved, Delivery Strategies and Action Plans will be prepared to ensure cross Council delivery of the strategic aims and outcomes.

155. In line with the previous Council Plan, the council will continue to prepare a Delivery Plan approved by Cabinet setting out how the priorities of the Council Plan will be delivered. This will then be remitted to the Audit and Scrutiny Committee for further scrutiny. It is proposed to report on the Delivery Plan via a Progress Report every six months to Cabinet, and thereafter to the Audit and Scrutiny Committee.

156. The Delivery Plan consists of the key actions published within the Council Plan. These will be delivered through detailed actions within the Local Strategies at dates relating to the activity rather than financial year. Any amendments or replacements will be captured and approved as part of Council Plan Progress Reporting.

157. The council has recently finalised mapping between the actions and strategies so teams delivering the strategies can provide an update under each Council Plan action. This approach is designed to strengthen the ‘golden thread’ and ensure Council Plan actions can accommodate updates from more than one team. Local Strategies include:

- Community Wealth Building Strategy
- The Regional Economic Strategy
- Community Plan (LOIP)
- Health and Social Care Partnership Strategic Plan
- Education Service Improvement Plan

- Child Poverty Action Plan
- Children's Services Plan
- Children's Rights Report
- Youth Participation and Citizenship Strategy
- Island Plans
- Regeneration Delivery Plan
- Local Housing Strategy
- Strategic Housing Investment Plan (SHIP)
- Local Development Plan
- Environmental Sustainability and Climate Change Strategy
- KA Leisure (North Ayrshire Leisure Limited) Business Plan

158. As an integral part of the reporting process, residents and communities will be actively encouraged to scrutinise performance through six monthly 'magazine style' accessible reports which will be published on the Council's website.

Leadership is effective and there is good collaborative working

159. The current Chief Officer and Directorate Structure includes the following core services:

- Chief Executive's
- Communities and Education
- Place

160. A management restructure took place in January 2023. Changes included the alignment of Growth and Investment with Economy and Regeneration. These services have incorporated within the Place Directorate to provide better strategic alignment to the Council's political structure.

161. The council's executive leadership team (ELT) meets on a weekly basis. The ELT comprises the chief executive, two executive directors, the director HSCP, the Head of People and ICT, the s95 officer and the monitoring officer. An extended chief officer leadership team (COLT) including all other heads of service meets on a quarterly basis. There is effective working at ELT level. Positive relationships exist in the team and the council's directorate structure has helped increase corporate working. There is consistency between directorates, both in terms of business processes such as service planning and staff appraisal and in terms of a shared vision. There is general agreement that the council's vision is clear and strongly linked to the Scottish Government's national vision and priorities.

162. North Ayrshire Council operates a cabinet system. This is the main decision-making body of the Council. It consists of 6 Members of the SNP administration each of whom holds a specific Portfolio. Meetings of the Cabinet are Chaired by the Leader of the Council. This system works well and is supplemented by a policy advisory panel that provides all elected members with an opportunity to influence strategic and policy developments. All inspection reports are reviewed by Cabinet, with audit reports reviewed by the Audit and Scrutiny Committee.

163. Council business is transparent, with all decisions being made in public, unless they are commercially sensitive. Full council meetings, cabinet meetings and Integration Joint Board (IJB) meetings are streamed online and all reports are uploaded to the website three working days before meetings. There is effective working at Cabinet level.

164. Working relationships between officers and councillors are respectful and constructive. Guidelines for member/officer relations exist which set out the way in which Members and officers of the council should behave towards one another and define the roles and responsibilities of Members and officers. Relevant officers attend committee meetings to answer councillors' questions. Where particularly complex information is being provided to councillors, briefing sessions are held to allow councillors to consider information in more depth to inform scrutiny at committee. From our observations of the strategic committees, scrutiny arrangements and the quality of councillors' scrutiny appear effective.

165. All councillors have access to Continuing Professional Development discussions and the opportunity to participate in self/360 assessments to review and support their ongoing development. A series of development events are also provided to further support elected members development. The council has a training and induction programme prepared for new councillors.

The council has made good progress on recommendations reported in the 2020 BVAR.

166. The [2020 Best Value Assurance Report](#) (BVAR) for North Ayrshire Council was published in June 2020. It reported that the council has a strong culture of continuous improvement and was commended for making significant progress since its previous Best Value report in 2011. The council is delivering improvements for communities and residents. The Commission commented that this was particularly pleasing in the challenging context of North Ayrshire's deprivation and demography

167. The BVAR contained four improvement recommendations. In response to these recommendations, the council approved an action plan in September 2020. Annual updates on progress against the action plan have been reported to the Council. In the last update reported to the Council in March 2022, management noted all actions as complete.

168. In the 2020/21 Annual Audit Report the previous auditor Deloitte concluded that '***the Council has robust arrangements in place to secure Best Value and has a clear understanding of areas which require further development***'. Good progress was also reported in this report on each of the four recommendations:

- development and delivery of the detailed transformation plans to meet the funding shortfalls, see [paragraphs 129 to 132](#)
- development of workforce planning across all services and alignment to the transformation projects, see [paragraphs 138 to 140](#)

- working with partners to make clear what the intended impacts are of locality plans and to make them public, see [paragraphs 68 to 69](#)
- review of the public reporting online portal, North Ayrshire Performs to make it more user friendly and more accessible, see [paragraphs 25 to 27](#).

Appendix 1

Improvement Action plan

| Issue/risk | Recommendation | Responsible officer/timing | Agreed management action |
|--|--|---|---|
| <p>1. Vision</p> <p>The council has acknowledged that its website would benefit from improvement and it is currently being reviewed with a view to being replaced by Autumn 2024.</p> | <p>The council should prioritise concluding its website review with a view to improving it as soon as possible. This will bring many benefits, including raising more awareness of its vision and priorities.</p> <p>Paragraph 18</p> | <p>Fiona Walker, Head of People and ICT</p> <p>Summer/Autumn 2024</p> <p>Aileen Craig, Head of Democratic Services</p> <p>December 2023</p> | <p>The website redesign project is currently progressing at pace and the aim is to have a Beta version live by Summer 2024 and the full version live by Autumn 2024. To improve the visibility of the Council Plan and Priorities the home page will be revised to include reference to our Council Plan 2023-28.</p> |
| <p>2. Performance</p> <p>The council has acknowledged that the content of its performance pages needs to be refreshed and, in particular, its Performance Dashboard needs to be updated. The council plans to report the results of, and its response to, audit and inspection work in its Council Plan progress updates going forward.</p> | <p>The council should ensure that all the performance information published on its website is up-to-date, performance reports are as timely as possible and audit and inspection information is easily accessible and includes how the council is responding to recommendations.</p> <p>Paragraph 35</p> | <p>Isla Hardy, Team Manager - Corporate Policy and Performance</p> <p>31 January 2024</p> | <p>The website will be reviewed to remove or replace out of date information. Audits and inspections will be included in six monthly Council Plan Progress Reports published on the site.</p> |
| <p>3. Citizen and community engagement</p> | <p>The council should update all locality planning information</p> | <p>Jacqueline Greenlees, Senior Manager –</p> | <p>The CPP website will be reviewed to ensure all locality</p> |

The council has published locality impact reports for five of its six localities. However not all the locality planning information can be accessed .

and corresponding links as soon as possible.

Paragraph [69](#)

Community Planning

31 December 2023

planning information and links are up to date. The Community Planning Partnership website will be refreshed with new Locality Partnership pages.

4. Tackling climate change

The council's website does not currently have a dedicated climate change webpage. The council plans to improve its website as a whole and is exploring the inclusion of more information on carbon emissions and climate change as part of a Sustainability Awareness Communications Plan.

The council should consider including more information on its website about what it is doing to address climate change and the progress it is making.

Paragraph [109](#)

Jennifer Wraith,
Team Manager -
Sustainability

31 January 2024

The Council's website will be updated to include more information on what we are doing to address Climate Change and progress we are making, including publication of a dedicated public facing Climate Change webpage.

Options for a social media page dedicated to climate change will be investigated.

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