

County Buildings
Wellington Square
AYR KA7 1DR
Tel. No. 01292 612169

13 February 2026

Dear Councillor

SOUTH AYRSHIRE COUNCIL

You are requested to participate in a meeting of South Ayrshire Council to be held **on Thursday 19 February 2026 at 10.00 a.m.** for the purpose of considering the undernoted business.

This meeting will be held in the County Hall, County Buildings, Ayr on a hybrid basis for Elected Members, will be live-streamed and available to view at <https://south-ayrshire.public-i.tv/>

Yours sincerely

CATRIONA CAVES
Chief Governance Officer

B U S I N E S S

1. Provost.
2. Sederunt and Declarations of Interest.
3. Minutes of meetings of the Council and Panels.

(a) Minutes of previous meetings.

Submit for approval as a correct record and authorise to be signed: -

- (i) 11 December 2025 (copy herewith).

(b) Minutes of Panels.

The minutes (copies previously issued) of the undernoted meetings are for noting:-

- (i) Appeals Panel of [3 November 2025](#), [17 November 2025](#) and [17 December 2025](#).
- (ii) Audit and Governance Panel of [3 December 2025](#).
- (iii) Cabinet of [25 November 2025](#).
- (iv) Chief Officers Appointments/Appraisal Panel of [3 September 2025](#), [16 September 2025](#), [24 September 2025](#), [2 October 2025](#), [7 October 2025](#) and [9 October 2025](#).
- (v) Local Review Body of [24 June 2025](#).
- (vi) Regulatory Panel – Licensing of [27 November 2025](#)
- (vii) Regulatory Panel – Planning of [12 November 2025](#) (Site Visit), [13 November 2025](#) and [10 December 2025](#).
- (viii) Service and Partnerships Performance Panel of [18 November 2025](#).

4. 2026/27 Budget - Fees and Charges Uplift Proposals – Submit report by the Chief Financial Officer (copy herewith).

5. General Services Capital Investment Programme 2026/27 to 2037/38 - Submit report by Depute Chief Executive and Director of Housing, Operations and Development (copy herewith).
6. 2026-27 Budget Update and Medium Term Financial Plan – Submit report by the Chief Financial Officer (copy herewith).
7. Treasury Management and Investment Strategy Mid-Year Report 2025/26 – Submit report by the Chief Financial Officer (copy herewith).
8. Community Councils – Scheme for Establishment of Community Councils – Submit report by the Director of Communities and Transformation (copy herewith).
9. Asset Management Plan (Land and Buildings) 2025 – Submit report by the Depute Chief Executive and Director of Housing, Operations and Development (copy herewith).
10. Formal Questions
11. **Solar Farm Update – Submit report by Depute Chief Executive and Director of Housing, Operations and Development (Members Only).**
12. **Prestwick Proposition-Commercial Build FBC – Submit report by Depute Chief Executive and Director of Housing, Operations and Development (Members only).**
13. **Final Investigation Report – Submit report by the Chief Executive (Members Only).**
14. **Consideration of Above Confidential Reports.**

For more information on any of the items on this agenda, please telephone Janice McClure, Committee Services on at 01292 612169, at Wellington Square, Ayr or
e-mail: janice.mcclure@south-ayrshire.gov.uk
www.south-ayrshire.gov.uk

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SOUTH AYRSHIRE COUNCIL.

Minutes of a hybrid webcast meeting
on 11 December 2025 at 10.00 a.m.

Present in County Buildings: Councillors Iain Campbell (Provost), Laura Brennan-Whitefield, Ian Cavana, Alec Clark, Chris Cullen, Ian Davis, Brian Connolly, Julie Dettbarn, Stephen Ferry, William Grant, Wullie Hogg, Hugh Hunter, Martin Kilbride, Mary Kilpatrick, Alan Lamont, Brian McGinley, Bob Pollock, Cameron Ramsay, Philip Saxton, Bob Shields, Duncan Townson and George Weir.

Present Remotely: Councillors Kenneth Bell, Ian Cochrane, Lee Lyons and Craig Mackay.

Apologies: Councillors Martin Dowey and Gavin Scott.

Attending in County Buildings: S. Penman, Chief Executive; K. Braidwood, Depute Chief Executive and Director of Housing, Operations and Development; J. Bradley, Director of Communities and Transformation; S. Mulholland, Director of Education; M. Inglis, Director of Health and Social Care; C. Caves, Chief Governance Officer; T. Baulk, Chief Financial Officer; W. Wesson, Chief HR Officer; C. Cox, Assistant Director – Planning, Development and Regulation; G. Hunter, Assistant Director – Communities; K. Anderson, Assistant Director - Corporate Policy, Strategy and Performance; J. Tait, Service Lead – Thriving Communities; T. Burns, Service Lead – Asset Management and Community Asset Transfer; P. Bradley, Service Lead – Professional Design Services; L. Jarvie, Co-ordinator – Sustainability, Climate Change and Nature); J. Corrie, Head of Roads, Ayrshire Roads Alliance; B. McDonnell, Strategic Manager, Ayrshire Roads Alliance; J. McClure, Committee Services Lead Officer; J. Chapman, Committee Services Officer; R. Anderson, Committee Services Assistant; and C. McCallum, Clerical Assistant.

1. Provost.

The Provost

- (1) welcomed everyone to the meeting, outlined the procedures for conducting this meeting and advised that this meeting would be broadcast live;
- (2) intimated that apologies had been received from Councillors Dowey and Scott; and
- (3) welcomed the Chief Executive, Stephen Penman to his first Council meeting.

2. Sederunt and Declarations of Interest.

The Chief Executive then called the roll and confirmed that there were no declarations of interest by Members of the Council in terms of Council Standing Order No. 17 and the Councillors' Code of Conduct.

3. Minutes of previous meetings

(1) Minutes of Previous Meeting of the Council.

Provost Iain Campbell, seconded by Councillor Mary Kilpatrick, moved the [Minutes](#) of South Ayrshire Council of 6 November 2025 as a correct record.

The Council

Decided: to approve the Minutes of 6 November 2025 and authorise these minutes to be signed as a correct record.

(2) Minutes of previous meetings of Panels.

- (i) Appeals Panel of [10 September 2025](#)
- (ii) Audit and Governance Panel of [24 September 2025 \(Special\)](#), [1 October 2025](#) and [5 November 2025](#).
- (iii) Cabinet of [28 October 2025](#).
- (iv) Regulatory Panel – [Licensing of 30 October 2025](#).
- (v) Regulatory Panel – [Planning of 9 October 2025](#).
- (vi) Service and Partnerships Performance Panel of [1 October 2025 \(Special\)](#) and [21 October 2025](#).

4. South Ayrshire Council Annual Performance Report 2024/2025

There was submitted a [report](#) (issued) of 19 November 2025 by the Chief Executive providing Members with South Ayrshire Council's Annual Performance Report 2024/2025.

The Assistant Director – Corporate Policy, Strategy and Performance introduced the report and outlined that the report drew on a number of sources to present a balanced view of the Council's performance in an accessible and easy to read format with highlights of the report including strong school inspection reports, a successful Air Show, a number of external awards and accolades and 258 affordable homes delivered in 2024/25 which was a phenomenal number and testament to the partnership working across Council services.

Councillor Brian Connolly, seconded by Councillor Ian Davis, moved the recommendations as outlined in the report.

Questions were raised and comments made by Members in relation to: congratulating officers involved in the good initiatives and awards highlighted within the report; that the number of affordable homes was pleasing, however, planning and development of these took a number of years and sat across various Administrations of the Council and it was important to put plans and processes in place to continue to provide these; and did the Chief Executive recognise that there was a need for the Council to improve its performance and proceed with change more quickly and how would he enact this; and the Chief Executive advised that all local authorities and public bodies required to move at pace; that this report set a context for good performance, however, it was also honest and frank regarding areas of challenge; that plans for affordable housing took years to come to fruition and it was essential that there was a solid basis to move forward; and that he would continue to seek improvement and focus on the delivery of themes within the Council Plan which were essential to the success of this authority.

The Council, having thanked the officers for the work undertaken on this matter,

Decided: to approve the content of the Annual Performance Report 2024/2025 attached as Appendix 1 to the report.

5. **South Ayrshire Council Sustainable Development and Climate Change Strategy (2025 to 2030)**

There was submitted a [report](#) (issued) of 19 November 2025 by the Chief Executive seeking approval of the updated Sustainable Development and Climate Change Strategy (2025-2030).

The Assistant Director – Corporate Policy, Strategy and Performance introduced the report and advised that it had been reported to Cabinet in November 2025 that carbon emissions had been reduced by over 50% in the last ten years and while this was to be celebrated, there was much more work to be undertaken in this regard; that the updated strategy set out four key strategic themes; and that a detailed action plan would be developed with the performance reported to Service and Partnerships Performance Panel annually.

Councillor Martin Kilbride, seconded by Councillor Bob Shields, moved the recommendations as outlined in the report.

Questions were raised and comments made by Members in relation to:

- (1) this authority being more advanced than most local authorities with this challenging matter and thanking officers for their continuous hard work on this issue;
- (2) climate change seeming to have lost momentum with recent global conventions not being attended by some of the world's biggest countries; that some Scottish-wide targets had not been reached and how could this be brought to the forefront again and others be convinced to do likewise; and the Co-ordinator – Sustainability, Climate Change and Nature advised that there were multiple benefits across all areas from taking action to tackle climate change; that the Council required to be prepared for the changes it faced; and the Council required to undertake the approach as set out in the Strategy to ensure that every action took the people of South Ayrshire in the right direction;
- (3) whether a Sustainable Development Working Group was still ongoing as the partnership with other agencies had been invaluable; and the Assistant Director – Corporate Policy, Strategy and Performance advised that this matter had been brought into focus through the Community Planning Partnership Board as climate change was a priority across a number of agencies and partners in South Ayrshire;
- (4) welcoming such a detailed report; concerns regarding the global lack of focus on climate change; that those impacted the most were those with the least in the world; and the importance of factual information when dealing with climate change;
- (5) Section 16 of the Strategy "key activity areas to 2030", could future documents include traffic management plans as this would impact air condition; and the Assistant Director – Corporate Policy, Strategy and Performance advised that he would take this suggestion on board;
- (6) commending officers for the format of this report, especially the glossary; that in relation to Section 16 all consequences must be considered and that this should be reflected in the Integrated Impact Assessment; and
- (7) thanking the Assistant Director – Corporate Policy, Strategy and Performance and his Team for their achievements; outlining that a lot of work was required to make this a success and he was sure this would continue.

The Council

Decided: to approve the strategy attached as Appendix One to the report.

6. 2026/27 Budget - Fees and Charges Uplift Proposals

There was submitted a [report](#) (issued) of 5 December 2025 by the Chief Financial Officer seeking agreement on the level of change, either in percentage term or by value, to be applied to a variety of fees and charges levied by the Council for the 2026/27 financial year.

The Chief Financial Officer introduced the report; advised that it had been agreed at the meeting of South Ayrshire Council of 6 November 2025 that the various proposed fees and charges uplifts be submitted to this meeting for consideration and approval; and outlined that the Appendix contained twenty four proposals for members' consideration.

Councillor Ian Davis, seconded by Councillor Brian Connolly, moved that, given the number of proposals involved, this report be continued to a future meeting of South Ayrshire Council for consideration to allow Members to seek further information.

Following advice from the Chief Governance Officer and Chief Financial Officer regarding the appropriate Council meeting for this matter to be considered, the Chief Financial Officer advised that this matter would require to be dealt with prior to the budget setting Council meeting. The Chief Executive further advised that it was essential the levels of fees and charges were agreed prior to the budget setting as this report had material implications on decisions made when setting the budget, therefore, the Council meeting of 19 February 2025 would be the appropriate meeting for consideration of this matter.

Comments were made by Members in relation to:

- (1) an Elected Members' briefing should have been held on this matter to allow Members to examine the proposals but this had not taken place;
- (2) many of the items within the Integrated Impact Assessment showing a "negative impact", therefore, more detail and mitigations were required prior to decision making; and
- (3) the budget setting being a political process which reflected the political groups' values and commitment to the electorate, therefore, the proposals should be presented to each Group; and the Chief Executive advised that he would take this on board and that it was essential that all Members were presented with the same information and had the opportunity to ask questions of officers to reach a balanced budget.

The Council

Decided: to continue consideration of this matter to the meeting of South Ayrshire Council of 19 February 2025.

7. Community Councils – Scheme for Establishment of Community Councils

There was submitted a [report](#) (issued) of 14 November 2025 by the Director of Communities and Transformation providing Members with an update on the consultation; and seeking approval for Officers to consult on the final draft of the Scheme for Establishment of Community Councils

The Service Lead – Thriving Communities introduced the report and outlined the background to this matter.

Councillor Brian Connolly, seconded by Councillor Chris Cullen, moved the recommendations as outlined in the report.

Questions were raised and comments made by Members in relation to:

- (1) there being no Community Council in Ayr North and it being beneficial to the people of the area to have this re-established;
- (2) encouraging Ayr North residents to submit their views and comments on the area and on the re-establishment of a Community Council;
- (3) commending officers for their work on this good piece of work which had updated very old guidance;
- (4) welcoming this document and welcoming that the Focus Group to consider the results of the survey had been established with eight members of various Community Councils across South Ayrshire;
- (5) the consultation process and had it alleviated the concerns of Community Council Members; and the Service Lead – Thriving Communities advised that the importance of consultation had been recognised when updating a document such as this; that the feedback of the Focus Group was very important along with face to face drop-ins across towns and the online feedback with all comments documented and shared; that explanations had been provided to those who had made suggestions which could not be implemented; that a further consultation was required in February 2026 to seek further comments; and that the engagement process had proved very positive;
- (6) it being pleasing to note that the quorum of Community Councils had been reduced, however, it was concerning that the number of Community Councils in South Ayrshire appeared to be declining; and it was hoped that this document encouraged people to be a part of their local Community Council and be a voice for their community; and the Service Lead – Thriving Communities advised that there had been a decline in interest in Community Councils and to promote these, events had been hosted in County Buildings to have more people involved, especially younger people;
- (7) the final consultation taking place between 15 December 2025 and 18 January 2026 which was the festive period when Community Councils did not meet; and the Service Lead – Thriving Communities advised that the Scheme required to be in place by April 2026 prior to the Community Council elections, therefore the final consultation required to take place at this time; and that a robust consultation had been carried out to date, therefore, it was not expected that there would be many more comments;
- (8) commending the work undertaken by the Service Lead – Thriving Communities and his team; and asking if the Focus Group could assist in setting up Community Councils in those areas where there was no Community Council; and the Service Lead – Thriving Communities advised that a Community Council Association had been established without the involvement of Council Officers; and that, once the Scheme had been established, the Focus Group could examine the establishment of a Community Council in North Ayr, however, although there was no Community Council in North Ayr, there was good community engagement in this area;
- (9) as the consultation was taking place over the festive period, could this be acknowledged when the consultation was issued and the Community Councils be asked to consult with its members prior to the deadline; and the Service Lead – Thriving Communities advised that the consultation would be issued through the Council's Communications Team, via a press article and a letter to all Community Councils and, should there be any significant comments from the consultation, the report could be deferred, if necessary;

- (10) whether briefings could be held for Community Council Members on the Scheme of Delegation; and the Service Lead – Thriving Communities advised that funding had been secured through the Transformational Change Team to launch an online platform in 2026 which would provide opportunities for training for Community Council Members across a range of areas, including the Scheme of Delegation;
- (11) future review of the Scheme of Delegation; and Service Lead – Thriving Communities advised that a comment from a Community Council member had stated that the Scheme was being reviewed too frequently, therefore he would liaise with officers and the Focus Group regarding the timescale for future reviews, however, should a Community Council wish to make an amendment to the Scheme of Delegation, a report could be presented to Cabinet for approval; and
- (12) that this review of the Scheme of Delegation was a step forward and had been very well received by Community Councils.

The Council

Decided:

- (a) to note the findings from stage 2 of the consultation as outlined in Appendix 1 to the report;
- (b) to approve the draft Scheme for Establishment of Community Councils following stage 2 of the consultation as outlined in Appendix 2 to the report;
- (c) to approve for Officers to commence the final part of the consultation and the approaches set out in the Consultation Mandate as outlined in Appendix 3 to the report; and
- (d) to agree for Officers to present the final draft for approval at Council on 19 February 2026.

8. Asset Management Plan Update

There was submitted a [report](#) (issued) of 24 November 2025 by the Depute Chief Executive and Director of Housing, Operations and Development updating Members on the progress of the Council's Asset Management Plan (Land and Buildings).

The Assistant Director – Planning, Development and Regulation introduced the report and advised that this report was seeking agreement for the submission of a revised Asset Management Plan to Council in February 2026; outlined the three advantages of the revised Plan; and confirmed that the draft of this Plan would involve full Elected Member engagement prior to submission to Council.

Councillor Martin Kilbride, seconded by Councillor Bob Shields, moved the recommendations as outlined in the report.

The Council, having welcomed the submission of this Plan in February 2026,

Decided: to agree that a revised Asset Management Plan (Land and Buildings) be submitted to Council in February 2026 for the reasons outlined in Section 4.

9. **Ayr Parking Strategy (2025)**

There was submitted a [report](#) (issued) of 4 December 2025 by the Depute Chief Executive and Director of Housing, Operations and Development presenting the Ayr Parking Strategy (2025), outlining proposals to modernise Ayr's on and off-street parking arrangements through revised residents' permit schemes, rationalised pay and display (P&D) systems, and an approach to implementing new charges and digital permit systems.

Councillor Alec Clark, seconded by Councillor Brian Connolly, moved that consideration of this matter be continued to the meeting of South Ayrshire Council of 19 February 2026 to allow all information to be collated and considered prior to that meeting.

Twenty two Members voted for the Motion, three Members against the Motion and one Member Abstained and the Council

Decided: that consideration of this matter be continued to the meeting of South Ayrshire Council of 19 February 2026 to allow all information to be collated and considered prior to that meeting.

10. **Review of Capital Estimates: General Services Capital Investment Programme 2025/26 to 2036/37**

There was submitted a [report](#) (issued) of 5 December 2025 by the Depute Chief Executive and Director of Housing, Operations and Development seeking approval to update the General Services Capital Investment Programme for financial years 2025/26 through to 2036/37, as a result of a combination of (a) re-profiling of budgets between financial years; and (b) budget reductions to projects, which if approved, would lead to reduced debt charges to the Council and reduce the pressure on revenue budgets.

The Depute Chief Executive and Director of Housing, Operations and Development introduced the report.

Councillor Ian Davis, seconded by Councillor Brian Connolly, moved the recommendations as outlined in the report.

Questions were raised and comments made by Members in relation to:

- (1) thanking officers for their work on this review conducted under the challenges as outlined in the report; and outlining that opportunities for reprofiling and to reduce the capital lines were being examined which would reduce the Council's debt charges in future years;
- (2) the £236 in the "2025 Proposed Revised Budget" for public conveniences; and the Service Lead – Professional Design Services advised that this was the remaining budget from a completed programme of works; and that a meeting was planned in January 2026 with Facilities Management to examine existing public conveniences and that a feasibility study would then be undertaken;
- (3) how many projects within the document being agreed at this meeting were dependent on receiving external funding to support the work progressing; and the Depute Chief Executive and Director of Housing, Operations and Development advised that any project supported by capital funding would be reprofiled in terms of whether capital funding was received or not; and that ongoing updates through the capital programme would be reported to Council;

- (4) requesting that the Depute Chief Executive and Director of Housing, Operations and Development provide in writing costings should all non-essential capital projects be cancelled to allow Members to examine options; and the Depute Chief Executive and Director of Housing, Operations and Development advised that essential and non-essential projects would require to be defined prior to any decision being taken as there were a number of projects in the Capital Programme that were essential to protect the Council's assets in terms of the school estate and housing estate;
- (5) the Scheme of Assistance within the Health and Social Care Investment Budget and whether it had been overspent in the past; and the Depute Chief Executive and Director of Education advised this budget line been under-utilised for the last few years and careful consideration had been given to making any adjustment to it, however, the overall adjustment was £1.5m over twelve years and this would continue to be monitored, amended and re-profiled to meet demand as necessary;
- (6) the Equalities Act Budget being reduced by 25% and could the Council meet its obligations with these cuts; and the Depute Chief Executive and Director of Education advised that this budget had been considered as under-utilised and it was re-profiled and adjusted accordingly;
- (7) the Ayrshire Roads Alliance Reconstruction and Improvement budget which was £2.5m for the next five years and, given the rising costs of materials, it was expected that this would rise year upon year; and the Depute Chief Executive and Director of Education advised that this was a historically allocated figure, however, any additional capital investment would be welcomed;
- (8) the Ayrshire Roads Alliance Reconstruction and Improvement budget and whether this authority was matching the partner authority with funding; and the Depute Chief Executive and Director of Housing, Operations and Development advised that the partner authority had invested more capital through their roads network, however, that amount had been reduced significantly in the last few years; and
- (9) that the report to South Ayrshire Council on 18 September 2025 had reported a substantial reprofiling of capital which in turn outlined a large reduction in debt charges; and that this was further reprofiling to reduce the debt charges for future years to protect the General Services budget.

The Council

Decided:

- (a) to approve the adjustments detailed in Appendices 2 and 3 attached to the report;
- (b) to approve the revised General Services Capital Programme 2025/26 to 2036/37 as detailed in Appendix 4 to the report; and
- (c) to note the associated overall reduced debt charge implications of £6,677,084 for the period of the twelve year programme, as detailed in Appendix 5 of the report and specifically the £442,545 reduction in the planned debt charge budget for 2026/27.

11. Formal Questions.

In terms of Council Standing Order No. 26.2, there was submitted [Formal Questions and Responses](#) from Councillors Ian Cavana and Craig Mackay.

Councillor Cavana raised a supplementary question as follows: "as the current paternity leave is one week full pay and one week statutory paternity pay, this does not go far enough, therefore, could the Council policy be amended"; and the Chief HR Officer advised that when this authority set its policies, benchmarking was carried out with other Councils across Scotland; and that she would examine this and come back to Members with recommendations.

Councillor Mackay commented on the derelict site at the Station Hotel and raised a supplementary question as follows: "should the Council be more proactive in lobbying the Scottish Government regarding legislation to assist with vacant and derelict sites"; and the Depute Chief Executive and Director of Housing, Operations and Development advised that the Station Hotel site was owned by Network Rail which was a private company and that this authority would provide support to develop the site, however, had no direct involvement at this time. The Chief Governance Officer further advised that the Council had no ownership responsibility as the Station Hotel was owned by Mr Ung and Network Rail.

Provost

Provost thanked everyone in attendance for their contribution and wished everyone a Merry Christmas and a Happy New Year.

The meeting ended at 11.25 a.m.

South Ayrshire Council

**Report by Chief Financial Officer
to South Ayrshire Council
of 19 February 2026**

Subject: 2026/27 Budget - Fees and Charges Uplift Proposals

1. Purpose

- 1.1 The purpose of this report is to seek agreement on the level of change, either in percentage term or by value, to be applied to a variety of fees and charges levied by the Council for the 2026/27 financial year.

2. Recommendation

2.1 It is recommended that the Council:

- 2.1.1 agrees to implement all Option 1 proposed fees and charges changes, as detailed in [Appendix 1](#), from 1 April 2026;**
- 2.1.2 notes the concession arrangements that are available to assist in mitigating the impact of the proposed price increases, as detailed in [Appendix 2](#);**
- 2.1.3 notes the estimated additional income of £0.696m that this will generate, reducing the anticipated budget gap previously reported to Council in November 2025; and**
- 2.1.4 considers if any Option 2 or Option 3 proposals should be progressed instead of Option 1 proposals, potentially generating a maximum of £0.624m of income beyond Option 1 levels.**

3. Background

- 3.1 Charges serve a variety of purposes. They bring a vital source of income to the Council and can be used to help deliver services and policy aims. The Council charges the users of its services through a variety of means:
- (i) Charges at the point of sale or admission;
 - (ii) Charges paid up front for receiving services;
 - (iii) Services charged/ billed for after they have been provided; and
 - (iv) Services where a contribution is paid by the user depending on their eligibility or ability to pay.

- 3.2 The introduction of new charges or changes to existing charges should either be brought forward for consideration as part of the annual budget setting process or by the Cabinet or by officers through the Scheme of Delegation.
- 3.3 Members considered and approved the 2026-27 Budget Strategy at the Council meeting of 6 November 2025 noting a revised estimated budget gap of £15.339m, prior to the application of any Council Tax uplifts. Also contained in that report was a recommendation that various proposed fees and charges uplifts be brought to Council in December 2025 for consideration and approval.
- 3.4 Services were asked to bring forward proposals to be implemented from April 2026, to increase income generated via changes to fees and charges in order to assist in addressing the significant estimated budget gap in 2026-27.

4. Detail

- 4.1 Services have submitted a variety of proposals across a number of service areas for Members consideration, as detailed in [Appendix 1](#).
- 4.2 [Appendix 1](#) contains twenty-four proposals to update prices and generate additional income. The majority (eighteen) contain only one option for selection however there are a further six proposals that provide members with a base option plus one or two further choices that will generate additional income, depending on the increase applied.
- 4.3 Members are requested to agree as a minimum all of the Option 1 proposals contained in [Appendix 1](#) which will be implemented from April 2026 and consider if any Option 2 or Option 3 proposals should be progressed instead of Option 1.
- 4.4 Various current or planned concessionary schemes are available to assist in mitigating some of the impact of the proposed price increase, as detailed in [Appendix 2](#).
- 4.5 Where, for operational/ promotional purposes Service Leads see an opportunity to increase income by varying charges, approval would be by officers through the Council's Scheme of Delegation which is out with the scope of this report.

5. Legal and Procurement Implications

- 5.1 There are no legal implications arising from this report.
- 5.2 There are no procurement implications arising from this report.

6. Financial Implications

- 6.1 Depending on which options are selected from [Appendix 1](#), the following outcomes may be achieved, by selecting:
- i) only Option 1 for each of the twenty-four proposals, additional income of £696,244 may be generated in 2026-27;
 - ii) Option 1 for each proposal but substituting the Option 2 proposals, where available, an additional £342,030 beyond i) above may be generated, resulting in total additional income for the year of £1,038,274;

- iii) Option 1 for each proposal but substituting the Option 3 proposals, where available, an additional £282,329 beyond ii) above may be generated, resulting in total additional income for the year of £1,320,603.

6.2 Selecting either i), ii) or iii) as shown in 6.1 above will reduce the current projected budget gap of £15.339m (prior to the application of any Council Tax uplift) as noted in 3.3 above, by the appropriate amount as stated.

7. Human Resources Implications

7.1 Not applicable.

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

8.1.1 Any risk associated with individual price increases are outlined individually in [Appendix 1](#) otherwise there are no risks associated with adopting the recommendations.

8.2 *Risk Implications of Rejecting the Recommendations*

8.2.1 There is a risk that Council fails to recognise the potential financial climate and does not take appropriate steps to manage the situation accordingly resulting in service interruption and reputational damage to the Council. A reminder has been provided that Elected Member have a legal duty to set Council Tax and to establish a competent and balanced budget.

9. Integrated Impact Assessment (incorporating Equalities)

9.1 An Integrated Impact Assessment has been carried out on the proposals contained in this report, which identifies potential positive and negative impacts. The IIA Summary Report is attached as [Appendix 3](#) which includes information on any mitigating action required. A copy of the fully completed IIA can be accessed [here](#).

10. Sustainable Development Implications

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy as defined by the Environment Assessment (Scotland) Act 2005.

11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to Priority 4 of the Council Plan: Efficient and effective enabling services.

13/

13. Link to Shaping Our Future Council Yes No

13.1 Not applicable.

14. Results of Consultation

14.1 There has been no public consultation on the contents of this report.

14.2 Consultation has taken place with Councillor Ian Davis, Policy Lead for Finance and Corporate Services, and the contents of this report reflect any feedback provided.

15. Next Steps for Decision Tracking Purposes

15.1 If the recommendations above are approved by Members, the Chief Financial Officer will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

Implementation	Due date	Managed by
Incorporate the anticipated additional income in to the 2026-27 budget setting considerations	5 March 2026	Chief Financial Officer
Implement the proposed changes in fees and charges	1 April 2026	All appropriate Service Leads

Background Papers **Report to South Ayrshire Council of 6 November 2025 – [2026-27 Budget Strategy and Budget Update](#)**

Report to South Ayrshire Council of 11 December 2025 – [2026/27 Budget – Fees and Charges Uplift Proposals](#)

Person to Contact **Tim Baulk, Chief Financial Officer**
County Buildings, Wellington Square, Ayr, KA7 1DR
Phone 01292 612620
E-mail tim.baulk@south-ayrshire.gov.uk

Date: 27 January 2026

2026-27 recommended uplifts to Fees and Charges

Ref.	Directorate/Service	Proposal	Option 1		Option 2		Option 3	
			% uplift or £ uplift	Income generated £	% uplift or £ uplift	Additional Income generated £	% uplift or £ uplift	Additional Income generated £
Chief Executive's								
1	Trading Standards and Env. Health	Increase of 4% across all locally determined fees <ul style="list-style-type: none"> • Only 1 option proposed 	4%	5,907				
Risk: <i>No material risk identified</i>								
Total Chief Executive's				5,907				

Communities and Transformation								
2	Sports, Leisure and Golf	Instructional Lesson Price Increase (Learn2 from £26/month): <ul style="list-style-type: none"> • Option 1 £2/month • Option 2 £3/month • Option 3 £4/month 	£2 per month uplift	60,000	£3 per month uplift	20,000	£4 per month uplift	30,000
Risk: <i>A price increase of £2 (Option 1) across our swimming and gymnastics lesson memberships is a sharper rise than has been implemented in previous years. Many parents have multiple Learn2 memberships with children attending both swimming and gymnastics lessons and may also be paying for multiple children from the same family on a monthly basis. Keeping the price rise to a reasonable level will continue to ensure affordability and access.</i>								

Ref.	Directorate/Service	Proposal	Option 1		Option 2		Option 3	
			% uplift or £ uplift	Income generated £	% uplift or £ uplift	Additional Income generated £	% uplift or £ uplift	Additional Income generated £
3		Golf Adult Summer Green Fee Price Increase (by course) <ul style="list-style-type: none"> Only 1 option proposed 	£3 - £8 uplift (by Course)	50,000				
Risk: No material risk identified								
4		Golf Season Ticket Price Increase <ul style="list-style-type: none"> Option 1 5% Option 2 10% Option 3 15% 	5%	80,000	10%	20,000	15%	50,000
Risk: Option 1 represents a 5% increase across all season ticket price points which is larger than implemented in previous years. Due to ongoing construction and customer disruption this is the maximum rise advised, increases greater than 5% will result in a higher attrition rate therefore reducing additional income potential. Greater short-term increase without completed course investment will make it harder to increase fees beyond inflation in future years								
5		Pitch & Let price Increase <ul style="list-style-type: none"> Only 1 option proposed 	£2 per hour uplift	25,000				
Risk: No material risk identified								
6		Leisure Membership Review – increases prices across a range of leisure memberships <ul style="list-style-type: none"> Only 1 option proposed 	£1 per month uplift	55,000				
Risk: By 2026, the newly refurbished Prestwick Leisure Club will be open, however, Troon will be closed for refurbishment and Citadel works will still be ongoing with an opening date in late 2026 for the membership focused areas. The ongoing construction programme across multiple facilities is impacting member retention. Introducing significant price increases on top of this would further increase the risk of membership and income loss, making recovery more challenging and prolonged. Since our membership review in 2023, we have achieved consistent month-on-								

Ref.	Directorate/Service	Proposal	Option 1		Option 2		Option 3	
			% uplift or £ uplift	Income generated £	% uplift or £ uplift	Additional Income generated £	% uplift or £ uplift	Additional Income generated £
<p>month growth in income while maintaining stable pricing. The membership income forecast presented as Option1 reflects a cautious approach, taking account of the current construction programme and an anticipated 10% drop in membership following the price increase</p>								
7		Reduce Golf Café Prices Season Ticket discount to 10% alongside general operational increase in prices <ul style="list-style-type: none"> Only 1 option proposed 	10%	50,000				
<p>Risk: No material risk identified</p>								
8	Destination South Ayrshire	Workshop/Room Hire – Rozelle House and McKechnie Institute (from £10 to £12) <ul style="list-style-type: none"> Only 1 option proposed 	20%	1,500				
<p>Risk: No material risk identified</p>								
9		Ayr Town Hall – Main Hall hire (from £33 to £34 p/hr), Main Hall and Balcony Hire (from £42 to £44 p/hr) Exclusive use – full building (from £100 to £110 p/hr) <ul style="list-style-type: none"> Only 1 option proposed 	3%/5%/10%	1,200				
<p>Risk: No material risk identified</p>								
10		Ayr Town Hall – Chamber Hire (from £23 to £24 p/hr) <ul style="list-style-type: none"> Only 1 option proposed 	4%	1,000				
<p>Risk: No material risk identified</p>								

Ref.	Directorate/Service	Proposal	Option 1		Option 2		Option 3	
			% uplift or £ uplift	Income generated £	% uplift or £ uplift	Additional Income generated £	% uplift or £ uplift	Additional Income generated £
11		Maybole Town Hall – Main Hall (from £25 to £26 p/hr) • Only 1 option proposed	4%	400				
Risk: No material risk identified								
12		Tron Concert Hall (from £36 to £37 p/hr) Tron Concert Hall & Balcony (from £44 to £46 p/hr) • Only 1 option proposed	3%/5%	2,200				
Risk: Risk: No material risk identified								
13		Walker Hall (from £31 to £32 p/hr) • Only 1 option proposed	3%	1,300				
Risk: No material risk identified								
14		Tron Concert Hall and Walker Hall – Reception room (from £21 to £22 p/hr) • Only 1 option proposed	5%	1,000				
Risk: No material risk identified								
15	Thriving Communities	Dolphin House - Outdoor Learning programme - residential/day visits • Option 1 - 4% • Option 2 - 5%	4%	11,848	5%	5,891		
Risk: No material risk identified:								

Ref.	Directorate/Service	Proposal	Option 1		Option 2		Option 3	
			% uplift or £ uplift	Income generated £	% uplift or £ uplift	Additional Income generated £	% uplift or £ uplift	Additional Income generated £
16		Active Communities - holiday programmes – Increase the cost per day from £15 to £18 <ul style="list-style-type: none"> Only 1 option proposed 	20%	12,000				
<i>Risk: No material risk identified.</i>								
Total Communities and Transformation				352,448		45,891		80,000

Housing, Operations and Development								
17	Ayrshire Roads Alliance	Introduce amended charging structure for various Temporary Traffic Signals options – Remove 28-day charge and replace with: <ul style="list-style-type: none"> 1 week permit £150 1 week extension £225 2 week extension £375 3 week extension £525 Only 1 option proposed 	various	30,000				
<i>Risk: No material risk identified.</i>								
18		Increase Harbour fees by 4% and various Road traffic permits/notices by 10% <ul style="list-style-type: none"> Only 1 option proposed 	4%/10%	23,500				

Ref.	Directorate/Service	Proposal	Option 1		Option 2		Option 3	
			% uplift or £ uplift	Income generated £	% uplift or £ uplift	Additional Income generated £	% uplift or £ uplift	Additional Income generated £
	Risk: No material risk identified.							
19	Neighbourhood Services	Standardise Allotment fees to £1 per square meter – note this is in addition to increasing fees by 15% in 2026-27 agreed as part of the 2025-26 budget <ul style="list-style-type: none"> Only 1 option proposed 	various	6,567				
	Risk: the current model for charging is not consistent in regard to the size of plot. There are a number of different sized plots across SAC and this proposal is to charge a per square metre therefore equitable across all sites.							
20		Increase Crematorium prices each year (3% already agreed as part of 2025-26 budget) therefore an additional 20% is proposed <ul style="list-style-type: none"> Option 1 - 4% (7%) Option 2 - 15% (18%) Option 3 - 20% (23%) 	4%	43,200	15%	118,800	20%	54,000
	Risk: The increase in cremation fees above inflation may incur scrutiny from the Scottish Government. The proposed increase can be justified based on previous capital investment, but it may be difficult to justify any more than a 4% increase, which is actually 7% with the previously agreed 3% uplift for 2026/27.							
21		Increase brown bin charge from £50 <ul style="list-style-type: none"> Option 1 - 10% (£5) Option 2 - 20% (£10) Option 3 - 30% (£65) 	10%	111,740	20%	111,819	30%	111,839
	Risk: There is a risk if we increase the price too much that we will lose a number of properties who are currently paying as part of the scheme. Keeping the price rise to a reasonable level (Option 1) will continue to ensure affordability and access.							

Ref.	Directorate/Service	Proposal	Option 1		Option 2		Option 3	
			% uplift or £ uplift	Income generated £	% uplift or £ uplift	Additional Income generated £	% uplift or £ uplift	Additional Income generated £
22		Increase special uplift fee from £25 to £30 <ul style="list-style-type: none"> Only 1 option proposed 	20	18,462				
Risk: No material risk identified.								
23		Increase Burial fee (3% already agreed as part of 2025-26 budget) therefore an additional uplift is proposed <ul style="list-style-type: none"> Option 1 - 6% (9%) Option 2 - 15% (18%) Option 3 - 20% (23%) 	6	43,680	15	65,520	20	36,400
Risk: The increase in burial and cremation fees above inflation may incur scrutiny from the Scottish Government. The proposed increase can be justified based on previous capital investment, but it may be difficult to justify any more than a 6% increase, which is actually 9% with the previously agreed 3% uplift for 2026/27.								
24		Introduce new charging structure for the collection of Persistent Organic Pollution items <ul style="list-style-type: none"> Only 1 option proposed 	n/a	60,740				
Risk: Legislation came into force 2023/24 where items such as couches/settees, armchairs, sofa beds, fabric chairs etc, need to be managed and disposed of separately due to the contaminated content. This has incurred additional costs for disposal which we are hoping to address with the additional charge for collection, and disposal of Pop's contaminated products. Whilst the figure has been taken from the known materials collected during the last year, there is a risk that the additional charges may deter the public from contacting the Council to dispose of these items.								
Total Housing, Operation and Development				337,889		296,139		202,239

Ref.	Directorate/Service	Proposal	Option 1		Option 2		Option 3	
			% uplift or £ uplift	Income generated £	% uplift or £ uplift	Additional Income generated £	% uplift or £ uplift	Additional Income generated £
		Total income from fees and charges uplifts Option 1		696,244				
		Total additional income from fees and charges uplifts - Option 2				342,030		
		Total additional income from fees and charges uplifts - Option 3						282,329

Note: The total additional income shown against Option 2 of £342,030 is the **additional** income generated through selecting Option 2 instead of Option 1. The total additional income shown against Option 3 of £282,329 is the **additional** income generated by selecting Option 3 instead of either Option 1 or Option 2.

The cumulative totals are outlined below.

	Total cumulative – Option 1	696,244		
	Total Cumulative - Option 1 & Option 2		1,038,274	
	Total Cumulative – Option 1 & Option 3			1,320,603

Fees and Charges – Applicable Concessionary Schemes

Directorate/ Service	Proposed uplift	Concession Scheme in place (Yes/No)	Planning to introduce a new scheme (Yes/No)	If Yes - Description of arrangement
CEX- TS & EH	Uplift for locally determined fees	Yes	No	Pest Control Concession - Half Price treatment for Pension Credit or Universal Credit. Proof will be required.
C&T - SLG	Instruction Lessons Price increase	No	No	N/A
	Golf Adult Summer Green Fee price increase	No	No	N/A
	Golf Season ticket price increase	Yes	No	<p>Golf Season Ticket Price Increase mitigation</p> <ul style="list-style-type: none"> • Season Ticket Categories are currently costed based on age criteria. • Golf Concession Scheme offers a 35% discount for all South Ayrshire Residents who are in receipt of a wide range of benefits, this includes pension credit and is offered to persons under 18, if their parents/legal guardian is in receipt of one of the qualifying benefits. • FLEXI Membership (Pay as you Play) is available following payment of a one-off joining fee and offers discount of between 25% and 80% off the Standard non-member green fee depending on day, course and time of play.
	Pitch & Let price increase	No	No	N/A
	Leisure Membership Review – increases prices across a range of leisure memberships	Yes	No	<u>Activ8</u> - Young Carers or Care Experienced Young People can enjoy FREE access to a range of Sport and Leisure activities throughout South Ayrshire.

Directorate/ Service	Proposed uplift	Concession Scheme in place (Yes/No)	Planning to introduce a new scheme (Yes/No)	If Yes - Description of arrangement
	Reduce golf café season ticket discount to 10% alongside general operational price increases	No	No	N/A
C&T - DSA	Workshop/Room Hire Rozelle House and McKechnie Inst	Yes	Yes	For charities - Current Rate: £10 per hour capped at £50 a day. Registered Charities – 50% reduction pending review Proposed Uplift in Fees & Charges: 20% to £12 per hr capped at £60 per day.
	Ayr Town Hall – Hall hire etc	No	No	N/A
	Ayr Town all – Chamber hire	No	No	N/A
	Maybole Town Hall – Hall hire	No	No	N/A
	Troon Concert Hall – Hall hire etc	No	No	N/A
	Walker Hall – Hall hire	No	No	N/A
	Troon Concert Hall and Walker Hall – Reception room hire	No	No	N/A
	Dolphin House – Outdoor learning programme	No	No	N/A
	Active Communities – holiday programme	No	No	N/A
HOD- ARA	Introduce amended charging structure for Temporary Traffic signals	No	No	N/A
	Increase Harbour fees and various Road traffic permits/notices	No	No	N/A
HOD - NS	Standardise allotment fees	No	No	N/A
	Crematorium price increase	No	No	Whilst not a concession, people who cannot afford a funeral can apply to the DWP for a Scottish Funeral Payment if they meet the criteria. The service also offers a Direct Cremation at a reduced cost as per the schedule.

Directorate/ Service	Proposed uplift	Concession Scheme in place (Yes/No)	Planning to introduce a new scheme (Yes/No)	If Yes - Description of arrangement
	Increase brown bin charge	No	Yes	The service is working with our software supplier to introduce a concession scheme for those who are eligible for a Council tax reduction through means testing. It is anticipated this will be in place for June 2026 when the service can start taking permit applications for the next cycle. The concession will only last for one year and the householder will need to reapply as their circumstances may have changed. The concession proposed is 50%. The permit works on an annual basis therefore if there is any delay due to the software programme being developed and operational this scheme could not commence until June 2027.
	Increase special uplift fees	No	No	N/A
	Increases burial fee	No	No	Whilst not a concession, people who cannot afford a funeral can apply to the DWP for a Scottish Funeral Payment if they meet the criteria. The service also offers a Direct Cremation at a reduced cost as per the schedule.
	Introduce new charging structure for POP	No	No	N/A

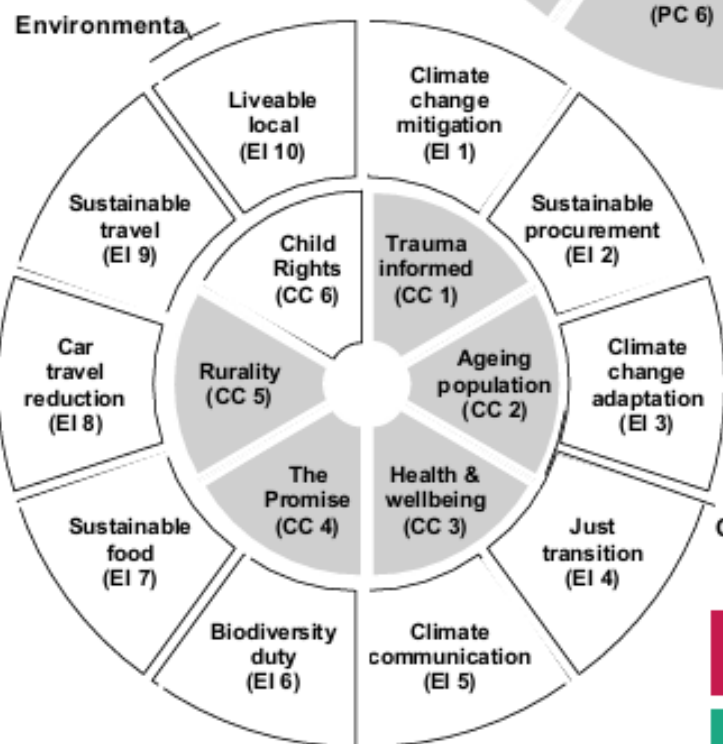
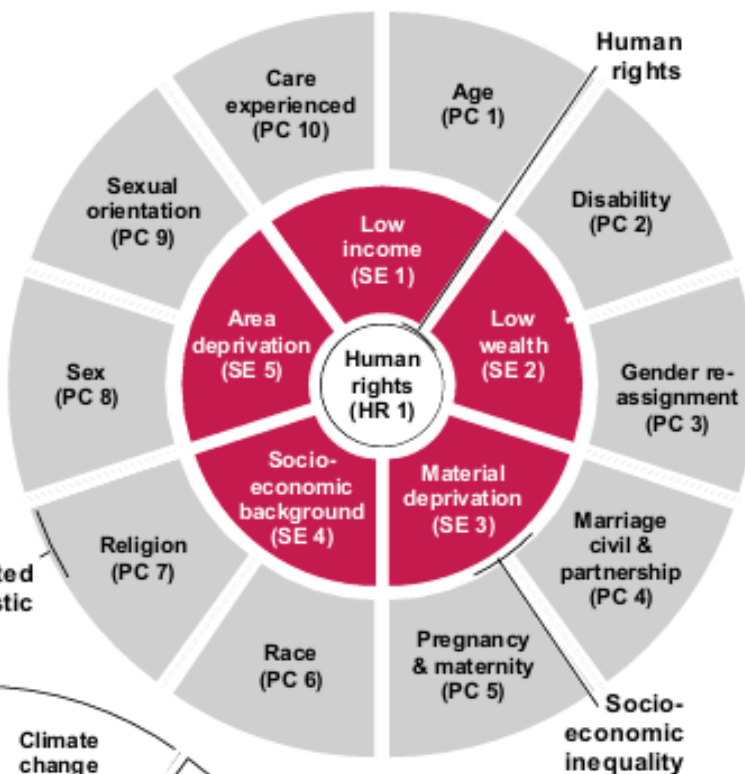
Integrated Impact Assessment Summary Report

Council Fees & Charges uplifts for 2026-27



Completed by:
Tim Baulk,
Chief Financial Officer,
Finance and Procurement

Date started 27/11/25



To be implemented on:
01/04/26
Review date:
Annual budget
Oversight Panel:
South Ayrshire Council

negative impact	uncertain / not clear
positive impact	no impact / not applicable

Public sector equality duty

Eliminating unlawful discrimination, harassment, and victimisation?

The implementation of various uplifts to fees & charges will ensure a consistent approach regardless of any protected characteristics.

Advancing equality of opportunity?

The implementation of various uplifts to fees & charges will ensure a consistent approach regardless of any protected characteristics.

Fostering good relations?

The implementation of various uplifts to fees & charges will ensure a consistent approach regardless of any protected characteristics.

Consultation declaration

We confirm consultation has been carried out as part of this process.

impacts)

EQUALITIES: impact on protected characteristics

PC 1	Age	Concession arrangements may be available for certain groups or individuals depending on the applicable type of fees & charge.
PC 2	Disability	Concession arrangements may be available for certain groups or individuals depending on the applicable type of fees & charge

Mitigating Actions Required (re negative / unclear impacts)

PC 3	Gender Reassignment	Concession arrangements may be available for certain groups or individuals depending on the applicable type of fees & charge.
PC 4	Marriage and Civil Partnership	Concession arrangements may be available for certain groups or individuals depending on the applicable type of fees & charge.
PC 5	Pregnancy and Maternity	Concession arrangements may be available for certain groups or individuals depending on the applicable type of fees & charge
PC 6	Race (including Gypsy Travellers)	Concession arrangements may be available for certain groups or individuals depending on the applicable type of fees & charge.
PC 7	Religion or Belief	Concession arrangements may be available for certain groups or individuals depending on the applicable type of fees & charge.
PC 8	Sex	Concession arrangements may be available for certain groups or individuals depending on the applicable type of fees & charge.
PC 9	Sexual Orientation	Concession arrangements may be available for certain groups or individuals depending on the applicable type of fees & charge.
PC 10	Care Experienced (SAC-specific)	Concession arrangements may be available for certain groups or individuals depending on the applicable type of fees & charge.
(CRWIA)?		no

South Ayrshire Council

**Report by Depute Chief Executive and Director
of Housing, Operations and Development
to South Ayrshire Council
of 19 February 2026**

**Subject: General Services Capital Investment Programme
 2026/27 to 2037/38**

1. Purpose

1.1 The purpose of this report is to seek approval for the proposed Capital Investment Programme for 2026/27 to 2037/38 and to note the associated debt charge implications.

2. Recommendation

2.1 It is recommended that the Council:

2.1.1 approves the proposed Capital Investment Programme for the twelve-year period 2026/27 to 2037/38 as detailed in Appendix 2; and

2.1.2 notes the associated debt charge implications as detailed in Appendix 3.

3. Background

3.1 The General Services Capital Programme for 2025/26 to 2036/37 was approved by South Ayrshire Council of 27 February 2025 through the paper 'Revenue Estimates 2025/26, Capital Estimates 2025/26 to 2036/37 and Carbon Budget 2025/26'.

3.2 Adjustments were approved through a paper taken to Council of 11th December, 2025 and it is expected that adjustments will be approved at Cabinet of 17th February, 2026.

3.3 The current approved budget for 2025/26 to 2036/37 is £355.433m.

4. Detail

4.1 General Services Capital Programme Considerations

4.1.1 Scottish Government have advised that South Ayrshire Council's total General Capital Grant allocation for 2026/27 is £8.514m. This is an increase of £0.514m based on the £8m that is currently included for this year, and income in Appendix 2 has been adjusted to reflect the current offer.

- 4.1.2 The currently approved capital programme requires to be adjusted to recognise the following:
- removing the financial year 2025/26, and rolling the programme forward to include the new year twelve of the programme, 2037/38;
 - requests to fund new projects identified through the approved Capital Asset Planning Process for the period of the programme; and
 - the associated revenue costs of any borrowing.
- 4.1.3 Appendix 1 provides a summary of the new projects identified that are being proposed for inclusion in the programme.
- 4.1.4 If the new projects as detailed in Appendix 1 are approved, the twelve-Year General Services Capital Programme 2026/27 to 2037/38 would total £328.962m, as detailed in Appendix 2.
- 4.1.5 Based on the proposed plan per Appendix 2, associated debt charges for the programme over the twelve-year period 2026/27 to 2037/38 are estimated to be £265.813m as detailed in Appendix 3.

5. Legal and Procurement Implications

- 5.1 There are no legal implications arising from this report.
- 5.2 There are no procurement implications arising from this report.

6. Financial Implications

- 6.1 As outlined above.

7. Human Resources Implications

- 7.1 Not applicable

8. Risk

8.1 Risk Implications of Adopting the Recommendations

- 8.1.1 There are no risks associated with adopting the recommendations.

8.2 Risk Implications of Rejecting the Recommendations

- 8.2.1 The risk associated with rejecting the recommendations are that new projects would not be able to be undertaken in future years of the programme.

9. Integrated Impact Assessment (incorporating Equalities)

- 9.1 An Integrated Impact Assessment has been carried out on the proposals contained in this report, which identified potential positive impacts. The IIA Summary Report is attached as Appendix 4 and includes information on mitigating or follow up action required.

9.2 A copy of the fully completed IIA can be accessed here: [IIA Capital Programme 2026/27 to 2027/38](#)

10. Sustainable Development Implications

10.1 **Considering Strategic Environmental Assessment (SEA)** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to Priority 1 of the Council Plan: Spaces and Places

13. **Link to Shaping Our Future Council** Yes No

13.1 Not applicable.

14. Results of Consultation

14.1 There has been no public consultation on the contents of this report.

14.2 Consultation has taken place with Councillor Ian Davis, Policy Lead for Finance, and Corporate Services, and the contents of this report reflect any feedback provided.

15. Next Steps for Decision Tracking Purposes/

15.1 If the recommendations above are approved by Members, the Depute Chief Executive and Director of Housing, Operations and Development will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Process adjustments to the General Services Capital Programme	5 March 2026	Service Lead - Corporate Accounting (Treasury / Capital Function)

2025/26 to 2036/37

**Report to Cabinet of 17 February 2026 – General Services
Capital Programme 2025/26: Monitoring Report as at 31
December, 2025**

Person to Contact **Kevin Braidwood, Depute Chief Executive and Director of
Housing, Operations and Development
County Buildings, Wellington Square, Ayr, KA7 1DR
Phone 01292 616234
E-mail kevin.braidwood@south-ayrshire.gov.uk**

Date: 3 February 2026

General Services Capital Investment Programme 2026-27 to 2037-38

1. Background

The General Services proposed twelve-year Capital Investment Programme has been prepared based on a review of the previously approved twelve-year programme through the paper 'Review of Capital Estimates: General Services Capital Investment Programme 2025/26 to 2036/37' as approved by Council on the 11th December, 2026, with the inclusion of the latest General Services Period 9 capital monitoring report and information presented to Cabinet on the 17th February, 2026.

The Corporate Asset Management Group has considered capital bids developed during 2025-26 and submitted by services for recommendation by the group for inclusion in the programme.

A total capital investment programme of £328.962m is proposed for the twelve-year period 2026-27 to 2037-38.

Education investment

- 1) School Refurbishment Programme - Various Projects:** Additional funding of £2,750,000 has been added to 2037/38 to carry on the ongoing programme of works for refurbishment of schools.
- 2) Window and Roof Replacement - Various Projects:** Additional funding has been added to the programme in the amount of £175,000 in 2037/38 to carry on the ongoing programme of window and roofs replacement works.

Communities investment

- 3) Ayrshire Roads Alliance - LED Replacement:** A total of £385,000 is requested to be added to the programme over financial years 2026/27 (£70,000), 2027/28 (£90,000), 2031/32 (£25,000), 2032/33 (£25,000), 2033/34 (£25,000), 2034/35 (£25,000), 2035/36 (£25,000), 2036/37 (£50,000) and 2037/38 (£50,000) for the replacement of 1st generation of LED street lighting lanterns which have exceeded their serviceable life.
- 4) Ayrshire Roads Alliance - Road Reconstruction and Improvement:** Total additional funding of £5,500,000 has been added to the programme, with £1,000,000 in each of the financial years 2031/32, 2032/33 and 2033/34 and £2,500,000 in 2037/38, to continue to provide road users with an improved and safer road network which will have fewer potholes and a smoother surface.

- 5) **Ayrshire Roads Alliance - Ayr South Pier Assessment and Remedial Works Options Appraisal:** Funding has been added to the programme in the amount of £60,000 in 2026/27 to carry out a structural assessment of the Ayr South Pier and identify a prioritised list of remedial works required some of which are likely to require further design and contract preparation work.
- 6) **Ayrshire Roads Alliance - Coastal Change Adaptation Component Of The General Capital Grant 2026/27:** Additional funding has been added to the programme in the amount of £115,764 in 2026/27 to continue the work currently ongoing on the Ballantrae Coastal Change Adaptation Plan, and the Ayrshire Coastal Change Adaptation Plan which are funded by previous year allocation of the Coastal Change Adaptation funding.
- 7) **Ayrshire Roads Alliance - Replacement of Underground Street Lighting Cable Network - Main Distributor Roads, Ayr:** Total additional funding of £675,000 has been added to the programme in the amount of £168,750 in each of the four years 2026/27, 2027/28, 2028/29 and 2029/30 to replace the street lighting underground cabling network on main arterial roads within Ayr.
- 8) **Ayrshire Roads Alliance - Traffic Signals Renewals Programme:** Additional funding in the amount of £840,000 has been added to the programme, with £70,000 added in each of the twelve financial years 2026/27 to 2037/38 to allow a rolling replacement programme for signalised sites within South Ayrshire that are now older than, or fast approaching, the twenty-year life expectancy figure.

Other investment

- 9) **Equalities Act Budget - Various Properties:** Additional funding has been added to the programme in the amount of £300,000 in 2037/38 to continue the funding that will support the ongoing refurbishment of the Council's property estate.
- 10) **Girvan Harbour Stores** - Additional funding has been added to the programme in the amount of £80,000 in 2026/27 for the replacement of store doors.
- 11) **Property Refurbishment - Various Projects:** Additional funding has been added to the programme in the amount of £1,500,000 in 2037/38 to continue the funding that will support the ongoing refurbishment of the Council's property estate.
- 12) **Rewiring Programme - Various Projects:** Additional funding has been added to the programme in the amount of £200,000 in 2037/38 to carry on with the ongoing rewiring programme in various properties.

Shaw Park Pavilion Fire Reinstatement	100,000	0	0	0	0	0	0	0	0	0	0	0	0	100,000
SPT / Transport Scotland Projects	264,000	0	0	0	0	0	0	0	0	0	0	0	0	264,000
Troon Swimming Pool - Health and Fitness Extension	3,872,400	500,000	0	0	0	0	0	0	0	0	0	0	0	4,372,400
Troon Regeneration Works	2,000,000	0	0	0	0	0	0	0	0	0	0	0	0	2,000,000
VAT Recovery Fund Projects	140,000	0	0	0	0	0	0	0	0	0	0	0	0	140,000
Total Communities Investment	51,401,696	29,313,002	6,877,750	2,827,750	2,595,000	2,595,000	2,595,000	2,595,000	2,595,000	2,595,000	2,620,000	2,620,000	111,230,198	

Other Investment														
Buildings														
Boiler Room Plant Replacement Programme (Low Carbon Solutions) / Net Zero Implementation	0	354,590	400,000	0	0	0	0	0	0	0	0	0	0	754,590
Boiler Room Plant Replacement - Girvan Academy & Coylton Primary School	30,000	0	0	0	0	0	0	0	0	0	0	0	0	30,000
Boiler Room Plant Replacement - Heathfield Primary School, Ayr & Hillcrest Care Home. Girvan	23,681	45,410	0	0	0	0	0	0	0	0	0	0	0	69,091
Developer's Contributions Related Projects	2,199,953	0	0	0	0	0	0	0	0	0	0	0	0	2,199,953
Equalities Act Budget - Various Properties 9)	275,000	168,750	196,875	196,875	196,875	168,750	168,750	168,750	168,750	168,750	225,000	300,000	0	2,403,125
Fire Damage Reinstatement Works - 17-21 High Street, Ayr	500,000	0	0	0	0	0	0	0	0	0	0	0	0	500,000
Girvan Harbour Stores 10)	500,000	130,000	0	0	0	0	0	0	0	0	0	0	0	630,000
Lighting Upgrades - LED and Solar	50,000	0	0	0	0	0	0	0	0	0	0	0	0	50,000
Property Refurbishment - Various Projects 11)	764,704	642,782	1,125,000	1,125,000	1,125,000	937,500	937,500	937,500	937,500	1,237,500	1,125,000	1,500,000	0	12,394,986
Rewiring Programme - Various Projects 12)	139,694	150,000	150,000	150,000	150,000	112,500	112,500	112,500	112,500	112,500	150,000	200,000	0	1,652,194
Troon Municipal Buildings - Window Replacement Programme	355,000	180,000	0	0	0	0	0	0	0	0	0	0	0	535,000
Works to Facilitate Property Rationalisation - Various Projects	95,000	50,000	50,000	50,000	50,000	25,000	25,000	25,000	25,000	25,000	0	0	0	420,000
Repairs and Renewals Funded Projects	663,619	0	0	0	0	0	0	0	0	0	0	0	0	663,619
Information Technology														
Business Systems	990,000	1,200,000	1,049,400	1,000,000	996,900	1,036,260	1,036,260	1,036,260	1,050,000	1,050,000	1,000,000	0	0	11,445,080
End User Computing	2,692,765	3,069,000	1,150,000	1,150,000	3,434,200	1,150,000	1,150,000	3,510,000	1,150,000	1,150,000	3,500,000	0	0	23,105,965
Information, Data & ICT Infrastructure	1,550,000	900,000	911,000	495,000	920,000	495,000	750,000	495,000	540,000	869,106	766,126	0	0	8,691,232
Transformation Fund Projects	315,000	0	0	0	0	0	0	0	0	0	0	0	0	315,000
Other														
Facilitate Introduction of Flexible Working	235,000	67,500	67,500	67,500	67,500	52,500	52,500	45,000	45,000	45,000	0	0	0	745,000
Initial Work on Projects for Future Years	90,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	135,000	0	0	0	1,305,000
Economic Regeneration														
Ayrshire Growth Deal: -	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Prestwick Infrastructure - Roads	1,000,000	5,361,000	11,014,711	8,902,700	0	0	0	0	0	0	0	0	0	26,278,411
- Aerospace and Space Technology Applications Centre	750,000	1,500,000	5,106,963	2,427,983	0	0	0	0	0	0	0	0	0	9,784,946
- Commercial Space - Prestwick Proposition (Project A)	2,700,000	18,299,545	8,300,000	1,637,501	0	0	0	0	0	0	0	0	0	30,937,046
- Commercial Space - Prestwick Proposition (Project B)	3,805,000	3,495,000	1,520,000	0	0	0	0	0	0	0	0	0	0	8,820,000
- Digital Projects	0	1,500,000	1,500,000	2,369,000	0	0	0	0	0	0	0	0	0	5,369,000
Total Other Investment	19,845,857	37,248,577	32,676,450	19,706,559	7,075,475	4,112,510	4,367,510	6,465,010	4,163,750	4,792,856	6,766,126	2,000,000	149,220,680	

	97,302,412	82,016,600	46,937,875	24,796,809	11,432,975	8,432,510	8,687,510	10,785,010	8,483,750	11,217,070	11,324,876	7,545,000	328,962,396
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Debt Charge Implications: Capital Investment Programme 2026-27 to 2037-38 Presented to South Ayrshire Council, 19th February, 2026

	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	Total
	£	£	£	£	£	£	£	£	£	£	£	£	£
Principle	6,432,000	7,071,000	7,419,000	7,840,000	8,269,000	8,679,000	9,099,000	9,523,000	9,999,000	10,500,000	11,019,000	11,343,000	107,193,000
Interest	13,040,509	15,670,365	15,994,977	15,727,534	15,128,860	14,885,817	14,437,985	14,240,163	13,921,006	13,762,058	13,430,761	13,176,164	173,416,200
Expenses	313,607	308,169	305,569	297,911	288,316	281,135	275,833	271,099	266,592	262,409	259,134	255,825	3,385,597
Investment income	(1,739,563)	(1,694,958)	(1,605,750)	(1,561,146)	(1,447,500)	(1,447,500)	(1,447,500)	(1,447,500)	(1,447,500)	(1,447,500)	(1,447,500)	(1,447,500)	(18,181,417)
	18,046,554	21,354,576	22,113,796	22,304,300	22,238,676	22,398,452	22,365,318	22,586,762	22,739,098	23,076,967	23,261,395	23,327,489	265,813,381

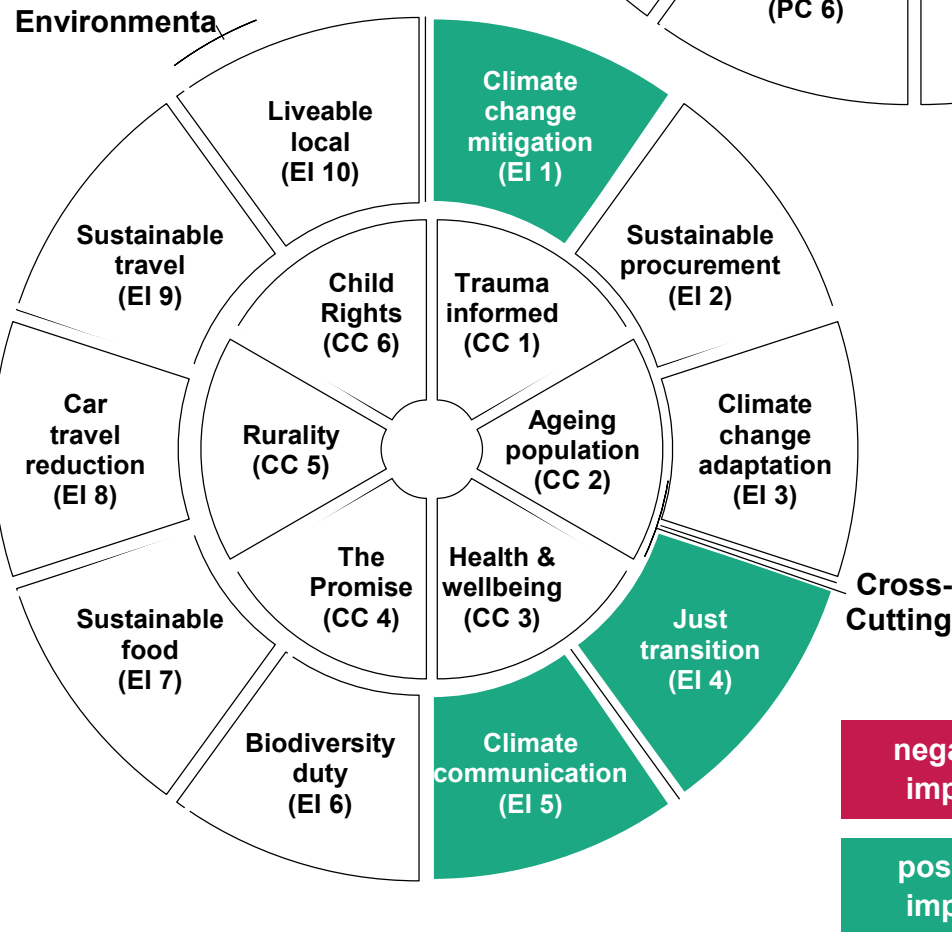
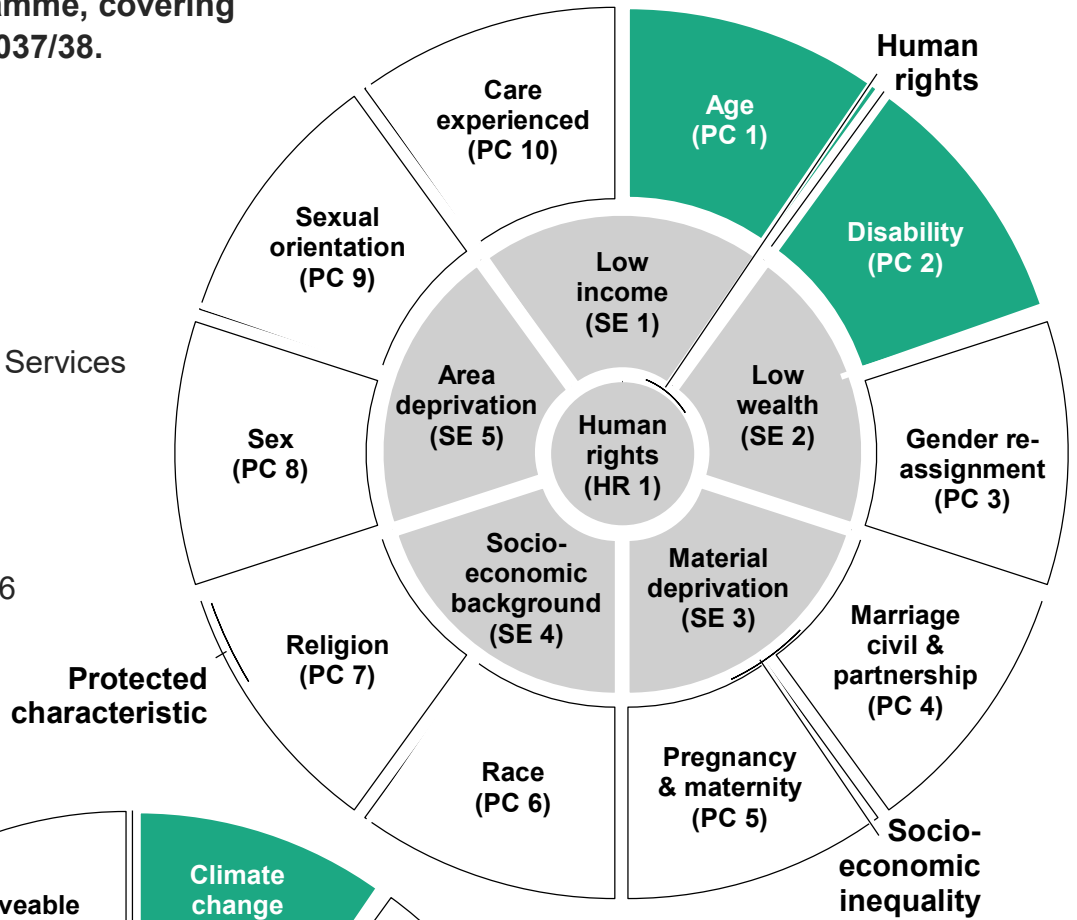
Integrated Impact Assessment Summary Report



The paper seeks approval for a new 12 year General Services Capital Investment Programme, covering 2026/27 through 2037/38.

Completed by:
 Pauline Bradley,
 Service Lead - PDS,
 Professional Design Services

Date started 02/04/26



To be implemented on:
 19/02/2026
 Review date:
 Monitoring Reports
 Oversight Panel:
 Cabinet

negative impact	uncertain / not clear
positive impact	no impact / not applicable

Public sector equality duty

 Eliminating unlawful discrimination, harassment, and victimisation?

Please detail here

 Advancing equality of opportunity?

Please detail here

 Fostering good relations?

Please detail here

Consultation declaration

 We confirm consultation has NOT been carried out as part of this process.

impacts)

EQUALITIES: impact on socio-economic inequality

SE 1	Low Income / Income Poverty	Please detail here
SE 2	Low and / or no wealth	Please detail here

Mitigating Actions Required (re **negative / unclear impacts)**

SE 3	Material Deprivation	Please detail here
SE 4	Socio-Economic Background	Please detail here
SE 5	Area Deprivation	Please detail here

EQUALITIES: impact on human rights

HR 1	Human Rights	Please detail here
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(CRWIA)? no

South Ayrshire Council

**Report by Chief Financial Officer
to South Ayrshire Council
of 19 February 2026**

Subject: 2026-27 Budget Update and Medium-Term Financial Plan

1. Purpose

- 1.1 The purpose of this report is to provide a final update on the anticipated 2026-27 budget gap and to seek approval of the Council's updated Medium Term Financial Plan 2026-27 to 2030-31.

2. Recommendation

2.1 It is recommended that the Council:

- 2.1.1 notes the revised anticipated budget gap for 2026-27 of £8.370m as identified in Table 3 at 4.5.2, prior to the agreement of any savings or Council Tax uplifts;**
- 2.1.2 note the results of the recent 2026-27 'Budget Builder' consultation, attached as Appendix 1;**
- 2.1.3 considers and approves the Medium-Term Financial Plan (MTFP), attached as Appendix 2;**
- 2.1.4 notes the potential cumulative five-year budget gap ranges from £20.6m to £28.6m based on the various key planning assumptions and two alternative Council Tax uplift scenarios; and**
- 2.1.5 agrees that the Council's new Workforce Plan, due to be brought for approval in March 2026, includes a specific targeted percentage reduction in the Council workforce.**

3. Background

- 3.1 At its meeting on 27 February 2025, the Council approved the 2025-26 General Services Revenue Budget and 2025-26 to 2036-37 Capital investment programme.
- 3.2 The approved 2025-26 General Services Revenue Budget proposals included an update of the Medium-Term Financial Plan (MTFP) which provided a revised budget gap assessment for the period 2026-27 to 2029-30.
- 3.3 Since February several reports have been presented to Council relating to the 2026-27 budget:

- 3.3.1 the 2026-27 Budget Strategy and Budget Update was presented to Council on 6 November and sought approval of a revised budget strategy for the 2026-27 budget, noted various updates to the 2026-27 contributing budget factors and also sought approval of various 2026-27 resource pressures requests. The estimated budget gap at that time, prior to the agreement of any savings or Council Tax uplifts, was estimated to be £15.339m;
- 3.3.2 the 2026-27 Budget- Fees and Charges uplift proposals were presented to Council on 11 December but the report was deferred to the Council meeting of 19 February 2026 (this meeting) for further consideration. The report seeks agreement on the level of change to be applied to a variety of fees and charges levied by the Council for the 2026-27 financial year; and
- 3.3.3 two Capital investment review reports have been presented to Council in September 2025 and December 2025 seeking revisions to the twelve-year capital investment programme with the intention of reducing future investment and associated debt charges costs.

3.4 A budget consultation – budget builder was launched on the 5 December and remained open for access until 30 January 2026.

3.5 The Scottish Government announced its 2026-27 budget on the afternoon of 13 January 2026, with the Local Government detailed settlement being received the following day.

4. Detail

4.1 **Local Government settlement update** - The grant settlement for 2026-27 was announced by the Scottish Government on 13 January 2026 with individual draft Council revenue and capital allocations provided in Finance Circular 1/2026.

4.2 South Ayrshire Council's draft estimated Aggregate External Finance (AEF) available funding for 2026-27, is as shown in table 1:

Table 1 – AEF 2026-27

General Revenue Grant £m	Non-Domestic Rate income £m	Specific Grants £m	Total AEF Revenue £m	Capital £m
252.441	56.618	4.412	313.471	8.514

4.3 For planning purposes it had been assumed that local government funding would be on a flat cash basis in comparison to 2025-26. Table 1 shows a total revenue AEF of £313.471m which is £5.716m in excess of the previously assumed amount, after removing any directed spend funding to be passported to the Health & Social Care Partnership. In addition, the General Capital Grant is £0.514m in excess of the previously assumed 2026-27 amount.

4.4/

4.4 **Budget gap update**

As noted in 3.3.1 above, in November 2025 the budget gap for 2026-27 was estimated to be £15.339m prior to any savings or Council Tax uplifts. Since consideration of the Budget Strategy and Budget Update in November 2025, several factors and assumptions have changed that requires the indicative budget gap for 2026-27 to be updated.

Pay assumptions (for noting)

4.4.1 Pay-related costs are a major component of the Council's overall expenditure and represent 50% of Council net spend each year. Detailed post by post analysis of the payroll budget has been undertaken in recent months, resulting in required increases on previous assumptions of £0.771m to ensure appropriate pay budgets are in place for 2026-27.

Council Tax chargeable property assumptions (for noting)

4.4.2 The level of increase for Council Tax each year is at the discretion of Council however the estimate of number of chargeable properties that will apply in 2026-27 has been recalculated using January 2026 information. This recalculation results in a small increase in additional base income of £0.004m estimated for 2026-27, prior to any agreed uplift percentage.

Capital Programme review (December 2025 Council – for noting)

4.4.3 A review of the General Services Capital Investment Programme was recently undertaken with the results being considered by Council on the 11 December 2025. Approval of the changes recommended in the December Council report have resulted in revisions to the anticipated increases in debt charge in future years. For 2026-27 this means a downward revision (or saving) of £0.443m

Packaging Extended Provider Responsibility (for noting)

4.4.4 In November 2025 an assessment of the income to be received through this UK scheme was undertaken to determine the likely amount due in 2026-27, pending confirmation from the UK Government. The UK Government has now written to Councils informing them of the income due in 2026-27. The confirmed amount is £0.352m greater than expected resulting in a revision to the previously anticipated income.

Common Good – introduction of new management arrangements (for noting)

4.4.5 In May 2025 Council approved alterations to the management of Common Good Funds as from 1 October 2025. These changes have now been implemented and an assessment of the full year 2026-27 financial impact for the Council has been undertaken. An additional £0.250m has been incorporated in to 2026-27 to meet the anticipated increased cost of this new arrangement.

New Capital programme investment – subject to approval (shown elsewhere on this Council agenda)

4.4.6 As part of the budget setting process for 2026-27 Council require to consider any new capital investment activity for inclusion in the Councils twelve-year capital investment programme. The Capital Asset Management Group (CAMG) have recently considered such requests from all directorates and the recommendations of the CAMG are identified in the Capital Budget 2026-27 to 2037-38 report shown elsewhere on this Council agenda. Should the recommendations in that report be agreed then the associated reduction in debt charges of £0.779m require to be incorporated in to 2026-27.

2026-27 Fees and charges uplifts – subject to approval (shown elsewhere on this Council agenda)

4.4.7 Proposed uplifts to certain fees and charges are contained in the 2026-27 Budget – Fees & Charges uplift proposals report shown elsewhere on this Council agenda. Should the recommendations in that report be agreed then the associated increase in income of £0.696m requires to be incorporated in to 2026-27.

4.5 Updated 2026-27 Budget Gap

4.5.1 Table 2 below updates the indicative budget gap for 2026-27 position taking in to account the majority of factors outlined in 4.1 to 4.4.

Table 2 – Updated 2026-27 Budget Gap (Feb 2026)

	£m	£m
2026-27 budget gap (Nov 25)		15.339
Pre budget 2026-updates		
Pay assumptions	0.771	
Council Tax chargeable properties	(0.004)	
Capital Programme Review (Dec 25)	(0.443)	
Packaging Extended Provider Responsibility	(0.352)	
New Common Good arrangement (May 25)	0.250	0.222
Local Government settlement impact		(5.716)
2026-27 budget gap (Feb 26)		9.845

4.5.2 As noted in 4.4.6 and 4.4.7 there are two matters that are subject to Council approval and are considered elsewhere on this Council agenda. If the recommendations in those reports are agreed then the impact on the budget gap will be as noted in Table 3 below.

Table 3/

Table 3 – Items subject to Council approval – revised budget gap

	£m	£m
Budget gap from Table 1		9.845
New Capital Investment impact (Feb 26)	(0.779)	
Fees & Charges uplifts (Feb 26)	(0.696)	(1.475)
2026-27 final budget gap		8.370

4.6 **Budget Gap - Council Tax and Savings options**

The budget gap identified in Table 2 and 3 above requires to be bridged in order to have a legally balanced budget for 2026-27. Per required legislation, Council Tax uplifts for 2026-27, which have yet to be formally set, require to be confirmed no later than 11 March 2026. The setting of Council Tax uplifts should be considered alongside agreeing the selection of savings options sufficient to ensure the mitigation of the budget gap in full.

4.7 **Budget consultation 2026-27 – ‘Budget Builder’**

4.7.1 In early December 2025 a 2026-27 budget consultation was launched and remained open for a period of two months, closing on 30 January 2026.

4.7.2 For 2026-27 a new ‘Budget Builder’ approach was undertaken where members of the public could access an online form and build their own balanced budget. By selecting a level of Council Tax uplift alongside choices over the level of fees & charges increases and selecting savings percentages from different directorates, they could address the anticipated budget gap of £15.339m. In total 122 members of the public took up the opportunity to build a budget. The results of the consultation are shown in Appendix 1.

4.8 **Medium Term Financial Plan**

4.8.1 The purpose of the MTFP, contained in Appendix 2, is to provide a clear understanding of the expected resources that will be available in the short and medium term to deliver Council priorities. It plays a vital part of decision-making and forms the basis of the Council’s stewardship over taxpayers’ funds.

4.8.2 The MTFP has been developed based on several key influencing factors and using eleven key planning assumptions, as outlined in Appendix 2.

4.8.3 Two alternative budget gap forecasts for the new five-year period, 2026-27 to 2030-31 are provide, based on two Council Tax uplift scenarios:

- (i) a Current planning scenario assumes an 8% uplift for 2026-27 followed by 6% uplifts for the remaining 4 years of the plan; and
- (ii) an Optimistic scenario assumes an 8% uplift for all years of the plan

- 4.8.4 The anticipated budget gap position based on the two alternative Council Tax scenarios over the next five years, is provided in the Table 4 and 5 below:

Table 4 - CT Scenario (Current planning assumption uplift)

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m	Cumulative £m
Budget gap	2.4	9.9	6.4	5.0	4.9	28.6

Table 5 - CT Scenario (Optimistic uplift)

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m	Cumulative £m
Budget gap	2.4	8.3	4.6	2.8	2.5	20.6

- 4.8.5 The years through to 2031 will be challenging financially, given the available funding anticipated. Managing the financial pressures whilst seeking to deliver the Council's priorities will be difficult.
- 4.8.6 A number of workstreams are being progressed through the Transformation Programme and it is essential that these projects release cashable savings to drive cost reductions within service provision. As this alone will not achieve the level of savings needed within the timescale required to bridge the entirety of the identified budget gaps, savings options will continue to be developed for Member consideration.
- 4.8.7 A major component of this savings activity will inevitably be linked to workforce change as around 50% of Council net spend each year is in relation to pay. It is therefore recommended that the Council's new Workforce Plan, due to be brought for approval in March 2026, include a specific targeted percentage reduction in the Council workforce and further include a mechanism for a structured approach to reducing the workforce and the associated cost over the lifetime of the plan

5. Legal and Procurement Implications

- 5.1 There are no legal implications arising from this report.
- 5.2 There are no procurement implications arising from this report.

6. Financial Implications

- 6.1 The anticipated funding gap for 2026-27 is currently estimated to be £8.370m, prior to the application of any Council Tax uplift or savings options. The Council will require to set a balanced budget for 2026-27.

7. Human Resources Implications

- 7.1 Not applicable.

8. Risk

8.1 **Risk Implications of Adopting the Recommendations**

8.1.1 There is a risk that the Council, on adopting the recommendations, fails to take the necessary actions to address the anticipated funding gap.

8.2 **Risk Implications of Rejecting the Recommendations**

8.2.1 There is a risk that Council fails to recognise the potential financial climate and does not take appropriate steps to manage the situation accordingly resulting in service interruption and reputational damage to the Council.

9. **Integrated Impact Assessment (incorporating Equalities)**

9.1 The proposals in this report do not require to be assessed through an Integrated Impact Assessment.

10. **Sustainable Development Implications**

10.1 **Considering Strategic Environmental Assessment (SEA)** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy as defined by the Environment Assessment (Scotland) Act 2005.

11. **Options Appraisal**

11.1 An options appraisal has not been carried out in relation to the subject matter of this report although various options have been considered as part of the key assumptions when assessing future possible financial outcomes.

12. **Link to Council Plan**

12.1 The matters referred to in this report contribute to Priority 4 of the Council Plan: Efficient and effective enabling services.

13. **Link to Shaping Our Future Council** Yes No

13.1 Not applicable.

14. **Results of Consultation**

14.1 A public budget consultation exercise has been undertaken during December 2025 and January 2026, the results of which are included in Appendix 1 to the report.

14.2 Consultation has taken place with Councillor Ian Davis, Policy Lead for Finance and Corporate Services, and the contents of this report reflect any feedback provided.

14.3 Various Member, Officer and Trade Union budget briefings have been undertaken throughout 2025-26 ensuring a transparent and informed budget process with and the contents of this report and the budget in general reflect any feedback provided.

15. **Next Steps for Decision Tracking Purposes**

15.1 If the recommendations above are approved by Members, the Chief Financial Officer will ensure that all necessary steps are taken to ensure full implementation

of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

Implementation	Due date	Managed by
Incorporate information contained in this report as part of the Council 2026-27 budget setting meeting	5 March 2026	Chief Financial Officer

Background Papers **Report to South Ayrshire Council of 6 November 2025 – [2026-27 Budget Strategy and Budget Update](#)**

Person to Contact **Tim Baulk, Chief Financial Officer**
County Buildings, Wellington Square, Ayr, KA7 1DR
Phone 01292 612620
E-mail tim.baulk@south-ayrshire.gov.uk

Date: 27 January 2026

Budget Consultation 2026-27– Budget builder results and analysis

1. Background

- 1.1 The Council conducted a budget survey during December 2025 and January 2026 (closing date 30 Jan) to gather public input on financial priorities, service charges, and potential cost-saving measures.
- 1.2 For 2026-27 a new 'Budget Builder' approach was undertaken where members of the public could access an online form and build their own balanced budget and provide views on how to address the anticipated budget gap of £15.339m.
- 1.3 A total of 122 responses were received and Annex 1 provides detail of the output from the budget builder submissions. The thematic analysis of the responses identified is provided in section 2 to 4 below.

2. Overview

- 2.1 The Budget Builder consultation captured residents' views on how South Ayrshire Council should balance its 2026/27 budget through a combination of Council Tax increases, fees and charges increases, and service savings. Overall, responses demonstrate a pragmatic acceptance of the need for additional income, coupled with a clear desire to protect frontline services such as Education and Health and Social Care.

3. Analysis of results

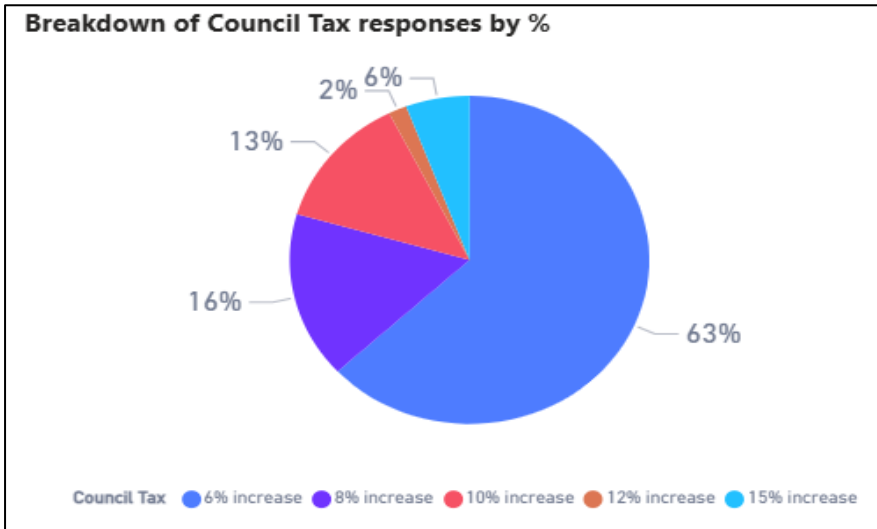
- 3.1 **Council Tax Preferences** - There was a clear centre of gravity around a 6% Council Tax increase, selected by 63% of respondents. Just over a third of respondents (37%) supported an increase of 8% or more, while 21% supported increases of 10% or above. The average preferred increase was therefore 7.5%. The analysis suggests the strongest support is for a Council Tax rise in the 6 to 8% range.
- 3.2 **Fees and Charges** - Respondents showed a strong preference for flexibility in fees and charges. Nearly half (48%) selected a 'varying rates' approach (between 2.5% and 10%), compared with 30% favouring a flat 2.5% increase and 22% favouring a flat 5% increase. This suggests a preference for differentiated fees, not uniform uplifts.
- 3.3 **Service Savings – Key Themes** - The highest tolerance for savings was in Communities and Transformation (average selected saving of 10%) and Enabling Services (8%), indicating support for efficiencies and transformation in corporate and support functions. Moderate savings were supported in Housing, Operations & Development and Roads. In contrast, respondents strongly favoured protecting Education and the Health and Social Care Partnership, with only minimal savings (around 2% on average) supported in these areas. The table below provides information on the range of saving percentages preferences.

Directorate	Public support	Working range	Rationale
Education	0%: 18% , 1%: 45% , 3%: 37%	1–3%	Strong public preference to limit reductions to minimal efficiencies only.
HSCP	0%: 21% , 1%: 37% , 3%: 42%	1–3%	Similar protection signal as Education; appetite capped at light efficiencies.
Communities & Transformation	0%: 6% , 5%: 33% , 10%: 36% , 20%: 25% ($\geq 10\% = 61\%$)	10–15%	Clear tolerance for double-digit savings; scope for phased delivery up to 20%.
Roads	0%: 36% , 5%: 38% , 10%: 26%	5–10%	Support for moderate efficiencies, centred near the middle of the 5–10% band.
Housing, Operations & Development	0%: 7% , 5%: 49% , 10%: 43%	5–10%	Similar to Roads: public preference clusters in the mid-single digit to 10% range.
Enabling Services	0%: 5%: 42% , 10%: 57%	5–10% ,	Majority explicitly back 10% ; midpoint skews lower due to sizeable 5% cohort—consider setting 10% with phasing.

4. Implications for Budget Setting

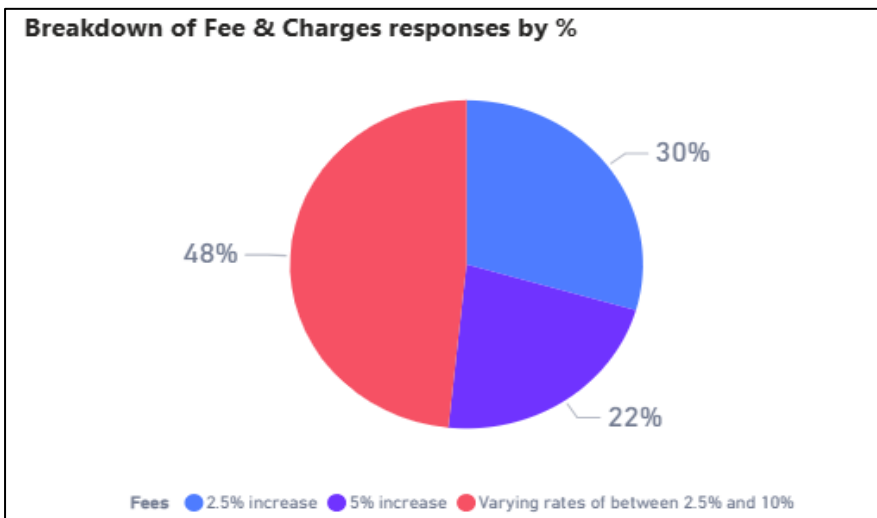
- 4.1 The consultation supports a balanced budget strategy built around a 6% to 8% Council Tax increase, targeted increases in fees and charges, and a focus on efficiencies in back-office and transformation areas. There is a clear public preference to prioritise the protection of frontline and statutory services.
- 4.2 In terms of the approach to savings:
- 4.2.1 Protect front-line services: Keep Education and HSCP within the 1–3% range by prioritising low-impact efficiencies (process improvement, demand management, non-pay savings).
- 4.2.2 Go deeper where tolerance exists: Set Enabling Services at 10% (phase delivery across financial years if needed); position Communities & Transformation at the 10–15% range.
- 4.2.3 Operate in the mid-range savings target for operational services: Target Roads and Housing, Operations & Development within a 5–10% envelope, sequencing initiatives to protect statutory compliance and service standards.

Annex 1 – Consultation results



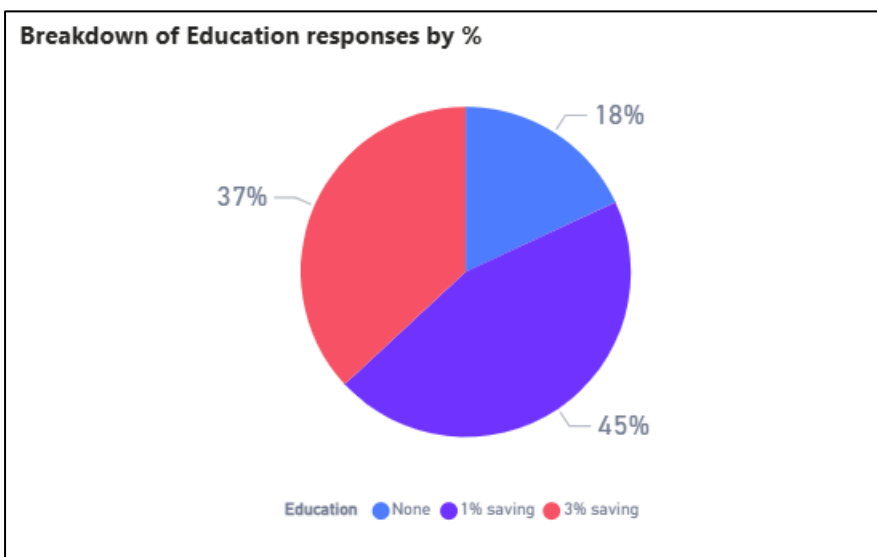
Five possible Council Tax uplift options were provided to choose from to generate additional income:

- 6%
- 8%
- 10%
- 12%
- 15%



Three possible options for Fees & Charges uplifts were provided:

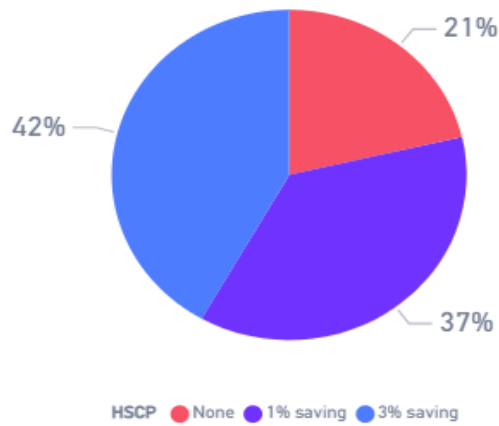
- 2.5% across all charges
- 5% across all charges
- Varying rates for selected charges



Three potential Education savings targets were provided for selection to reduce costs:

- No saving
- 1% saving
- 3% saving

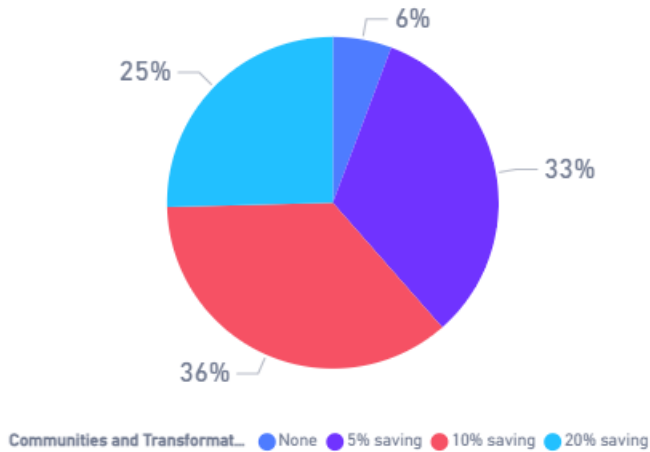
Breakdown of HSCP responses by %



Three potential HSCP savings targets were provided for selection to reduce costs:

- No saving
- 1% saving
- 3 % saving

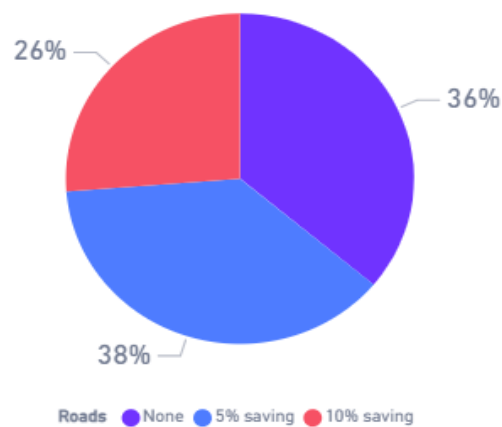
Breakdown of Communities and Transformation responses by %



Four potential Communities & Transformation savings targets were provided for selection to reduce costs:

- No saving
- 5% saving
- 10% saving
- 20% saving

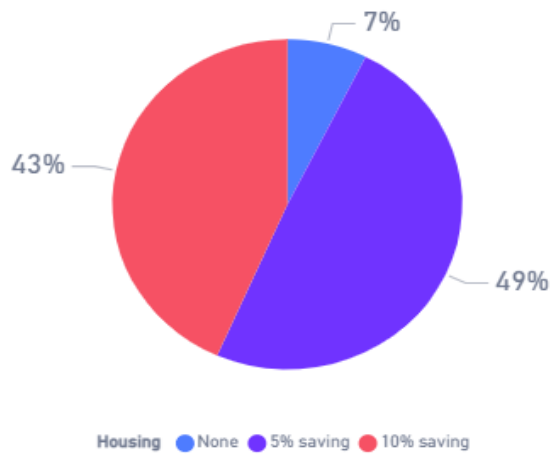
Breakdown of Roads responses by %



Three potential Roads savings targets were provided for selection to reduce costs:

- No saving
- 5% saving
- 10% saving

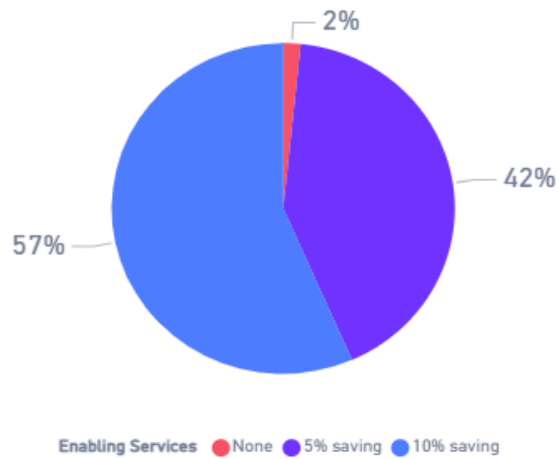
Breakdown of Housing responses by %



Three potential Housing, Operations & Development savings targets were provided for selection to reduce costs:

- No saving
- 5% saving
- 10% saving

Breakdown of Enabling Services responses by %



Three potential Enabling Services savings targets were provided for selection to reduce costs:

- No saving
- 5% saving
- 10% saving

Medium Term Financial Plan 2026-27 to 2030-31 (5 years)

Appendix 2

February 2026



RESPECTFUL
SUPPORTIVE

South Ayrshire Council
Medium Term Financial Plan 2026-27 to 2030-31

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1. Introduction

The purpose of the Medium-Term Financial Plan (MTFP) 2026-27 to 2030-31, is to provide a clear direction on how the Council will manage its financial resources in the medium term to ensure they are deployed effectively to achieve Council Priorities and outcomes and should be seen in the context of the Council Plan and various other strategies and plans in place across the Council. The MTFP plays a vital part of decision-making and forms the basis of the Council's stewardship over taxpayer's funds.

Medium Term Financial Plan

Local authorities continue to operate in a very challenging and uncertain environment with public sector funding not keeping pace with the increasing costs and demand for services.

Given the extent of financial challenges ahead, it is essential that the MTFP enables the Council to develop a better understanding of the wider policy and financial environment within which it operates and ensure that it can identify and respond flexibly to opportunities and threats and manage and mitigate risks whilst ensuring that financial resources are contributing to achieving Council priorities and outcomes. The principal objectives of the Financial Plan are to:

- Outline the Council's high level financial position over the years 2026-2031 based on a range of assumptions.
- Identify the key influential issues that have been considered in developing the plan.
- Ensure that limited available resources are focused on delivery of the Council's priorities.
- Provide a financial planning platform for a sustainable revenue budget and capital investment programme which will support the Council's priorities.
- Ensure that the Council is fully aware of the financial challenges and uncertainties that it faces and is in the strongest possible position to deliver the best possible quality and range of services within available resources.
- Increase both organisational awareness and wider community understanding of the Council's financial position and the challenges it is facing over the medium term in balancing and delivering against its budget.

The scale of this challenge will inevitably have an impact on the range and level of services delivered by the Council, and this will require to be managed within the context of its statutory and regulatory responsibilities.

Transformational Change Programme

As a main driver in addressing the financial challenges, the Council will progress its transformation programme at scale and pace over the short, medium and longer term, and this activity to be incorporated in the Council's Medium-Term Financial Plan and aligned to the key priorities set out within the Council Plan 2023-2028.

Workforce Planning

Pay-related costs are a major component of the Council's overall expenditure and represent around 50% of Council net spend each year. It is clear that in order to address the financial challenges outlined in this plan and reduce costs to allow the Council to remain within the expected funding envelope over the next five years (the period of this plan) then the Council's new Workforce Plan, due to be brought for approval in March 2026, will be a key contributor to this desired outcome by providing a structured approach to reducing the workforce and the associated cost.

Financial Forecast risk

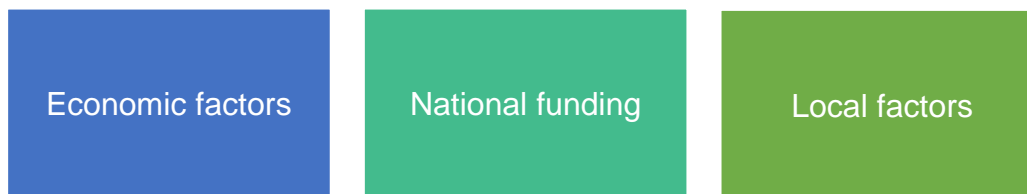
The plan is prepared at a point in time and relies on a series of assumptions and estimates.

The assumptions on which the financial projections are built upon are the best estimate of the likely future movement in the financial environment. The actual outcome will no doubt differ from the various assumptions however they will continue to be kept under review and updated as appropriate.

2. Financial Outlook – Key factors and assumptions

There are several key factors affecting the financial position and financial sustainability of the Council over the medium term as shown in Fig 1 below.

Fig 1 – key contributing factors



Economic factors

Funding for public services is linked to the performance of global and national economies and through the volatility in financial markets. UK Government fiscal policy and Bank of England Monetary policy decisions have a significant influence on local government finance whether it is through the level of Block grant available to Scotland, or the purchasing power associated with this funding within the context of inflation and the level of interest rates.

Inflation

The Consumer Price Index (CPI) measure of inflation rose by 3.4% in the 12 months to December 2025. This is significantly below the peak of 11.1% in October 2022 but is above the Bank of England (BoE) target of 2%. Latest forecasts project Inflation will fall closer to 2% in the first half of 2026. The central bank had previously only expected inflation to fall closer to 2% in early 2027. Moving forward this should have the effect of stabilising costs across various commodities and importantly, where contracts are linked to inflation indices, this should minimise any increases.

Interest Rates

The Bank of England (BoE) Monetary Policy Committee met on 18 December 2025 and voted to reduce the bank base rate by 0.25% to 3.75%. This is the lowest it has been since February 2023. It is projected that the base interest rate may reduce further during 2026, however, this will very much depend on inflation being at or around the 2% BoE target. From a Council borrowing perspective, through the Public Works Loans Board, the rates available are linked to the performance of government bond yields (Gilts). The landscape, however, remains quite uncertain. Any reduction in the cost of borrowing would help alleviate some of the pressures in delivering the capital programme.

National Funding

Local Government Funding

The primary source of funding for the delivery of Council Services is the Scottish Government through the allocation of general revenue and capital grants, and the distribution of national non-domestic rates income. Aggregate external finance (General

Revenue Grant and Non-Domestic Rates income) accounted for 80% in 2025-26, leaving the balance funded from local Council Tax income and the utilisation of Council reserves.

With four fifths of the Council's net revenue funding being received in this way it is simple to see why UK and Scottish Government policies and economic forecasts impact on the level of Council funding.

The funding of Local Government in Scotland is one that is driven strongly by the impact of national policy and commitments. Ring-fencing (or Directed Funding), national policy initiatives and protections in education and health and social care continue to grow creating increasing protection. As a result, more and more must be delivered from an ever- decreasing portion of the budget. This continues to place a disproportionate level of pressure on the other Council budgets. This poses significant challenges within the context of trying to deliver effective services to communities, since the burden of savings falls disproportionately on services not protected in the same way.

In addition the Scottish Government published its Scottish Spending Review 2026 in January 2026 which continued to focus on the Scottish Government's four key priorities by enabling Councils to take action to reduce child poverty, strengthen local economic growth, accelerate progress towards net zero and drive continuous improvement in public services through reform, collaboration, and more efficient delivery.

Contained within this publication was the stated intention to provide funding for Local Government on a flat cash basis for the period to 2028-29. This represents a significant real terms reduction for Local Government in Scotland.

Key Planning Assumption 1: For planning purposes a flat cash approach has been assumed for Scottish Government grant funding for all years of the plan, plus or minus any confirmed or anticipated funding changes.

Public Sector Pay Settlements

Pay-related costs are a major component of the Council's overall expenditure and represents around 50% of Council net spend each year. The Council's financial planning requires to take account of likely future pay settlements and other pay-related costs.

Pay increases for employees are negotiated at a national level. Public sector pay will be a significant risk going forward and, while inflation has fallen back in recent months and is predicted to fall further in the coming year, this will not mitigate the risk that exists in local government.

Pay negotiations during 2025-26 established an agreed uplift for 2025-26 of 4% for SJC staff and 4.25% for SNCT staff (from August 2025) followed by an agreed uplift for 2026-27 of 3.5% for SJC staff and 3.25% for SNCT staff (from August 2026).

The issue of reducing class contact time for SNCT staff remains unresolved at present with teacher unions balloting staff in relation to potential strike action. Any agreement in relation to this issue would require significant Scottish Government funding to be put in place.

Employees of South Ayrshire Council are members of the Strathclyde Pension Fund or the Scottish Public Pension Agency. Both pension schemes routinely review employer pension contributions.

The most recent triennial review of the Strathclyde pension Fund resulted in a significant planned reduction from the previous contribution rate of 19.3% to 6.5% for both 2024-25 and 2025-26, followed by a subsequent increase up to 17.5% for 2026-27. At the most recent Strathclyde Pension Fund Board meeting in November 2025 it was suggested that for planning purposes, contributing bodies should assume a contribution rate of 15% for the lifetime of the next triennial valuation period, 2027-28 to 2029-30.

Key Planning Assumption 2: For planning purposes, a rate of 3.5% has been assumed for pay uplifts in 2026-27 followed by a 3% uplift over the remaining lifetime of the plan.

Key Planning Assumption 3: For planning purposes pension contributions have been set at 17.5% for 2026-27 followed by an assumed rate of 15% over the remaining lifetime of the plan.

Local Factors

Council Plan Priorities

It can be challenging to align funding and priorities during a period of financial constraint. Funding is necessarily targeted at core services, for example provision of schools, and essential works such as roads maintenance and a clear link to Council priorities is not always obvious. In addition, service savings must be identified, and no service area can be fully protected from budget reductions, making it sometimes difficult to demonstrate the link between decisions and priorities.

Future budget decisions require to balance the Council Plan priorities with the challenges around financial sustainability and the needs of the local communities.

Council Tax Income

Setting Council Tax is the main fiscal lever local authorities have directly in their control.

Councils have discretion to increase Council Tax levels. However, this has been capped or severely limited on a number of occasions through conditions contained in the annual local government settlement. The cap on Council Tax increases was introduced in 2017-18, following a nine-year Council Tax freeze, from 2008-09. The initial cap condition was absolute in cash terms at 3%. Councils were then given the flexibility to increase their Council Tax for 2019-20 and 2020-21 by 3% in real terms, which equated to increases of 4.79% and 4.84% respectively however this was followed with a further freeze on Council Tax increases in 2021-22, funded through additional Council Tax freeze funding. Council Tax levels were increased in 2022-23 by 2.9% and then by 5% in 2023-24, followed by a further Council Tax freeze in 2024-25.

For each 1% increase in Council Tax rates, the Council can raise approximately £0.745m in income. This ability to raise income through Council Tax is important as any increase is mainlined into the base income for the following year and has a compound effect on future Council Tax increases.

Key Planning Assumption 4: For planning purposes Council Tax rates will be kept at 2025-26 levels with different uplift options presented to demonstrate the impact on Council finances

Inflationary/ Contractual Pressures

Budgets have traditionally not been routinely increased to reflect inflationary pressure as pressure of this type remained at a relatively low risk levels. However, recent national and international events, such as the war in Ukraine, gas and electricity price increases, the general cost of living crisis have all created an unprecedented level of uncertainty which has resulted in levels of inflation not seen for many decades.

Many of the Council's contracts, such as the schools PPP contract, have direct links to inflation indices and will require to continue to be funded. However, the lack of certainty in future years forecasts, due to economic uncertainty means that attempting to model inflation rates is challenging.

The impact of inflation, despite the rate moving towards the target level of 2%, means that significant pressure is placed on service budgets as goods and services cost more and the purchasing power of existing budgets is diminished. Moreover, the need to provide inflationary uplifts for specific contracts will inevitably lead to further budgetary pressures in 2026-27 and beyond.

As part of the 2026-27 Budget Strategy and Budget Update report considered by Council in November 2025, £3.240m of inflationary uplifts and other resource pressures were approved for inclusion in the 2026-27 budget.

Key Planning Assumption 5: For planning purposes the inflationary uplift for 2026-27 has been established based on the amounts approved by Council in November 2025, followed by inclusion of an assumed uplift amount of £3.500m for each of the remaining years of the plan.

Revenue Implications of Capital Investment Decisions

The current Capital Investment Programme was approved by Council in February 2025 covering the period from 2025-26 through to 2036-37, The programme contains a range of projects including new and refurbished schools, Information Technology expenditure, roads and infrastructure expenditure and planned expenditure as part of the Council's Ayrshire Growth deal agreement.

When there is sustained pressure on the revenue budget this in turn causes pressure in capital finance and in the management of the capital programme and the debt and borrowing requirement that arises from it

Given the scale of the financial challenges that lie ahead for the public sector it is prudent to review the overall quantum of the capital programme and the ability of the council to

identify recurring debt charge budget increases. The Council undertook two separate reviews of the capital investment programme during 2025-26 resulting in a reduction in planned spend and an associated reduction in debt charge implications over the period of the investment plan.

A revision to the twelve-year investment plan is being considered at Council of 19 February 2026 to add any further new projects recommended for inclusion in the plan.

Key Planning Assumption 6: For planning purposes the updated 2025-26 to 2036-37 Capital Investment Programme presented to Council in December 2025 is being used in relation to debt charge estimates extrapolated across the period of the plan. In addition draft changes to be considered at Council of 19th February in terms of updating the investment programme are also incorporated.

Health and Social Care Partnership (HSCP) contribution

The Integration Scheme sets out the Integrated Joint Board's (IJB) responsibility for financial planning and management of the HSCP's resources. The IJB operates its own Budget Working Group that considers information on anticipated pressures and proposed savings options to inform the allocation of resources delegated to the IJB. Many of the cost pressures experienced by the partnership are similar to those of the Council, such as contract inflation and pay inflation but with the added demographic pressure of an ageing population.

In 2025-26 the Council is contributing £107.2m for delegated services to the HSCP.

In recent years the local government financial settlement has included additional funding for social care with the caveat that the funding should be passported through to the partnership by Councils.

As noted in the Public Sector pay settlement section above, the HSCP also benefited from the reduced pension contribution rate (down from 19.3% to 6.5%) for all council employees in the partnership, with the cost base for the partnership reducing accordingly. The Council reduced its planned contribution by an appropriate amount in 2024-25 and maintained this reduced amount in 2025-26 with no detrimental effect on service provision. The Council's contribution will require to increase in 2026-27 when the pension contribution reverts to new 17.5% level for 2026-27.

During 2025-26 a number of Grant Aided Expenditure (GAE) Local Government settlement factors have been updated as is normal practice and will impact on the amount that the Council will receive through the General Revenue Grant for 2026-27. This year several Social Care factors have been updated to reflect current source data that will have a significant impact across many Health and Social Care Partnerships across Scotland with a number of partnerships gaining significant funding, and others losing funding to a greater or lesser degree. Early assessment of these changes suggested that South Ayrshire would likely receive a reduced allocation in 2026-27 due to the implementation of these changes.

The Local Government draft settlement for 2026-27 saw a reduction in South Ayrshire core Social Care allocation of £3.6m compared to 2025-26. This reduction has been mitigated due to the effect of the floor calculation adjustment whereby additional funding has been allocated to smooth the effect of this change. This is prior to any additional funding added by the Scottish Government to the settlement for Social Care issues.

Key Planning Assumption 7: For planning purposes the Council's contribution to the HSCP will continue on a flat cash basis, subject to GAE changes and any Scottish Government directed spend.

Fees and Charges

The Council raises income by charging for some of the services it provides. There is a degree of flexibility for the Council as to what level many charges are set at. However, any increases in charges for services need to recognise the relationship between price and demand and the resultant impact on the local economy.

The Council has traditionally included the requirement to increase locally set charges by at least the consumer price index rate each year. Recent evidence suggested that this approach was impacting on the demand for services in certain areas, therefore a more flexible approach is now in place, where each Service determines the most appropriate change to pricing structures in order to maximise demand for its service provision. It is anticipated that specific budget recommendations will be brought forward as part of the budget setting process each year. The potential to raise additional income will come from increasing current charges or through the introduction of new charges.

Council considered a Fees and Charges uplift report at its meeting of 19th February 2026 which presented various uplift option for Members to agree. Based on a prudent assumption that only Option1 proposals are agreed, then additional income of £0.696m is expected to be generated in 2026-27 and is included in the plan. This targeted approach will continue across all remaining years of the plan.

Key Planning Assumption 8: For planning purposes the assumed increase in income proposed (Option1) in the Council paper of 19 February 2026 will be included, with a further uplift allowed in all remaining year of the plan.

Transformation Activity

In March 2024 the Council approved the establishment of a Transformation Board with the board being chaired by the Chief Executive as the officer ultimately responsible for the transformation of the Council.

The Council's delivery of a programme of transformational change - 'Shaping Our Future Council' - has been developed to address improvement and transformation across four identified priority areas:

Fig 2/

Fig 2 – transformation priority areas



Project approval by the Transformation Board requires the inclusion a benefits realisation proposal. Cashable benefits will be incorporated as part of the plan.

Key Planning assumption 9:: Include cashable benefits from the approved transformation projects, profiled in future years of the plan when the impact is expected to occur.

Spend to Save capital investment activity

During 2025-26, the Council has considered and approved capital investment opportunities within several Sports and Leisure facilities that are expected to generate additional income beyond the investment cost. In addition the Council is progressing with an Ayrshire Growth Deal commercial build project that is expected to generate surplus income beyond the cost of the investment.

It is therefore prudent to incorporate the net income expected to be generated from this investment activity, profiled in future years when the impact of the investment is expected to occur.

Key Planning assumption 10:: Include the anticipated net income benefits from the approved and planned spend to save capital investment activity, profiled in future years of the plan when the impact is expected to occur.

Savings Activity – Transformation programme, savings options and workforce reduction

A number of workstreams are being progressed through the Transformation Programme and it is essential that these projects release cashable savings to drive cost reductions within service provision, as noted in the Transformation programme section above. As this alone will not achieve the level of savings needed within the timescale required to bridge the entirety of the identified budget gaps, savings options will continue to be developed for Member consideration.

A major component of this savings activity will inevitably be linked to workforce change as around 50/% of Council net spend each year is in relation to pay. It is therefore recommended that the Councils new Workforce Plan, due to be brought for approval in March 2026, include a specific targeted percentage reduction in the Council workforce and further include a mechanism for a structured approach to reducing the workforce and the associated cost over the lifetime of the plan.

Key Planning Assumption 11: Note the remaining budget gap in plan, update the plan when new information becomes available whilst seeking to identify and implement new savings proposals for future years.

3. Summary of five-year financial position

The previous MTFP approved in December 2024 highlighted that, for the five-year period, 2025-26 to 2029-30, a cumulative budget gap was estimated of £40.0m. This was subsequently updated as part of the 2025-26 budget approved in February 2025, whereby the budget gap for the remaining four-year period of the plan was estimated at £26.3m.

Based on the eleven Key Planning Assumptions contained in Section 2, which are provided in more detailed in Appendix 1, the budget gap forecast for the new five-year period, 2026-27 to 2030-31, is shown below based on two Council Tax scenarios:

Council Tax scenarios

Two Council Tax uplift scenarios have been modelled to provide a comparison between the current planning assumption for Council Tax uplifts and an optimistic budget gap outcome based on an increased Council Tax uplift each year, depending on potential future decisions. As identified in appendix 1:

- a **Current** scenario assumes an 8% uplift for 2026-27 followed by 6% uplifts for the remaining 4 years of the plan; and
- an **Optimistic** scenario assumes an 8% uplift for all years of the plan.

On applying the two Council Tax scenarios the budget gap is revised accordingly:

Fig 3 – Five-year budget gap – CT Scenario (Current planning assumption uplift)

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m	Total gap £m
Income (based CT uplift of 8% in 2026-27 followed by 6% thereafter each year)	396.263	399.515	405.108	411.065	417.409	
Expenditure	398.674	409.397	411.547	416.036	422.318	
Budget gap	2.411	9.882	6.439	4.971	4.909	28.612

Fig 4: Five-year budget gap – CT Scenario (Optimistic uplift)

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m	Total gap £m
Income (based CT uplift of 8% for all year)	396.263	401.129	408.580	416.605	425.438	
Expenditure	398.764	409.397	413.161	419.507	427.919	
Budget gap	2.411	8.268	4.481	2.842	2.481	20.583

Based on Fig 3 and 4 above, the anticipated budget gap, based on the assumptions contained in Section 2 above and expanded in Appendix 1, ranges from **£20.583m** to **£28.612m**, depending in the two Council Tax scenarios identified.

4. Reserves Policy

Local authorities are permitted to establish reserve funds as part of their responsibility for ensuring that sound financial management arrangements are in place. The purposes of reserve funds are as follows:

- As a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- As a contingency to mitigate against the impact of unexpected events or emergencies; and
- As a means of building up funds to meet known or anticipated future commitments.

Useable Reserves Policy

To maintain uncommitted general reserves of between 2% and 4% of the following year's net expenditure.

This will mean that the Council continues to maintain its reserves at a level which meets CIPFA's best practice guidelines. At this level there will be an inbuilt flexibility for the Council, over the period of this Strategy, to use a level of reserves, as appropriate, to meet particular pressures.

To consider, on a regular basis, contributing resources to augment currently held committed funds.

This will mean that the balances held in following funds will be maintained at a level that will allow the Council to meet known or anticipated future commitments.

- (i) Workforce Change Fund - This fund is used mainly to meet the severance and other employee-related costs arising from the Council's Efficiency and Improvement measures undertaken. The level of contribution requires to be reviewed annually as part of the budget setting process to ensure that the Council has sufficient funds available to support further service redesign over the forthcoming years;
- (ii) Transformation Fund - The transformation of the Council is a long-term commitment to ensure services continue to meet the needs of residents now and in the future. To enable the Council to deliver the vision for transformation, new activity will require to be implemented. It is recognised that the design, development and implementation of this activity may require upfront investment to enable the realisation of benefits. New activity will require to focus on one or more of our priority themes: our workforce, our technology, our assets and our delivery model. The Council has established a Transformation Fund to provide enabling funding for transformation activity; and
- (iii) Election Fund - this fund is used to support expenditure associated with local Council elections. The Scottish Government provides some financial support to Councils for local elections but does not fully provide for all associated costs of running the election. The Council therefore requires to set aside funds to supplement government funding.

To contribute a proportion of the Council Tax raised from second homes each year to the Affordable Homes fund.

The Council amended its policy in relation to Unoccupied Properties and Second Homes with effect from 1 April 2018. The amendment while increasing charges in relation to these types of properties retained the requirement to ring-fence a proportion of the income raised for the purchase or building of new social housing, either by the Council itself or local housing associations.

In addition, the Council agreed further changes to increase Council Tax charges for all Second Homes with effect from 1 April 2024 by 100% (double the standard charge) subject to regulations being approved by the Scottish Parliament and further agreed that 50% of additional income generated from charging double Council Tax on Second Homes should be allocated to the delivery of social housing or to fund other incentives such as the Empty Homes initiative or the Social Letting Service.

To set aside or commit other such resources as determined either by the cabinet or Council to meet other pressures or initiatives as required.

This will mean that resources may be set aside to be used to finance expenditure not included in original revenue budgets for a given year which it is deemed appropriate to incur, and which is out with the level of service provided for in the approved revenue budget.

To maintain two statutory funds as empowered under Schedule 3 of the Local Government (Scotland) Act 1975 as follows:

- (i) Repairs and Renewal Fund; and
- (ii) Capital Fund

Review of Reserves

An annual review will be undertaken, as part of each annual budget process, to assess the existing reserves and funds and the use made of them over the preceding year and to determine appropriate future use in line with the Council Plan and the MTFP.

Use of Reserves to support Financial Resilience

For financial resilience purposes the council may need to consider using a proportion of unearmarked and earmarked Useable Reserves over the life of the MTFP.

The overall level of financial resources available to the council is finite and therefore any continued use of reserves cannot be sustained in the longer term without placing the council's financial position at risk unless a clear and sustainable plan exists to maintain or replenish reserves through savings or income generation.

Appendix 1 – Key Planning Assumptions financial impact

The section below expands each of the eleven key planning assumptions outlined in Section 2 of the Medium-Term Financial Plan in order to identify the likely financial impact of each.

Key Planning Assumption 1: For planning purposes a flat cash approach has been assumed for Scottish Government grant funding for all years of the plan, plus or minus any confirmed or anticipated funding changes.

The primary source of funding for the delivery of Council Services is the Scottish Government through the allocation of general revenue grant, specific grant, and the distribution of national non-domestic rates income. Fig 6 shows the breakdown of funding sources for South Ayrshire in 2026-27, sourced from the draft Local Government Settlement contained in Finance Circular 1/2026.

The Scottish Government published its Scottish Spending Review 2026 in January 2026. Contained within this publication was the stated intention to provide funding for Local Government on a flat cash basis for the period to 2028-29. This is a significant real terms reduction for Local Government in Scotland.

Historic evidence suggest that the actual Local Government settlement will change over the years, likely an increase but without robust evidence of this outcome, the prudent approach is to assume that the overall funding level will remain static over the period of the plan.

Fig 5 – Scottish Government grant funding

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m
General Revenue Grant	252.441	252.441	252.441	252.441	252.441
Non-Domestic Rate Income	56.618	56.618	56.618	56.618	56.618
Specific Grant	4.412	4.412	4.412	4.412	4.412
Total Scottish Government grant	313.471	313.471	313.471	313.471	313.471

Key Planning Assumption 2: For planning purposes, a rate of 3.5% has been assumed for pay uplifts in 2026-27 followed by a 3% uplift over the remaining lifetime of the plan.

Key Planning Assumption 3: For planning purposes pension contributions have been set at 17.5% for 2026-27 followed by an assumed rate of 15% over the remaining lifetime of the plan.

Fig 6 below shows the current planning assumptions for increases in pay:

Fig 6 – Pay uplift assumptions

	2026-27 £m	2028-27 £m	2027-28 £m	2028-29 £m	2029-30 £m
Pay uplift	19.044	7.970	7.727	8.140	7.859

It should be noted that the £19.0m uplift in 2026-27, which appears to be an outlier when compared to future years' uplifts, is due to a greater pay inflation uplift of 3.5% in 2026-27 than in later years and to the pension contribution rate increasing to 17.5% in 2026-27 and then dropping down to 15% from 2027-028 onwards.

Key Planning Assumption 4: For planning purposes Council Tax rates will be kept at 2025-26 levels with different uplift options presented to demonstrate the impact on Council finances

Council Tax income equates to approximately 20% of the council's funding each year. It is therefore an extremely important lever for raising additional funding and an important consideration for budget planning purposes.

Two Council Tax uplift scenarios have been modelled to provide an optimistic and a pessimistic budget gap outcome, depending on potential future decisions.

- a **pessimistic** scenario assumes an 8% uplift for 2026-27 followed by 6% uplifts for the remaining 4 years of the plan, and
- an **optimistic** scenario assumes an 8% uplift for all years of the plan.

Fig 7 below shows the different levels of income that could be achieved depending on if an increase of 8% is applied across all years of the plan of 8% in 2026-27 followed by 6% thereafter.

Fig 7 – Council Income scenarios

Year	Pessimistic		Optimistic	
	Estimated CT income £m	Year on Year increase £m	Estimated CT income £m	Year on Year increase £m
<i>Base 2025-26</i>	74.833	-	74.833	-
2026-27	80.792	5.959	80.792	5.959
2027-28	86.044	5.252	87.658	6.866
2028-29	91.637	5.593	95.109	7.451
2029-30	97.594	5.957	103.194	8.085
2031-32	103.938	6.344	111.967	8.773
Total Income		29.105		37.134

Key Planning Assumption 5: For planning purposes the inflationary uplift for 2026-27 has been established based on the amounts approved by Council in November 2025, followed by inclusion of an assumed uplift amount for the remained of the years of the plan.

Many of the Council's contracts, such as the schools PPP contracts, have direct links to inflation indices and will require to continue to be funded. However, the lack of certainty in future years forecasts, due to recent economic uncertainty means that attempting to model inflation rates is challenging. Inflation has been easing over the year, but the rate still remains above the Bank of England target rate but recently hitting its 2% target.

The current planning assumptions for Inflation/Contractual pressures assumed in the updated Medium Term Financial Plan is shown in Fig 8 below

Fig 8 – Current Inflation/contractual planning assumptions 2026-27 to 2030-31

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m
Total	3.240	3.500	3.500	3.500	3.500

Key Planning Assumption 6: For planning purposes the updated 2025-26 to 2036-37 Capital Investment Programme presented to Council in December 2025 is being used in relation to debt charge estimates extrapolated across the period of the plan. In addition changes agreed at Council of 19th February in terms of updating and extending the investment programme are also incorporated.

The current Capital Investment Programme was approved by Council in February 2025 covering the period from 2025-26 through to 2036-37. The programme contains a range of projects including new and refurbished schools, Information Technology expenditure, roads and infrastructure expenditure and planned expenditure as part of the Council's Ayrshire Growth deal agreement.

The Council undertook two separate reviews of the capital investment programme during 2025-26 resulting in a reduction in planned spend and an associated reduction in debt charge implications over the period of the investment plan.

Fig 9 show the updated planned General Services Capital investment programme and associated planned borrowing to finance the investment over the period 2026-27 to 2030-31 based on the latest Capital Budget considered at Council of 19th February 2026.

Fig 9 - Planning capital investment and borrowing

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m
Total capital investment	97.302	82,017	46.938	24.797	11.433
Planned borrowing	72.141	38.141	15.781	4.488	3.183

Fig 10 below shows the current planning assumptions for debt charges over the period 2026-27 to 2030-31 based on the planned borrowing to finance the capital investment plan shown in Fig 9.

Fig 10 – Debt charge implications

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m
Principal	6.432	7.071	7.419	7.840	8.269
Interest	13.041	15.671	15.995	15.728	15.129
Expenses	0.314	0.308	0.306	0.298	0.288
Investment income	(1.740)	(1.695)	(1.606)	(1.561)	(1.447)
Total	18.047	21.355	22.114	22.305	22.239
Movement from previous year	(0.156)	3.308	0.759	0.191	(0.066)

Revenue debt charge uplifts are driven by the level of planned borrowing in terms of principal repayments and assumptions around interest rates at which the borrowing is taken. In recent years, the Council has continued to increase the level of capital investment which increases the level of principal repayments in a period of higher-than-normal interest rates, resulting in significant increases in borrowing costs, hence the reason for two programme reviews undertaken during 2025-26.

Key Planning Assumption 7: For planning purposes the Council's contribution to the HSCP will continue on a flat cash basis, subject to GAE changes and any Scottish Government directed spend.

The Integration Scheme sets out the Integrated Joint Board's (IJB) responsibility for financial planning and management of the HSCP's resources. The IJB operates its own Budget Working Group that considers information on anticipated pressures and proposed savings options to inform the allocation of resources delegated to the IJB. Many of the cost pressures experienced by the partnership are similar to those of the Council, such as contract inflation and pay inflation but with the added demographic pressure of an ageing population.

Traditionally the Council has provided contributions on a flat cash basis, varied by additional amounts included in the Local Government settlement for changes to Grant Aided expenditure factors and the passporting of new funding provided by the Scottish Government through the settlement.

In 2025-26 the Council varied this arrangement to provide additional funding of £0.725m to the partnership beyond the additional sums contained in the settlement. This additional funding was provided in recognition of the shortfall in funding provided by the Scottish Government for changes to national insurance contribution rates and additional funding for general pressures.

In 2025-26 the Council is contributing £107.2m for delegated services to the HSCP. Fig 11 below details the expected contribution to the partnership taking account of the various movements in the 2026-27 Local Government settlement.

Fig 11- HSCP contribution

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m
Base contribution	107.158	114.822	114.822	114.822	114.822
Pension rate increase	3.754	-	-	-	-
Share of SG 2025-26 pay funding	0.345	-	-	-	-
GAE reductions	(3.576)	-	-	-	-
Floor mitigation (GAE changes)	3.576	-	-	-	-
New SG directed funding	3.565	-	-	-	-
New contribution	114.822	114.822	114.880	114.880	114.880
Movement from previous year	7.664	-	-	-	-
Percentage increase	7.2%	0%	0%	0%	0%

While in the years from 2027-28 it appears that there is no uplift in contribution from the Council (i.e. flat cash) it is highly likely that the Scottish Government will continue to provide additional funding for several national commitments, such as the Real Living Wage.

The recently published Scottish Government’s Scottish Spending Review 2026 indicates a real terms uplift of over the period 2026-27 to 2028-29.

Any additional funding received by the Council for these purposes will be passported through to the partnership. For planning purposes neither any potential additional income (received through the Councils General Revenue Grant allocation), nor any contribution increase has been factored in to the Council MTFP due to the cost neutrality of the adjustment.

Key Planning Assumption 8: For planning purposes the assumed increase in income (Option1) proposed in the Council paper of 19 February 2026 will be included, with a further uplift allowed in all remaining year of the plan.

Fig 12 below shows the current planning assumptions for increases in Fees and Charges implemented through the targeted approach:

Fig 12 – Fees and Charges uplift

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m
Fees and Charges	0.696	0.500	0.500	0.500	0.500

Key Planning assumption 9: Include cashable benefits from the approved transformation project as part of the annual budget setting process.

In March 2024 the Council approved the establishment of a Transformation Board with the board being chaired by the Chief Executive as the officer ultimately responsible for the transformation of the Council. Activity of the Board is monitored through reporting to the Service and Partnership Performance Panel and through regular update reports to Cabinet.

The transformation Board has agreed a number of initiatives that are anticipated to bring cashable benefits to the Council. Fig 13 below provides a profile of the expected timing of these cashable benefits for inclusion in the Medium-Term Financial Plan.

Fig 13 – Transformation cashable benefits

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m
Procurement Review	0.500	0.250	-	-	-
Solar Farm project	-	(0.150)	0.350	0.050	-
Business Support model	0.222	-	-	-	-
Early Payment discount scheme	0.065	0.040	-	-	-
Revised CRA/HRA recharging mechanism	-	0.200	-	-	-
Total	0.787	0.340	0.350	0.050	0.000

Key Planning assumption 10: Include the anticipated net income benefits from the approved and planned spend to save capital investment activity, profiled in future years of the plan when the impact is expected to occur.

An initial assessment of recently approved capital investment Spend to Save opportunities within several Sports and Leisure facilities and the Ayrshire Growth Deal Commercial build project has been undertaken to identify the potential additional net income or reduced cost generated beyond the investment cost (debt charges). Fig 14 below provides a profile of the expected timing of this additional net income for inclusion in the Medium-Term Financial Plan.

Fig 14 – Spend to Save benefits

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m
Troon dry side development	-	0.270	0.082	-	-
Citadel development	-	0.650	0.260	-	-
Troon Pool eco project	-	0.035	-	-	-
AGD commercial build	-	-	-	0.828	-
Total	0.000	0.955	0.342	0.828	0.000

Key Planning Assumption 11: Note the remaining budget gap in plan, update the plan when new information becomes available whilst seeking to identify and implement new savings proposals for future years.

The overall impact financial impact of the various planning assumptions identified in the plan are outlined in Fig 15 (Current planning assumption CT scenario) and Fig 16 (Optimistic CT scenario) to establish the potential overall cumulative budget gap over the period of the five-year plan.

Fig 15 – Budget Gap (Current planning assumption CT scenario)

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m
Scottish Government Grant	313.471	313.471	313.471	313.471	313.471
Council Tax	80.792	86.044	91.637	97.594	103.938
Reserves	2.000	-	-	-	-
Total anticipated income	396.263	399.515	405.108	411.065	417.409
Base budget	370.365	396.414	400.753	405.583	411.525
Pay uplifts	19.044	7.970	7.727	8.140	7.859
Contract/inflation uplift	3.240	3.500	3.500	3.500	3.500
Debt Charges increase	(0.156)	3.308	0.759	0.191	(0.066)
HSCP uplift	7.664	-	-	-	-
Fees and Charges uplift	(0.696)	(0.500)	(0.500)	(0.500)	(0.500)
Transformation – cashable benefits	(0.787)	(0.340)	(0.350)	(0.050)	-
Spend to Save initiatives	-	(0.955)	(0.342)	(0.828)	-
Total planned expenditure	398.674	409.397	411.547	416.036	422.318
Budget gap	(2.411)	(9.882)	(6.439)	(4.971)	(4.909)

Fig 15 – on the assumption that each year the highlighted budget gap is dealt with by reducing costs or increasing income then the cumulative budget gap of the five-year period is **£28.612m**. This is on the assumption that Council Tax is uplifted by 8% in 2026-27 and then by 6% in each of the following four years of the plan.

For the more optimistic scenario, Council Tax is uplifted by 8% across all years of the plan. This generates additional cumulative income for the Council of £8.029m. Fig 16 below shows the annual impact of this change. The higher Council Tax uplift means that the annual savings requirement (or budget gap) is lower each year so the cost base stays higher in the following year. The cumulative budget gap for the five-year period is **£20.583m**, a net cumulative gain of £8.029m, the equivalent of the additional Council Tax generated

Fig 16/

Fig 16 – Budget Gap (Optimistic CT scenario)

	2026-27 £m	2027-28 £m	2028-29 £m	2029-30 £m	2030-31 £m
Scottish Government Grant	313.471	313.471	313.471	313.471	313.471
Council Tax	80.792	87.658	95.109	103.194	111.967
Reserves	2.000	-	-	-	-
Total anticipated income	396.263	401.129	408.580	416.665	425.438
Base budget	370.310	396.414	402.367	409.054	417.126
Pay uplifts	19.044	7.970	7.727	8.140	7.859
Contract/inflation uplift	3.240	3.500	3.500	3.500	3.500
Debt Charges increase	(0.156)	3.308	0.759	0.191	(0.066)
HSCP uplift	7.664	-	-	-	-
Fees and Charges uplift	(0.696)	(0.500)	(0.500)	(0.500)	(0.500)
Transformation – cashable benefits	(0.787)	(0.340)	(0.350)	(0.050)	-
Spend to Save initiatives	-	(0.955)	(0.342)	(0.828)	-
Total planned expenditure	398.674	409.397	413.161	419.507	427.919
Budget gap	(2.411)	(8.268)	(4.581)	(2.842)	(2.481)

South Ayrshire Council

**Report by Chief Financial Officer
to South Ayrshire Council
of 19 February 2026**

Subject: Treasury Management and Investment Strategy Mid-Year Report 2025/26

1. Purpose

1.1 The purpose of this report is to provide Members with a mid-year treasury management update for the financial year 2025/26.

2. Recommendation

2.1 It is recommended that the Council approves the contents of this report.

3. Background

Treasury Management

3.1 The Council operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned to meet expenditure commitments but also to invest surplus monies in low-risk counterparties (organisations with which the Council has a financial relationship in terms of borrowings or investments), providing adequate liquidity initially before considering optimising investment return.

3.2 The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning to ensure the Council can meet its capital spending operations. This management of longer-term cash will involve arranging long or short-term loans or using longer term cash flow surpluses. In addition, in certain interest rate environments debt previously drawn may be restructured to meet Council risk or cost objectives.

3.3 This report has been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2021).

3.4 The Audit and Governance Panel of 3 December 2025 considered the Treasury Management and Investment Strategy Mid-Year Report 2025/26 (attached at [Appendix 1](#)) and agreed that it be remitted to the Council for approval.

4/

4. Detail

4.1 This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and provides an update on activity in [Appendix 1](#) and [Appendix 2](#) on the following:

4.1.1 [Appendix 1](#) – *Economic Update and Interest rates*

Section	Description
1.	Economics and Interest Rates
2.	Interest Rates Forecast

4.1.2 [Appendix 2](#) – *Treasury Activity*

Section	Description
1.1 to 1.2	The Council's Capital Expenditure plans and Capital Financing Requirement (CFR);
2.1	Borrowing Strategy for 2025/26
3.1 to 3.2	Review of Investment Strategy and Performance
4.1	Review of compliance with Treasury and Prudential Limits for 2025/26
5.1	Borrowing in advance; and
6.1	Debt Re-scheduling.
7.1 to 7.3	Other

4.2 The Council is requested to approve the contents of this report in accordance with the requirements of the CIPFA Code.

5. Legal and Procurement Implications

5.1 There are no legal implications arising from this report.

5.2 There are no procurement implications arising from this report.

6. Financial Implications

6.1 *General Services*

6.1.1 **Interest on Revenue Balances** - the Council budgeted for investment income £1.93m in 2025/26, based on an estimate of the average revenue balances held during the year. Budgeted at achieving an assumed interest rate return of 4.00% on these balances.

At September 2025 (Qtr2) the full year budgeted income is projected at £1.784m, a shortfall of £0.146m.

6.1.2 **Capital Financing Costs** - the budget for loan charges in 2025/26 is £20.133m comprising £6.408m for loan principal, £13.552m for interest costs and £0.173m for loans fund expenses.

The current projection for loans charges to the General Fund is an underspend of £0.516m in interest and expenses. This offsets the projected shortfall of income of £0.146m bringing an overall underspend of £0.370m.

This underspend will be monitored in conjunction with the capital programme and the projected borrowing.

6.2 ***Housing Revenue Account (HRA)***

6.2.1 **Interest on Revenue Balances** - the HRA budgeted for investment income of £0.400m in 2025/26, based on an estimate of the average revenue balances held during the year. Budgeted at achieving an assumed interest rate return of 4.00% on these balances.

At September 2025 (Qtr2) the full year estimate for investment income earned is £0.324m resulting in a shortfall of £0.076m.

6.2.2 **Capital Financing Costs** - the budget for HRA loan charges in 2025/26 is £9.016m, comprising £3.361m for loan principal, £5.584m for interest costs and £0.071m for loans fund expenses.

The current projection for HRA loan charges is an underspend of £0.058m in interest and expenses. This offsets the projected shortfall of income of £0.076m resulting in an overall overspend of £0.018m.

This overspend has resulted from lower than projected investment income and will be monitored closely, in conjunction with the capital programme.

7. **Human Resources Implications**

7.1 Not applicable.

8. **Risk**

8.1 ***Risk Implications of Adopting the Recommendations***

8.1.1 There are no risks associated with adopting the recommendations.

8.2 ***Risk Implications of Rejecting the Recommendations***

8.2.1 If the recommendations are rejected, then the Council will be non-compliant with the requirements contained in both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

9. **Integrated Impact Assessment (incorporating Equalities)**

9.1 The proposals in this report do not require to be assessed through an Integrated Impact Assessment.

10./

10. Sustainable Development Implications

10.1 **Considering Strategic Environmental Assessment (SEA)** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to Commitment 1 of the Council Plan: Fair and Effective Leadership/ Leadership that promotes fairness.

13. Link to Shaping Our Future Council Yes No

13.1 Not applicable.

14. Results of Consultation

14.1 There has been no public consultation on the contents of this report.

14.2 Consultation has taken place with Councillor Ian Davis, Policy Lead for Finance and Corporate Services, and the contents of this report reflect any feedback provided.

Background Papers CIPFA Code of Practice for Treasury Management in the Public Services

Report to South Ayrshire Council of 6 March 2025 – [Treasury and Investment Strategy 2025/26](#)

Report to Audit and Governance Panel of 3 December 2025 – [Treasury Management and Investment Strategy Mid-Year Report 2025/26](#)

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Date: 19 January 2026

Economic Update and Interest Rates

1. Economic update

- The first half of 2025/26 saw:

A 0.3% pick up in Gross Domestic Product (GDP) for the period April to June 2025. More recently, the economy flatlined in July, with higher taxes for businesses restraining growth.

The 3m/yy rate of average earnings growth excluding bonuses has fallen from 5.5% to 4.8% in July.

Consumer Price Index (CPI) inflation has fluctuated but finished September at 3.8%, whilst core inflation eased to 3.6%.

The Bank of England cut interest rates from 4.50% to 4.25% in May, and then to 4% in August. At the Monetary Policy Commission meeting on 6th November, they voted to hold the base rate at 4.0%.

The 10-year gilt yield fluctuated between 4.4% and 4.8%, ending the half year at 4.70%.

- From a GDP perspective, the financial year got off to an uneven start with the 0.3% m/m fall in real GDP in April as front-running of US tariffs in Q1 (when GDP grew 0.7% on the quarter) weighed on activity. Despite the underlying reasons for the drop, it was still the first fall since October 2024 and the largest fall since October 2023. However, the economy surprised to the upside in May and June so that quarterly growth ended up 0.3% q/q. Nonetheless, the 0.0% m/m change in real GDP in July will have caused some concern, with the hikes in taxes for businesses that took place in April this year undoubtedly playing a part in restraining growth. The weak overseas environment is also likely to have contributed to the 1.3% m/m fall in manufacturing output in July. That was the second large fall in three months and left the 3m/3m rate at a 20-month low of -1.1%. The 0.1% m/m rise in services output kept its 3m/3m rate at 0.4%, supported by stronger output in the health and arts/entertainment sectors. Looking ahead, ongoing speculation about further tax rises in the Autumn Budget on 26 November will continue to affect GDP growth for a while. GDP growth for 2025 is forecast by Capital Economics to be 1.3%.
- The composite Purchasing Manager Index (PMI) for the UK fell from 53.5 in August to 51.0 in September. The decline was mostly driven by a fall in the services PMI, which declined from 54.2 to 51.9. The manufacturing PMI output balance also fell, from 49.3 to 45.4. That was due to both weak overseas demand (the new exports orders balance fell for the fourth month in a row) and the cyber-attack-induced shutdown at Jaguar Land Rover since 1 September reducing car production across the automotive supply chain. The PMIs suggest tepid growth is the best that can be expected when the Q3 GDP numbers are released.
- Turning to retail sales, and the 0.5% m/m rise in volumes in August was the third such rise in a row and was driven by gains in all the major categories except fuel sales, which fell by 2.0% m/m. Sales may have been supported by the warmer-than-usual weather. If sales were just flat in September, then in Q3 sales volumes would be up 0.7% q/q compared to the 0.2% q/q gain in Q2.

- Public net sector borrowing of £18.0bn in August means that after five months of the financial year, borrowing is already £11.4bn higher than the Office of Budget Responsibility (OBR) forecast at the Spring Statement in March. The overshoot in the Chancellor's chosen fiscal mandate of the current budget is even greater with a cumulative deficit of £15.3bn. All this was due to both current receipts in August being lower than the OBR forecast (by £1.8bn) and current expenditure being higher (by £1.0bn). Over the first five months of the financial year, current receipts have fallen short by a total of £6.1bn (partly due to lower-than-expected self-assessment income tax) and current expenditure has overshot by a total of £3.7bn (partly due to social benefits and departmental spending). Furthermore, what very much matters now is the OBR forecasts and their impact on the current budget in 2029/30, which is when the Chancellor's fiscal mandate bites. As a general guide, Capital Economics forecasts a deficit of about £18bn, meaning the Chancellor will have to raise £28bn, mostly through higher taxes, if she wants to keep her buffer against her rule of £10bn.
- The weakening in the jobs market looked clear in the spring. May's 109,000 m/m fall in the PAYE measure of employment was the largest decline (barring the pandemic) since the data began and the seventh in as many months. The monthly change was revised lower in five of the previous seven months too, with April's 33,000 fall revised down to a 55,000 drop. More recently, however, the monthly change was revised higher in seven of the previous nine months by a total of 22,000. So instead of falling by 165,000 in total since October, payroll employment is now thought to have declined by a smaller 153,000. Even so, payroll employment has still fallen in nine of the ten months since the Chancellor announced the rises in National Insurance Contributions (NICs) for employers and the minimum wage in the October Budget. The number of job vacancies in the three months to August stood at 728,000. Vacancies have now fallen by approximately 47% since its peak in April 2022. All this suggests the labour market continues to loosen, albeit at a declining pace.
- A looser labour market is driving softer wage pressures. The 3m/yy rate of average earnings growth excluding bonuses has fallen from 5.5% in April to 4.8% in July. The rate for the private sector slipped from 5.5% to 4.7%, putting it on track to be in line with the Bank of England's Q3 forecast (4.6% for September).
- CPI inflation fell slightly from 3.5% in April to 3.4% in May, and services inflation dropped from 5.4% to 4.7%, whilst core inflation also softened from 3.8% to 3.5%. More recently, though, inflation pressures have resurfaced, although there was no increase in CPI inflation in August, with CPI inflation staying at 3.8%. Core inflation eased once more too, from 3.8% to 3.6%, and services inflation dipped from 5.0% to 4.7%. So, the first half of the financial year finishes in a similar position to where it started, although with food inflation rising to an 18-month high of 5.1% and households' expectations for inflation standing at a six year high, a further loosening in the labour market and weaker wage growth may be a requisite to UK inflation coming in below 2.0% by 2027.
- An ever-present issue throughout the past six months has been the pressure being exerted on medium and longer dated gilt yields. The yield on the 10-year gilt moved sideways in the second quarter of 2025, rising from 4.4% in early April to 4.8% in mid-April following wider global bond market volatility stemming from the "Liberation Day" tariff announcement, and then easing back as trade tensions began to de-escalate. By the end of April, the 10-year gilt yield had returned to 4.4%. In May, concerns about higher inflation and shifting expectations about the path for interest rates led to another rise, with the 10-year gilt yield fluctuating between 4.6% and 4.75% for most of May. Thereafter, as trade tensions continued to ease and markets

increasingly began to price in looser monetary policy, the 10-year yield edged lower, and ended Q2 at 4.50%.

- More recently, the yield on the 10-year gilt rose from 4.46% to 4.60% in early July as rolled-back spending cuts and uncertainty over Chancellor Reeves' future raised fiscal concerns. Although the spike proved short lived, it highlighted the UK's fragile fiscal position. In an era of high debt, high interest rates and low GDP growth, the markets are now more sensitive to fiscal risks than before the pandemic. During August, long-dated gilts underwent a particularly pronounced sell-off, climbing 22 basis points and reaching a 27-year high of 5.6% by the end of the month. While yields have since eased back, the market sell-off was driven by investor concerns over growing supply-demand imbalances, stemming from unease over the lack of fiscal consolidation and reduced demand from traditional long-dated bond purchasers like pension funds. For 10-year gilts, by late September, higher than forecast inflation, resilient activity data and an uncompromising Bank of England have kept yields elevated over 4.70%.
- The FTSE 100 fell sharply following the "Liberation Day" tariff announcement, dropping by more than 10% in the first week of April - from 8,634 on 1 April to 7,702 on 7 April. However, the de-escalation of the trade war coupled with strong corporate earnings led to a rapid rebound starting in late April. As a result, the FTSE 100 closed Q2 at 8,761, around 2% higher than its value at the end of Q1 and more than 7% above its level at the start of 2025. Since then, the FTSE 100 has seen a further 4% rise in July, its strongest monthly gain since January and outperforming the S&P 500. Strong corporate earnings and progress in trade talks (US-EU, UK-India) lifted share prices and the index hit a record 9,321 in mid-August, driven by hopes of peace in Ukraine and conciliatory signals from Federal Reserve Chair Powell. September proved more volatile and the FTSE 100 closed Q3 at 9,350, 7% higher than at the end of Q1 and 14% higher since the start of 2025. Future performance will likely be impacted by the extent to which investors' global risk appetite remains intact, Fed rate cuts, resilience in the US economy, and AI optimism. A weaker pound will also boost the index as it inflates overseas earnings.

MPC meetings: 8 May, 19 June, 7 August, 18 September 2025, 6th November 2025

- There were four Monetary Policy Committee (MPC) meetings in the first half of the financial year. In May, the Committee cut Bank Rate from 4.50% to 4.25%, while in June policy was left unchanged. In June's vote, three MPC members (Dhingra, Ramsden and Taylor) voted for an immediate cut to 4.00%, citing loosening labour market conditions. The other six members were more cautious, as they highlighted the need to monitor for signs of weak demand and higher inflation expectations, mainly from rising food prices. By repeating the well-used phrase gradual and careful, the MPC continued to suggest that rates would be reduced further.
- In August, a further rate cut was implemented. However, a 5-4 split vote for a rate cut to 4% demonstrated the different views within the Monetary Policy Committee, with the accompanying commentary noting the decision was "finely balanced" and reiterating that future rate cuts would be undertaken "gradually and carefully". Ultimately, Governor Bailey was the casting vote for a rate cut but with the CPI measure of inflation expected to reach at least 4% later this year, the MPC will be wary of making any further rate cuts until inflation begins its slow downwards trajectory back towards 2%.
- In November, the Monetary Policy Committee voted by a majority 5-4 to maintain the bank base rate at 4.0%.
- The Bank of England does not anticipate CPI getting to 2% until early 2027, and with wages still rising by just below 5%, it was no surprise that the September meeting

saw the MPC vote 7-2 for keeping rates at 4% (Dhingra and Taylor voted for a further 25bps reduction).

- In November, the Monetary Policy Committee voted by a majority 5-4 to maintain the bank base rate at 4.0%.
- The Bank also took the opportunity to announce that they would only shrink its balance sheet by £70bn over the next 12 months, rather than £100bn. The repetition of the phrase that “a gradual and careful” approach to rate cuts is appropriate suggests the Bank still thinks interest rates will fall further but possibly not until February, which aligns with both our own view and that of the prevailing market sentiment.

2. Interest Rates Forecast

The Authority has appointed MUFG Corporate Markets as its treasury advisors and part of their service is to assist the Authority to formulate a view on interest rates. The Public Works Loan Board (PWLB) rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1 November 2012.

MUFG Corporate Markets’ latest forecast on 11 August sets out a view that short, medium and long-dated interest rates will fall back over the next year or two, although there are upside risks in respect of the continued higher of inflation and a continuing tight labour market, as well as the size of gilt issuance.

MUFG Corporate Markets Interest Rate View 11.08.25													
	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28
BANK RATE	4.00	4.00	3.75	3.75	3.50	3.50	3.50	3.50	3.25	3.25	3.25	3.25	3.25
3 month ave earnings	4.00	4.00	3.80	3.80	3.50	3.50	3.50	3.50	3.30	3.30	3.30	3.30	3.30
6 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.30	3.40	3.40	3.40
12 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.40	3.50	3.60	3.60
5 yr PWLB	4.80	4.70	4.50	4.40	4.30	4.30	4.30	4.20	4.20	4.20	4.20	4.10	4.10
10 yr PWLB	5.30	5.20	5.00	4.90	4.80	4.80	4.80	4.70	4.70	4.70	4.70	4.60	4.60
25 yr PWLB	6.10	5.90	5.70	5.70	5.50	5.50	5.50	5.40	5.40	5.30	5.30	5.30	5.20
50 yr PWLB	5.80	5.60	5.40	5.40	5.30	5.30	5.30	5.20	5.20	5.10	5.10	5.00	5.00

Treasury Activity

1.1 The Council's Capital Expenditure Plans and Capital Financing Requirement (CFR)

- (1) The following section provides the information relating to the 2025/26 capital position and prudential indicators.
- The Council's capital expenditure plans.
 - How these plans are being financed.
 - The impact of the capital expenditure plans on the prudential indicators and the underlying need to borrow.
 - Compliance with the limits in place for borrowing activity.
- (2) The tables below draw together the main movement in terms of the capital expenditure plans compared to the original plan, highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements for capital expenditure. The borrowing element of Table 1 for both General Services and HRA below revises the underlying indebtedness of the Council by way of the Capital Financing Requirement (CFR).

Table 1 – Prudential Indicators

	<i>2025/26 Original Estimate £'000</i>	<i>2025/26 Latest Estimate £'000</i>
Prudential Indicator – General Services		
Capital Expenditure	86,237	71,225
General Services - Financed By		
General and Specific Grant	10,535	11,193
Capital Receipts/Other	12,215	18,822
Borrowing	63,487	41,210
	86,237	71,225
Prudential Indicator – HRA		
Capital Expenditure	58,057	43,153
HRA - Financed By		
Borrowing	39,005	38,086
CFCR, Draw on surplus	3,226	3,226
Other Receipts/ Grants	15,826	1,841
	58,057	43,153

1.2 Capital Financing Requirement, Debt Position and Operational Boundary Indicators

- (1) Table 2 shows the CFR, which is the underlying need to incur borrowing for a capital purpose.

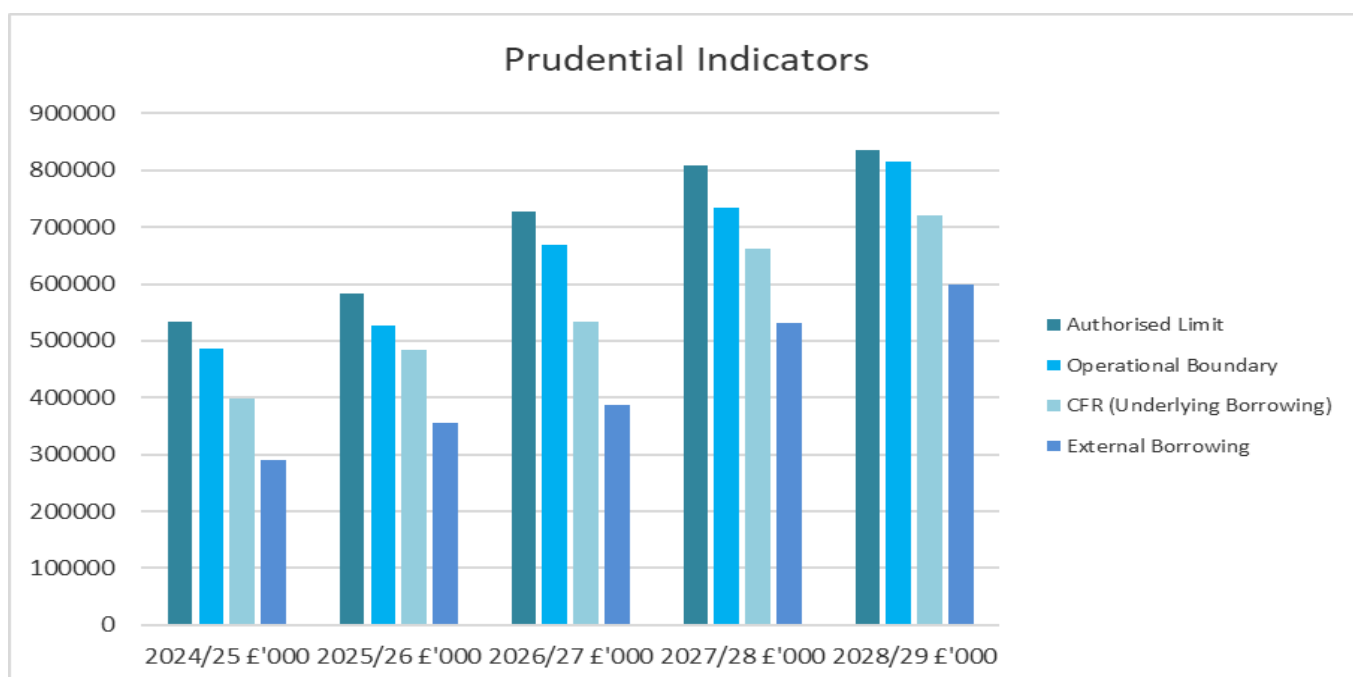
The original estimate as reported in the Treasury Management Strategy excluded 2025/26 IFRS16 adjustment for both Right of Use assets (ROU) and Public Private Partnership (PPP). This has now been reflected in the Updated Estimate below IFRS16 was adopted during the 2024.25 financial year and included in the year end Annual Accounts for that year.

This has resulted in an increase to the estimated Capital Financing Requirement (CFR) despite a drop in borrowing for both General Services and HRA capital.

Table 2 – Prudential Indicators - CFR

	<i>2025/26 Original Estimate £'000</i>	<i>2025/26 Updated Estimate £'000</i>
Capital Financing Requirement – GS	507,453	518,688
Capital Financing Requirement – HRA	168,229	169,253
Total Capital Financing Requirement	675,682	687,941

(2) Prudential Indicators Chart



The chart shown at (2) above shows estimated key prudential indicators in graph format:

- External Borrowing** – shows significant increase in the next two years as the Council utilises borrowing to fund capital investment

2. **Capital Financing Requirement** – shows increases in CFR in line with external debt. The Council ended 2024/25 in an under borrowed position (CFR compared with external debt) of £63,899m. The current strategy will be to reflect an under-borrowed position in the short/medium term as reflected in the graph.
3. **Operational Boundary** – this indicator is higher than external debt and CFR as it includes provision for other long term financing liabilities such as PPP and Finance leases, and short term cash flow variations.
4. **Authorised Limit** – the limit which cannot be exceeded in terms of the Council’s debt position. This indicator is higher than the operational limit as provision is made for other cash flow variation and potential borrowing in advance.

Table 3 – Prudential indicators - debt

	2025/26 Original £'000	2025/26 Updated £'000
Authorised Limit	745,000	734,500
Operational Limit	690,000	660,620
External Debt	537,039	489,039

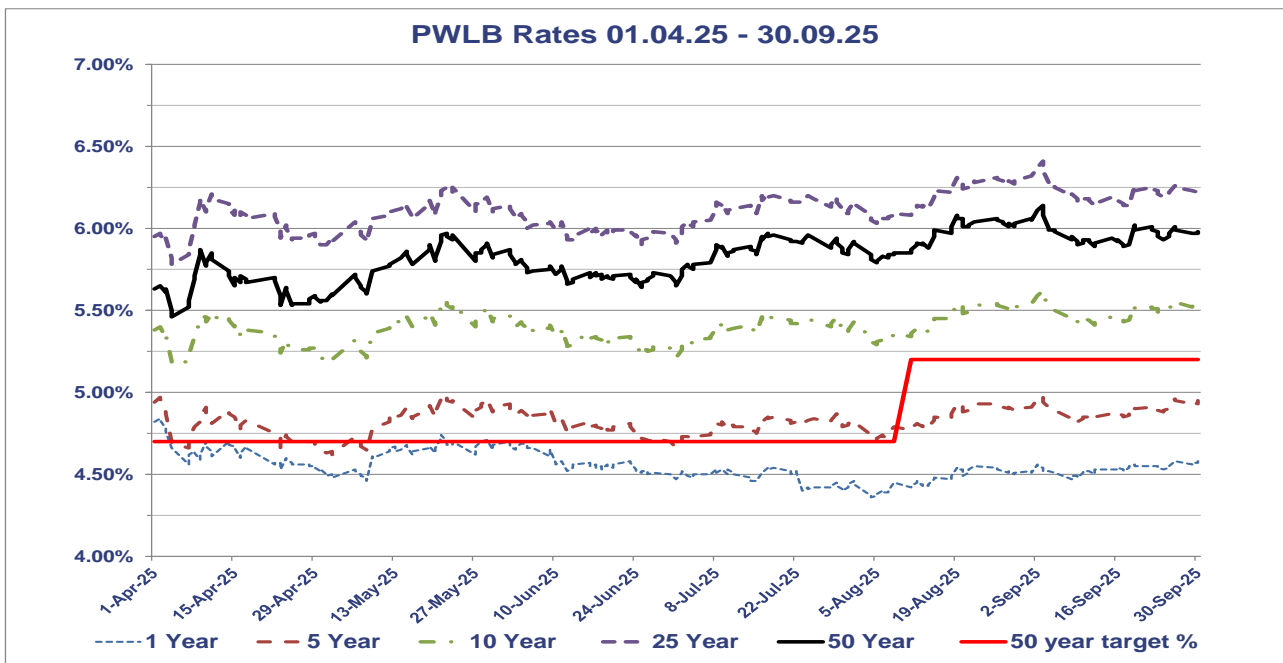
2.1 Borrowing Strategy 2025/26 (Update)

- (1) The Council’s capital financing requirement (CFR) estimate for 2025/26 has been revised to £687.941m based on the revised capital spend projections, as shown at 1.2, Appendix (2) Table 1. The CFR denotes the Council’s underlying need to borrow for capital purposes. To fund the CFR the Council may borrow from the PWLB or the market (external borrowing) or fund from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions and availability of internal cash resources.
- (2) The original borrowing requirement for 2025/26 was set at £128.899m but has been revised to £79.296m. This drop is attributed to re-profiling of capital projects and the changes to the programme per the capital review carried out in September 2025. This has resulted in movement in the current year of the capital programme.
- (3) This has resulted in revising the external borrowing requirement from the original £126m to £89m. The external borrowing figure includes a margin for the cost of borrowing for Right of Use assets as well as funding for the CFR.
- (4) The current strategy is to consider medium term external borrowing in Qtr. 3 of £5m and Qtr. 4 of £10m of medium to long borrowing, with further PWLB or medium term at the end of Qtr. 4. To date in Qtr. 1 and 2 long term borrowing has been taken from PWLB of £5m at 4.35%, £4m at 4.32%, £5m at 4.26% and £6m at 4.17%, when it has been possible to secure a lower interest rate.

There has been less borrowing than forecast from the other local authority market, as the rates available in PWLB were more advantageous. South Ayrshire Council has been able to utilise the HRA concessionary rate which allows borrowing at 40 basis points below the PWLB certainty rate. This rate is available for use in HRA and primarily for new Housing delivery.

A pragmatic approach however is being taken in terms of the timing of new long term external borrowing given the current market uncertainties due to a number of factors such as the overall economic climate and interest rate fluctuations along with the pace of the spend in the Council's capital programme.

2.2 PWLB Interest Rates – Apr 25 – Sep 25



3.1 Investment Strategy

(1) The Treasury Management Strategy Statement (TMSS) for 2025/26, which includes the Annual Investment Strategy, was approved by the Council on 6 March 2025. In accordance with the CIPFA Treasury Management Code of Practice, it sets out the Council's investment priorities as being:

- security of capital:
- liquidity: and
- yield

(2) The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Council's risk appetite. In the current economic climate, it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months with high credit rated financial institutions, using the MUFGE suggested creditworthiness.

3.2 Investment Performance 2025/26

(1) The Council's average level of funds available for investment purposes in the first half of the year 2025/26 was £21.3m. These funds are available on a

temporary basis and are dependent on a number of factors including cash flows, reserve balances, borrowing strategy, etc. As these funds are linked to Council reserves earmarked for specific purposes, they are not available to spend on additional services and represent the current 'cash' position.

- (2) LIBOR and LIBID rates ceased from the end of 2021. LIBOR has been replaced with a rate based on SONIA (Sterling Overnight Index Average). On advice received from the Council's consultants, MUFG, the replacement benchmark to be used is the 90-day backward SONIA compounded rate.

Table 4 below shows the rates for the first half of 2025/26 -

Table 4 – Benchmark rates

	Bank Rate	SONIA	1 mth	3 mth	6 mth	12 mth
High	4.50	4.46	4.47	4.36	4.28	4.17
High Date	01/04/2025	07/05/2025	03/04/2025	01/04/2025	02/04/2025	02/04/2025
Low	4.00	3.97	3.97	3.96	3.89	3.75
Low Date	07/08/2025	29/08/2025	16/09/2025	08/09/2025	07/08/2025	04/08/2025
Average	4.23	4.19	4.16	4.10	4.01	3.88
Spread	0.50	0.49	0.50	0.39	0.39	0.42

- (3) The Council's average performance rate for Quarter ended 30th September 2025 was 4.05%. This is slightly below the 90 day benchmark return as above. Investments will continue to be monitored in the current climate of changing interest rates.
- (4) The Chief Financial Officer confirms that the approved investment strategy was not breached in the first half of the financial year 2025/26.
- (5) The Council continues to consider lending to other local authorities where appropriate, in order to diversify its investment portfolio and to provide the highest level of security in delivering the objectives of security, liquidity and yield in its investment portfolio. Interest rates after a long period of extremely low rates, rose quite high and have now started to reduce slowly although PWLB borrowing remains fairly high. This makes borrowing more expensive because of this some forward planning has been undertaken to try and secure the best rates available for borrowing and investing. Also, to ensure some form of liquidity, advantage has been taken of good return on investment rates using Money Market Funds (MMF).

Table 5 below summarises the Council's investments as of 30 September 2025.

Table 5 – Investments at 30 September 2025

Counterparty	Type	Principal £'000	Interest Rate	Maturity	Colour Code (Based on Credit Information)
Bank of Scotland Call A/C	Liquidity	811	1.65%	N/A	Orange
Bank of Scotland Treasury A/C	Liquidity	100	3.77%	N/A	Orange

Counterparty	Type	Principal £'000	Interest Rate	Maturity	Colour Code (Based on Credit Information)
Money Market Fund (MMF)- Federated Prime Rate Class 3	Liquidity	3,650	4.08%	N/A	AAA
Money Market Fund (MMF)- Aberdeen Liquidity Sterling Fund	Liquidity	10,000	4.07%	N/A	AAA
MMF VNAV - Federated Cash Plus	Liquidity	30	4.10%	N/A	AAA
		14,591			

4.1 **Review of Compliance with Treasury and Prudential Limits for 2025/26**

- The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. Gross external borrowing should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2024/25 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Council has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.

Table 6 below shows that the 2025/26 year-end projected total debt position of £610.618m is below the projected CFR of £687.941m which indicates that external borrowing is only being used for capital purpose.

Table 6 – Debt position

	2024/25 Actual £'000	2025/26 Borrowing as @ 30/9/25 £'000	2025/26 Projection £'000
Long Term Borrowing – PWLB	279,235	283,787	360,339
Long Term Borrowing - LOBO	33,200	33,200	33,200
Long Term Borrowing - Market	49,000	44,000	25,000
Short Term Borrowing – Market	71,500	70,500	70,500
External Debt	432,935	431,487	489,039
Other Long-Term Liabilities	126,607	121,579	121,579
Total Debt	559,542	553,066	610,618
Capital Financing Requirement (CFR)	623,441	687,941	687,941
(Under) Over borrowed	(63,899)	(134,875)	(77,323)

- A further prudential indicator controls the overall level of borrowing. This is the Authorised Limit which represents the limit beyond which borrowing is prohibited and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing

need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government in Scotland Act 2003.

Table 7 below shows the authorised limit amended from the original 2025/26 indicator.

Table 7 – authorised limit

<i>Prudential Indicator – Authorised Limit for External Debt</i>	<i>2025/26 Original Indicator £'000</i>	<i>2025/26 Revised Indicator £'000</i>
Borrowing	570,000	565,000
Other Long-Term Liabilities	175,000	170,000
Authorised Limit	745,000	735,000

3. **Liability Benchmark**

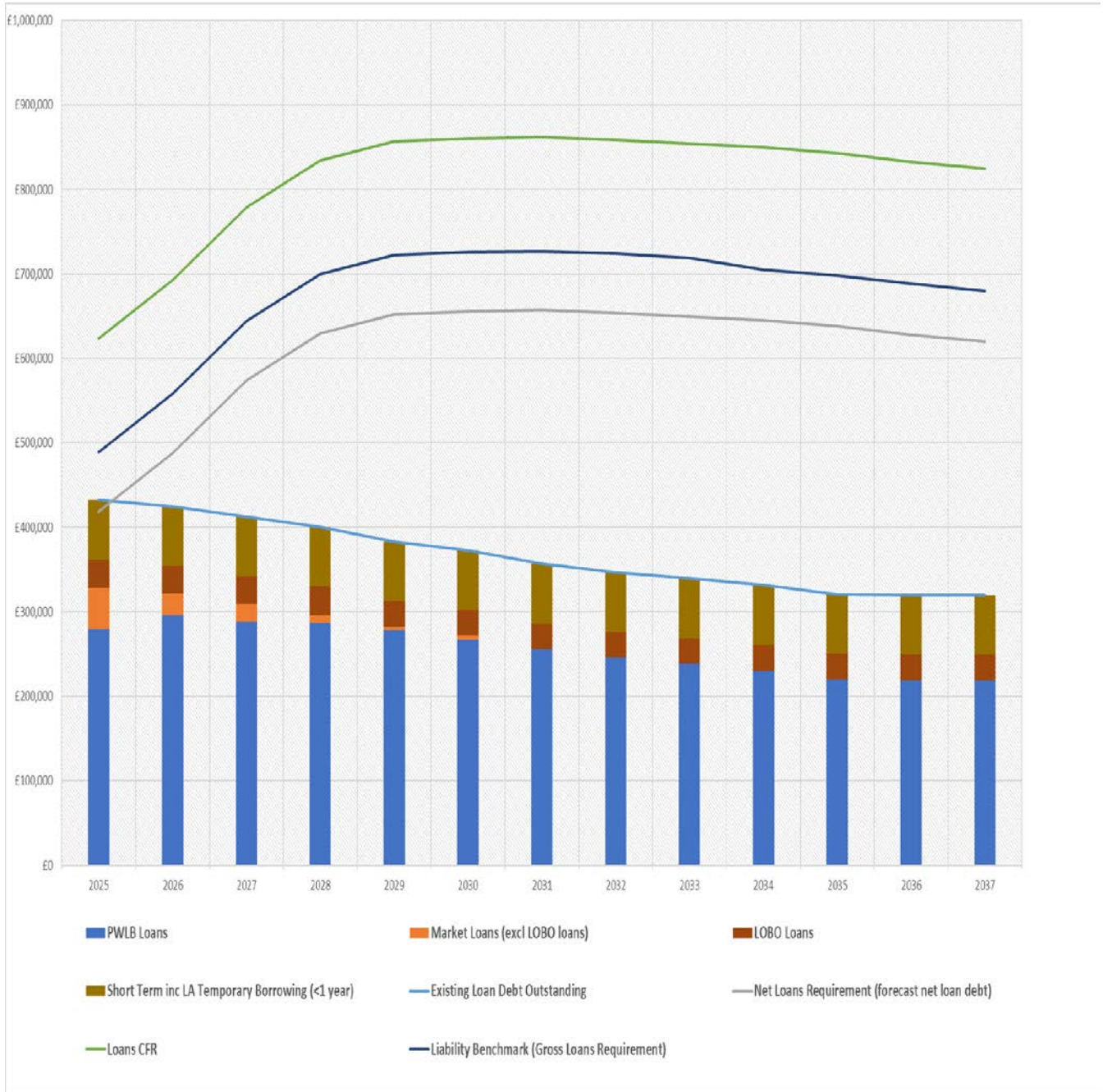
The third prudential indicator for 2025/26 is the Liability Benchmark (LB). The Authority is required to estimate and measure the LB for the forthcoming financial year and the following two financial years, as a minimum.

CIPFA notes on page 13 of the 2021 TM Code: “The liability benchmark should be analysed as part of the annual treasury management strategy, and any substantial mismatches between actual loan debt outstanding and the liability benchmark should be explained. Any years where actual loans are less than the benchmark indicate a future borrowing requirement; any years where actual loans outstanding exceed the benchmark represent an overborrowed position, which will result in excess cash requiring investment (unless any currently unknown future borrowing plans increase the benchmark loan debt requirement). The treasury strategy should explain how the treasury risks inherent in these mismatched positions will be managed.”

There are four components to the LB: -

1. **Existing loan debt outstanding:** the Authority’s existing loans that are still outstanding in future years.
2. **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned Loans Fund advances/Loans Fund principal repayments. (Note only approved prudential borrowing is included).
3. **Net loans requirement:** this will show the Authority’s gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned Loans Fund principal repayments and any other major cash flows forecast.
4. **Liability benchmark (or gross loans requirement):** this equals net loans requirement plus short-term liquidity allowance.

The graph below shows the projected movement in the liability benchmark.



5.1 **Borrowing in Advance of Need**

The Local Government Investment Regulations (Scotland) 2010 requires the Council to set out its strategy and approach to borrowing in advance of need, which is defined as any borrowing undertaken which will result in the total external debt exceeding the CFR for the following twelve-month period. The Council has not borrowed in advance of need during the six months to 30 September 2025

6.1 **Debt Rescheduling**

Debt rescheduling opportunities have been very limited in the current economic climate and following the various increases in the margins added to gilt yields which have impacted PWLB new borrowing rates since October 2010. No debt rescheduling has therefore been undertaken to date in the current financial year. However, now that the whole of the yield curve has shifted higher there may be better

opportunities in the future, although only prudent and affordable debt rescheduling will be considered.

7.1. Other Current Issues

7.1.1 Sources of Borrowing – regarding ESG (Environmental, Social and Governance)

While the prime considerations when investing surplus funds are security liquidity and yield, it is recognised that consideration must be given to other factors such as climate change, environmental, social, and good governance (ESG), to support a policy of sustainability. For these considerations to work effectively any policy should be derived on a corporate level, at which point the finance team can implement for treasury investing. Most highly rated lenders will have an ESG policy in place, which can be reviewed periodically and form part of the counterparty selection process for treasury investments. We do not currently have investments in Fixed Term ESG deposit accounts as current rates are not favourable. However, rates are checked regularly, and consideration is given to ESG when investment decisions are taken.

7.1.2 Changes to Accounting Standards for Leasing Arrangements

The change to accounting standards to IFRS16 for leasing arrangements requires that all leasing contracts are held on the balance sheet. This is the change from the previous accounting standard IAS17. This means that the Capital Financing Requirement figures (CFR) and the Operational Boundaries have increased to reflect the change in accounting policy and the year end accounts for 2024/25 were prepared on this basis.

South Ayrshire Council

**Report by Director of Communities and Transformation
to South Ayrshire Council
of 19 February 2026**

**Subject: Community Councils – Scheme for Establishment of
Community Council**

1. Purpose

1.1 The purpose of this report is to seek approval to approve changes and updates to the Scheme for Establishment of Community Councils following the consultation period.

2. Recommendation

2.1 It is recommended that the Council:

2.1.1 notes the findings from stage 3 of the consultation Appendix 1;

2.1.2 approves the draft Scheme for Establishment of Community Councils following stage 3 of the consultation Appendix 2;

2.1.3 requests that officers to publish the new updated draft Scheme for Establishment of Community Councils following approval at Council.

3. Background

3.1 The Scheme for Establishment of Community Councils (hereafter the 'Scheme') was approved for implementation by South Ayrshire Council's Leadership Panel on Tuesday 15 September 2020, to correct administrative errors and reflect various administrative changes in the Council including the titles of Council Panels, departments and roles.

3.2 The Scheme describes how Community Councils in South Ayrshire are formed; the conditions under which they operate, and the minimum standards to be met for recognition as a Community Council.

3.3 On 23 June 2023 Cabinet approved changes to the Scheme and guidance for Community Councils to reflect administrative and Cabinet decisions.

3.4 On 28 November 2023 Cabinet approved boundary changes between Crosshill, Straiton and Kirkmichael and Maybole Community Council ward following the consultation (June 2023 – September 2023).

- 3.5 On 29 October 2024 Cabinet approved Officers to update the Scheme to reflect required updates and clarification on points within the Scheme.
- 3.6 Following a call-in, the report and recommendations from Cabinet on 29 October 2024 were reviewed and presented to Audit and Governance Panel on 6 November 2024. Subsequently the recommendations were approved at Cabinet on 26 November 2024.
- 3.7 Since the introduction of the current Scheme for Establishment of Community Councils and Guidance for Community Councils came in to use, there have been concerns raised by both SAC Officers and Community Councils regarding the size of the documents and the working practicalities on certain aspects of the Scheme.
- 3.8 On 7 November 2024 SAC Officers met with Chairs and Secretaries of Community Councils and agreed Officers would seek approval to carry out a consultation on the Scheme.
- 3.9 On [18 March 2025](#) Cabinet approved Officers to consult on the current Scheme and bring a further report back to Cabinet with proposals setting out a further consultation on the new draft proposals.
- 3.10 The first stage of consultation took place between 24th March 2025 and 16th May 2025. The consultation was open to local residents across South Ayrshire, Community Councils, community groups and organisations or any individual or group directly or indirectly impacted by the Scheme. Findings from the consultation were presented to [Cabinet](#) on 26th August 2025.
- 3.11 Cabinet approved officers to commence stage 2 of the consultation that took place between 8th September 2025 – 2nd November 2025. Findings from the consultation were presented to [Council](#) on 11th December 2025.
- 3.12 Council approved the draft Scheme on 11th December 2025 and approved for Officers to commence stage 3 of the consultation that took place between 15th December 2025 and 18th January 2026.
- 3.13 Feedback from stage 3 of the consultation is noted in Appendix 1. The main points noted from stage 3 of the consultation include:
- The administration grant
 - The process to support the ongoing review of the Scheme
 - The supported status process and complaints process
 - The Model Scheme
- 3.14 As part of the consultation Officers have engaged with other local authorities and reviewed various Schemes. Officers have also reviewed the 'Model Scheme' Appendix 3. As previously noted at Council the Model Scheme is designed to provide a common, minimum basic, framework for local authorities and each local authority is responsible for consulting on and agreeing its own Scheme.

4. Detail

- 4.1 Following the robust engagement and consultation process, Officers are recommending that the draft Scheme for Establishment of Community Councils is approved.

- 4.2 Officers are therefore recommending that:
- 4.2.1 the Council approves the draft Scheme for Establishment of Community Councils;
 - 4.2.2 approval is granted to publish the new draft Scheme for Establishment of Community Councils, with an implementation date of 1 April 2026; and
 - 4.2.3 officers update the Scheme of Delegation to reflect changes to the Scheme for Establishment of Community Councils.

5. Legal and Procurement Implications

- 5.1 There are no legal implications arising from this report, however it has been noted by Legal that the Scheme of Delegations and Sub-delegations from the Director of Communities and Transformation will be revised and redrafted to correctly reflect the powers currently being exercised by Officers or any updates to these powers once the Scheme For Establishment of Community Councils has been approved.
- 5.2 There are no Procurement implications arising from this report.

6. Financial Implications

- 6.1 There will continue to be recurring revenue costs for SAC to support Community Councils, this includes administration budgets for Community Councils and staffing costs to support Community Councils.

7. Human Resources Implications

- 7.1 There are no HR implications in this proposal however there is a requirement to continue supporting Communities with internal staffing resources.

8. Risk

8.1 Risk Implications of Adopting the Recommendations

- 8.1.1 There are no risks associated with adopting the recommendations contained within this report.

8.2 Risk Implications of Rejecting the Recommendations

- 8.2.1 Rejecting the recommendations would mean Officers could not publish the new updated Scheme and adopt the recommended updates and changes.
- 8.2.2 Rejecting the recommendations may impact on the reputation of the Council.

9. Integrated Impact Assessment (incorporating Equalities)

- 9.1 An integrated impact assessment has been carried out for this report.

10. Sustainable Development Implications

- 10.1 **Considering Strategic Environmental Assessment (SEA)** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

- 11.1 An options appraisal has been carried out in relation to the subject matter of this report. The following table summarises which options were considered and their ranking of preference:

Option	Description	Ranking
1. Approve, adopt and publish the new updated Scheme.	Adopt the new Scheme following the consultation.	1
2. Do not adopt the recommendations and adopt the new Scheme.	By rejecting the recommendations and not adopting the new Scheme Officers will continue to use the existing Scheme.	2

It is recommended that the Scheme is approved, adopted and published by SAC Officers.

12. Link to Council Plan

- 12.1 The matters referred to in this report contribute to Priority 1, 2 and 3 of the Council Plan: Spaces and Place; Live/ Work/ Learn; Civic and Community Pride

13. Link to Shaping Our Future Council **No**

- 13.1 The matters referred to in this report contribute to the Council's transformation priority area(s): our workforce; our technology; our assets; our delivery model and could deliver cashable, qualitative and quantitative benefits in the future.

14. Results of Consultation

- 14.1 There has been a robust consultation and the findings have been included in the reports.
- 14.2 Consultation has taken place with Councillor Brian Connolly, Council Leader and Policy Lead for Economy and Strategy, and the contents of this report reflect any feedback provided.

15. Next Steps for Decision Tracking Purposes

- 15.1 If the recommendations above are approved by Members, the Director of Communities and Transformation will ensure that all necessary steps are taken to

ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Publish Scheme	1 st April 2026	Jamie Tait

Background Papers **Report by Director of Communities and Transformation**
Council [11th December 2025](#)

Report by Director of Communities and Transformation
Cabinet [26th August 2025](#)

Report by Director of Communities and Transformation
Cabinet [18th March 2025](#)

Person to Contact **Jamie Tait Assistant Director Communities**
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Email Jamie.tait@south-ayrshire.gov.uk

Date: 30 January 2026

Stage 3 Consultation Feedback

Stage 3 of the consultation opened on 15th December 2025 and closed 18th January 2026.

All Community Councillors were sent the survey, via email, on 16th December 2025, with a further reminder sent on 5th January 2026.

The consultation was available online on Your Area, Your Voice, Your Choice Platform and responses can still be accessed via the website [Consultations - Past](#)

There was a total of six responses to the consultation.

One submission by Barr Community Council was submitted after the closing date, however the response has been reviewed by Legal and Officers within Thriving Communities and included in the report.

Responses

Dundonald Community Council. Response to Final Consultation regarding the Scheme of Establishment for Community Councils submitted 18th Jan 2026

1.0 Summary

1.1 Dundonald Community Council is in recess over the Christmas New Year period. Our first meeting following commencement of the above consultation is on the 12th Feb 2026. In view of the importance of this consultation however, the Community Council held a special meeting for this one item in private premises on the 17th Jan 2026.

1.2 Following the meeting, this response was prepared, representing the consensus of views and was approved following circulation by e mail. This response therefore represents the collective views of the Community Council. The document is being submitted in standard report format because the online portal is not geared towards a collective group response.

2.0 Background

2.1 Dundonald Community Council submitted an initial response to the Consultation on the 'Scheme of Establishment' on the 8th May 2025. This response was approved unanimously by the Community Council. The response was initially rejected because it was not completed online. The Council thereafter accepted the response after realizing that the online platform precluded responses from 'groups and organizations'. The online consultation platform at that time only accepted responses from individuals. We understand however that at least one other Community Council debated the consultation and submitted a collective response.

2.2 In our consultation response of 8th May 2025 we focused on three key issues.

2.3 Firstly, the benchmark for the new 'Scheme' should be the 'Model' document approved by Scottish Government and COSLA. This document is much shorter, concise and reflects the independence of community councils. Perth and Kinross Council was the first Council in Scotland to adopt the model document. Perth and Kinross is an appropriate Council to benchmark with, being geographically similar to South Ayrshire but much larger with respect to population and budget. The Perth and Kinross 'Scheme' runs to just 37 pages including preface, table of contents etc. It is respectful of the independence of Community Councils and does not impose 'governance' on Community Councils. In Perth and Kinross, Community Councils effectively self-govern provided they maintain the statutory minimum number of members.

2.4 Secondly, our response raised deep concerns over the requirement of South Ayrshire Council to be 'Compliant'. The existing 'Scheme' requires Compliance with South Ayrshire Council and consequently undermines the role of a Community Council as an independent body.

2.5 Thirdly, South Ayrshire Council maintains a bureaucratic and complicated Complaints process. Perth and Kinross Council addresses this with the simple position that complaints will be passed to community councils and the Council will play no role in this. This statement clarifies that Community Councils are self governing and independent.

2.6 Following the lengthy period of document development and further consultations, Dundonald Community Council is dismayed to find that the above issues have actually been made more onerous. Details of our concerns are listed below.

3.0 Comments on current draft Scheme

3.1 Introduction - comments

Text in the Model Scheme

Community councils have a statutory right to be consulted on applications for planning permission and have a key role as per the Planning (Scotland) Act 2019 in engaging with the statutory planning system.

Additional Text in SAC version

'Community Councils may also undertake other functions within the terms of their Constitution. It is the responsibility of a Community Council to satisfy South Ayrshire Council that it has taken positive steps to ascertain the views of the wider community within their area, before making representations on any matter, on behalf of the community, which for the most part is comprised of residents.

It should be remembered that a Community Council can only act collectively. The law does not permit individual Community Councillors any special place to act independently.'

3.2 The above addition to the introductory paragraph in the SAC Scheme clearly implies that the Council is applying governance to a Community Council through requiring evidence of decision making before accepting a Community Council response. We recognise that Community Councils are imperfect, we try and sound out communities before articulating

views. It is a fact however that few people engage with local issues, the Community Council can endeavour to engage through meetings etc but we cannot prove beyond reasonable doubt that the views we express are fully representative of the local community. On almost any matter, the Council could reject our position on the grounds that we cannot prove we have fully engaged.

3.3 This test of compliance is wholly at odds with the position in respect of paid elected members of the Council. Elected Members may represent their communities without requirement to provide evidence. Indeed many decisions made by the Council are reflective of political party lines and have little bearing on community views.

3.4 Dundonald Community Council considers that our role is compromised by the conditions SAC have added into the Model Scheme Introduction.

3.5 Section 10 **Compliance** - comments

3.6 SAC have added in a lengthy section on compliance which is not in the 'Model' Scheme. SAC at Service Lead level and without Committee approval, can place a Community Council into 'Supported Status'. It can do this if the Service Lead considers that the Community Council is not complying with the scheme. In consequence, a Community Council becomes a Steering Group and ceases to have a statutory role in consultation. The decision can be appealed, again only by reference to a Council Officer not a Committee. This clearly imposes hierarchical governance on Community Councils. This governance imposes officer control over democratically elected local community councillors. It is the view of Dundonald Community Council that this aspect of the Scheme, as well as being an insult to the independence of an unpaid body of volunteers, breaches the terms of the Local Government (Scotland) Act 1973.

3.7 Section 10 **Complaints** - comments

3.8 Section 10 of the SAC Scheme refers to **Appendix 6, the Complaints** process.

3.9 Again this is an addition to the 'Model' Scheme. As discussed previously Perth and Kinross Council advises in its Scheme that complaints will be directed to and dealt with by Community Councils.

'extract from Perth and Kinross approved Scheme:-

77;. Complaints? Community Councils are responsible for dealing with any complaints made about their individual members" or collective conduct; Any complaints that are sent to Perth and Kinross Council will be passed onto the appropriate Community Council; Perth and Kinross Council has no official role in dealing with complaints but has produced a guidance note that can offer some guidance and assist community councils in dealing with a complaint;"

3.10 By contrast, Appendix 6 of the SAC Scheme comprises some five pages of complex bureaucratic procedures. It is comparable to the Complaints procedure of a large corporate body. It is not consistent with a volunteer body with very limited powers other than to 'express a view'. Significantly, there are a large number of grounds which are acceptable as complaints.

Most do not apply to the Council's complaints procedure with respect to elected members. In particular, the ground for complaint "Bringing the Community Council into disrepute eg misrepresenting the views and interests of the local community' does not apply to the Council and would not be acceptable as a valid complaint under the Council's complaints procedure. This ground for complaint is almost wholly subjective.

3.11 How could a complaint which claims misrepresentation of a community be tested without evidence of a major piece of work such as a Referendum. It is also the case that if a Community Council were to oppose a planning application, a developer would simply file a complaint that the Community Council 'misrepresented the Community'. This would nullify the Community Council position in both the Council decision making process and any subsequent Appeal. As an example, Dundonald CC recently supported the Council in an Appeal against the refusal of wind turbines close to Dundonald Castle. The Community Council provided supporting evidence at the Appeal Hearing. If the current proposal for the Scheme was to be ratified, the developer would simply file complaint and the Community Council would be neutralised until a lengthy and costly bureaucratic process of investigation had been completed. This does not in any way support the independent status of a Community Council and runs counter to local democracy.

3.12 It is also the case that the approach South Ayrshire Council is taking, is resource intensive on Council services. South Ayrshire Council was criticised in the 24/25 report by Audit Scotland for unsustainable financial management through over use of reserves. The report states 'There are no plans in place yet to identify how the medium term budget gaps will be filled;' Dundonald Community Council consider that South Ayrshire Council should look to Perth and Kinross Council who are praised by Audit Scotland in the 24/25 Audit report which states 'Appropriate arrangements are in place for financial sustainability despite the challenging financial environment in which the council is operating.'

4.0 Conclusion

4.1 In conclusion, the Community Council does not support the draft Scheme for the Establishment of Community Councils in its current form. Dundonald Community Council considers that the draft scheme would be a significant disincentive to new volunteers, is undemocratic, unnecessary and wasteful of valuable Council resources. There is also a feeling amongst existing Community Councillors that 'enough is enough'. We give time and effort freely, we are not corporate employees. We strongly urge South Ayrshire Council to reconsider the current draft and revert to a Scheme which aligns more closely with the model Scheme as approved by Scottish Government and COSLA and adopted by Councils like Perth and Kinross Council.

Dundonald Community Council

17th Jan 2026

Response received via email on 13th January 2026.

Claire Erskine – Ballantrae Community Council

Good afternoon,

My initial thoughts are very positive and I appreciate the work that has gone into this to make our job as community councillors and office bearers easier.

Some things I noticed whilst reading -

- Associate members - This would be Ruby as minute sec, Laura as advisor, colin as accounts all members with no voting rights (we were doing this as co-opted with no voting rights but makes it official)
- Recorded meeting (with consent), makes ruby's job a lot easier for minutes.
- Quorum 3 or 1/3rd of voting members, we rarely fall below quorum but this will assist when like before the holidays due to illness and work commitments we had to cancel.
- Travel expenses and minute secretary payments all covered in the scheme.
- I also noticed that we can raise money and use it so that would cover our big Fun on the foreland event last year and money can be banked and used for the following year.
- An agenda for the AGM, great addition after me making one myself last year.

Further Responses regarding suggested changes:

[Community Engagement 2](#) • [2026-01-16 16:46:39](#)

In relation to the Admin Allowance This list is not exhaustive and enquiries regarding acceptability of items other than those noted above should be referred to the Service Lead, Thriving Communities of South Ayrshire Council. AD

[Community Engagement 2](#) • [2026-01-16 16:45:22](#)

“Community Council membership should reflect the various wards within the council area. However, if there are insufficient nominations from a sub-ward during an election, or if representation is lacking, the Service Lead, Thriving Communities of South Ayrshire Council may, at the Community Council’s request, remove sub-warding within the affected areas”.

If the removal of sub-warding results in a vote, if there any candidates from the sub-ward wherein there are insufficient nominations, any candidate from the sub-ward wherein there are insufficient nominations will be deemed elected prior to any further vote. AD

[Community Engagement 2](#) • [2026-01-16 15:08:07](#)

“This will involve them articulating the views and concerns of local people in their area on a wide range of issues of public concern and make representations to their council, other public sector bodies and private agencies on matters within their sphere of interest”.

including common town centre projects and major traffic flow routes affecting all residents of a localised associated town. AR

[Community Engagement 2](#) • [2026-01-16 15:12:31](#)

“Each new Community Council is required to adopt a constitution. A standard template is provided in Appendix 2, together with a standard template for Standing Orders provided in Appendix 4, to encourage and facilitate their proceedings being properly structured and regulated, to ensure that items of business relevant to the community are properly debated and decisions reached in a democratic manner. Community Councils have the power to change the Constitution and Standing Orders subject to approval by South Ayrshire Council”.

‘are properly debated and decisions reached in a democratic manner’. This is open to opinion what is ‘properly’. This is a potential opening for a can of worms. This can attribute far too much work for a CC to organise. It should be sufficient to publish proposals on designated noticeboards and media via agendas and have anyone to make comment via email or in person prior to or at a meeting and a vote to take place by an attending quorum of members at a meeting. The public are encouraged to participate in CC business via this medium. AR

[Community Engagement 2](#) • [2026-01-16 15:09:31](#)

“Have in place consultative mechanisms to ascertain, co-ordinate and reflect the views of all sectors of the community which it represents. Community Councils should liaise with other community groups within the area and seek to fairly express and consider the diversity of opinions and outlooks of the people within the course of the community council business”. Most of our decisions are of low overall priority. Say for example to buy a bench for a particular location. This clause is then rather over the top for this example and therefore not discerning enough. If the SG or Council were to propose 20mph throughout a large area of our remit then it should be sufficient to publicise this fact and ask for email comments over a period of time. This then puts the onus on the public to participate. The council never ensures that their consultation reach all and responses can be as low as a few percent and really not a reflection of all at all. Open to opening a can of worms. AR

[Community Engagement 2](#) • [2026-01-16 15:13:18](#)

“Review the Scheme, both periodically and in response to representations made, and where amendments are required to propose, consult, and vote on those amendments in terms of section 53 of the Local Government (Scotland) Act 1973”.

Each representation is considered on merit and on operational necessity for timely implementation into the S of E. We must avoid SAC saying as they have in the past, no one else has complained or made that suggestion as a way of a non-timely implementation. The S of E is a live publication and should be updated promptly. AR

[Community Engagement 2](#) • [2026-01-16 15:14:14](#)

“Any request to create a new or amend existing Community Council boundaries by (1) the merging of 2 community council areas or (2) changing the boundaries of existing Community Councils must be made in writing to South Ayrshire Council. Such request should demonstrate local support for the proposal, including the agreement of existing Community Council(s)”

unless it is deemed by SAC as an obvious nonfunctioning boundary error. AR

[Community Engagement 2](#) • [2026-01-16 15:14:55](#)

“The first minuted meeting in April of each Community Council following, the four yearly Full Election, shall be a meeting of the newly elected members only convened by a representative of South Ayrshire Council (usually the Link Officer) or an Elected Member within 30 days from 1st April. The business of that meeting will include adoption of a Constitution and Standing Orders, appointment of office bearers and any outstanding business matters from the outgoing Community Council”.

A regular meeting of the CC may then take place with newly elected office bearers in place thereafter. AR

[Community Engagement 2](#) • [2026-01-16 15:15:27](#)

- Promoting the Community Council within the Community one example Communal Christmas tree and lights

- Donations to Groups (max £150)

Clarify here required ‘Community Groups’ max £150/group? Or to all Groups max £150? If the latter, this should increase £250 to groups \geq to 3.

- An amount of (max £150?) carry over into the next year AR

[Community Engagement 2](#) • [2026-01-16 15:16:52](#)

“An initial decision on supported status can be appealed in writing to the Chief Governance Officer of South Ayrshire Council within 14 days of the decision being notified to the Community Council (the initial notification and any appeal should be in writing, in the form of a dated formal email and/or letter)”.

Some leeway may be extended for a CC in recess on notification of the latter to SAC. AR

“Prior to such a recommendation being made to the Council of South Ayrshire Council, the Community Council will be advised in writing and given 14 days from the date of the notification to make written representation to the Chief Governance Officer of South Ayrshire Council, as to why such a recommendation should not be made”.

Some leeway may be extended for a CC in recess on notification of the latter to SAC
Not on Consul Appendix 1 Map – consider providing links to larger individual area maps

[Community Engagement 2](#) • [2026-01-16 15:17:56](#)

“to ascertain, co-ordinate and reflect the views of the community which it represents, to liaise with other community groups within the area, and to fairly express the diversity of opinions and outlooks of the people;”

who engage with Community Council members or through local media from which CC members could be made aware of such views. AR

“to express the views of the community to the local authority for the area to public authorities and other organisations:”

to this end local Ward Councillors are therefore encouraged to attend CC meetings as often as possible.

[Community Engagement 2](#) • [2026-01-16 15:19:08](#)

AR (a) Where a vacancy arises, the Community Councillors can agree to fill the vacancy in accordance with Scheme Clause 4 relating to Co-option, initially from a reserved list and subsequently from wider advertising. South Ayrshire Council requires to be notified if the membership falls below half.

[Community Engagement 2](#) • [2026-01-16 15:20:45](#)

“The Community Council may appoint Community Councillors to sub-groups of the Community Council and shall determine their composition, terms of reference, duration, duties, and powers”

and ratified within minutes. AR

“Property and other assets belonging to the Community Council shall be vested in the Chair, Secretary and Treasurer of the Community Council and their successors in these respective offices”.

Date obtained and value or approximate value against an asset should be recorded with any receipt of purchase kept by the secretary. AR

[Community Engagement 2](#) • [2026-01-16 15:51:29](#)

You have a duty to establish and reflect, through the Community Council, the views of the community as far as it is reasonably known, on any issue, irrespective of personal opinion.

“You have a duty to take decisions solely in terms of the interests of the community that you represent”

and seek the collective majority view of your other Community Councillors where appropriate.
AR

[Community Engagement 2](#) • [2026-01-16 15:52:15](#)

“If you have dealings with the media, members of the public, or others not directly involved in your Community Council, you should ensure that an explicit distinction is made between the expression of your personal views written or verbally witnessed and opinions from any views or statement made about or on behalf of the Community Council.” AR

Further Queries

“Harassment is any unwelcome behaviour or conduct which has no legitimate purpose and which makes someone feel (arbitrary) offended, humiliated, intimidated, frightened and/or uncomfortable. Harassment can be experienced directly or indirectly and can occur as an isolated incident or as a course of persistent behaviour.

Harassment can take the form of unwelcome physical contact; inappropriate remarks or questioning; intrusive questioning; and the sending of unwelcome emails, messages, or notes. This is by no means an exhaustive list.

Bullying is inappropriate and unwelcome behaviour which is offensive and intimidating, and which makes an individual or group feel undermined, humiliated, or insulted. It is the impact of the behaviour rather than the intent which is the key. Bullying can arise because of an individual misusing their power and can occur through all means of communication. Bullying can be a pattern of behaviour or a one-off serious incident that becomes objectionable or intimidating. This can include the unwelcome physical, verbal, or non-verbal conduct; intimidatory behaviour; disparaging, ridiculing or mocking comments and remarks; physical violence; deliberately excluding an individual from conversations or activities in which they have a right or legitimate expectation to participate. This list is not exhaustive”.

Offended can be attributed to a personal whim. The word cannot be used as definitive in all cases; it is open to malicious abuse and interpretation. WOKE

All of this section can be very subjective by the recipient of the degrees of acceptance by any one and differing individuals. By writing down too much information you are giving too much to actual interpretation without concern of the circumstances which may also be of relevance and again far too much opportunity for malicious intent in a complaint for example.

Where is the balance, the fairness? If you want to write this then you must have a section here on malicious accusations of harassment, offensive, bullying, humiliated, intimidating etc and how this may be judged. AD

Not noted on Consul

“1.3 This list is not exhaustive. These issues cannot be dealt with and will not be progressed as complaints. Individuals will be redirected accordingly,”

if necessary. Where will they be redirected to? and Who will be the initial arbiter in this regard?
AD

You can complain with accompanying evidence and/or circumstance about things

[Community Engagement 2 • 2026-01-16 15:53:07](#)

“Some complaints, while simple and straightforward will not be suitable to be handled by the Community Council themselves ([why?](#)) due to the involvement of office bearers. In such cases, the Senior Communities Officer will progress this to a stage 2 procedure”.

Does this mean where more than one office bearer is subject of the complaint ie plural? If only one is involved I see the remaining CC members are quite capable of handling the complaint at stage 1. If SAC like, they can incorporate the presence of a link officer observer. Stage 2 takes far too long and is too cumbersome and wastes everyone’s time. Maybe you need to take out the words ‘due to the involvement of office bearers’ and leave it at that. Possibly add in CC themselves ‘as determined by the Senior Communities Officer’. 7.4 as it is, is not progress in this new document, makes no sense at all for something that is simple and straight forward to go to stage 2 where a decision is already made in 7.2. AR

[Community Engagement 2](#) • [2026-01-16 15:54:44](#)

“Where it has not been possible to resolve the complaint or the complainant is not satisfied with the outcome, they can request that the Senior Communities Officer progress their complaint to a Stage 2 procedure”.

No, No, No, It should not say without clarification to, ‘or the complainant is not satisfied with the outcome’ They must explain why they are not satisfied having presented their corroborative evidence and circumstances without hearsay in the first instance and what explanation in the CC reported outcome they are not satisfied with and why with reasoning and without introducing new evidence. If new evidence is introduced the full complaints process is restarted with all parties contributing. Did we not learn anything from my experience? It can’t just be they are not satisfied with the outcome, decided by a panel of CC members without material reason.

[Community Engagement 2](#) • [2026-01-16 15:55:25](#)

“The Senior Communities Officer will identify where the complaint is valid and relates to a Stage 2 procedure and advise the parties. They shall notify the Community Council or Community Councillor concerned and the complainant that they have up to seven (7) days to provide a written statement to support their position and that the written statements would form part of the information provided to the Complaints Panel,

whilst in stage 1 the text of the complaint is written and the corroborative evidence and circumstances is written. Here the accused can respond to the complaint in writing for the hearing in a stage 1 determination. Here in Stage 2 there doesn’t seem there is any provision for the accused to respond to the statement supporting the complaint or indeed the further statement before it goes to the panel. This is fundamentally wrong particularly if it has been determined to go straight to stage 2 by 7.2 or a further statement of why the complainant is unsatisfied was not shown to the accused prior to it going to the panel of 3. It is also worthwhile asking parties for a circumstances statement”. AR

[Community Engagement 1](#) • Author • [2025-12-18 10:26:50](#)

Brought forward from previous consultation

“Q. p8 2.23 CC member who has declared financial or other interest in relevant matters coming before the CC - The CC member could assume the rights of a member of the public, and give comment but not be involved in the decision making process as a community councillor on that matter?

R. The Community councillor cannot choose to assume the rights of a member of the public. They are for the purpose of the proceeding a member of the community council with the power to make and influence decisions on the matter, it is for this reason that if they have an interest in the relevant matter being discussed, they must declare and withdraw from the proceedings and discussions involved in making the decision, to avoid the accusation/perception of bias/undue influence or swaying the decision their way.

Therefore, will remain as it is in the final draft proposal”.

[Community Engagement 1](#) • Author • [2025-12-18 10:17:43](#)

“Brought forward from previous consultation

Q 4.4 Co-opted members must be eligible for membership of the Community Council as detailed in Section 2 of the Scheme. In addition, they must have attended some previous CC meetings. Reserves may initially be taken from the 4 yearly elections if still available and thereafter there is a need to advertise for co-option.

R. Scheme section 2 details eligibility for membership, there should be no additional eligibility criteria for Co-opted members, as the community councillor membership does not require them to have attended some previous meetings before standing for election to become members, then should not be mandated for co-opted members”.

[Community Engagement 1](#) • Author • [2025-12-18 10:07:20](#)

“Brought forward from previous consultation

Q. 12. Complaints There needs to be a statement that complaint procedures should not appear in regular minutes when the complaint is internal to CC members or indeed made by a member of the public??

R. To be added to Good Practice Guidance

While not all details need to be discussed at a public meeting or recorded in full in the minutes, the minutes should acknowledge when a complaint has been received and note how it is being dealt with, including any updates as the process progresses. The outcome should also be recorded in the minutes once the process is complete.

Q. What constitutes a breach and what constitutes a serious breach?

R. Providing a definite response is hard since each complaint requires its own individual consideration.

Q. When is it appropriate to arbitrate just by the Chair, do we really need to say chairperson?

R. No, we don't, proposed changing all references to Chairperson to Chair throughout the document”.

[Response from Barr Community Council received 21st January 2026](#)

Response to Consultation on the Draft Scheme of Establishment

Barr Community Council does not support the draft Scheme in its current form.

The document has made a community council a more pointless endeavour. It appears carefully engineered to consolidate control by South Ayrshire Council over bodies that are supposed to exist to provide an independent local voice. What should be a light touch framework has instead become a dense administrative instrument whose primary beneficiary is South Ayrshire Council itself rather than the communities it purports to serve.

The tightening of the complaints framework and the expansion of compliance mechanisms continues to move any power away from community volunteers and towards unelected officers. The complaints process now resembles that of a large corporate or statutory body, not a

volunteer body whose only real function is to express opinion and represent local sentiment.

Similarly, the revised resignation and intervention mechanisms appear to have been drafted reactively in response to recent local disputes Barr. You would hope that frameworks are not supposed to be written in a huff, nor calibrated to soothe institutional bruised egos.

A far better alternative already exists.

Scotland's local authorities jointly fund the Improvement Service, whose suite of model documents for Community Councils has been formally approved by both COSLA and the Scottish Government. These model documents deliberately simplify language, reduce unnecessary bulk, and preserve the independence of Community Councils. A working, nationally endorsed template already exists but the fact that South Ayrshire Council has chosen to build out its procedural defences says a lot about the officers involved.

Barr Community Council urges South Ayrshire Council to withdraw the current draft and realign the Scheme with the nationally approved model. A Scheme should empower community participation, not regulate it into subjection.

Margaret Milligan – Prestwick Community Council 18th January 2026

Dear Jodie,

Prestwick Community Council would like to register the following comments on the above:

Paragraph 8.5 CC allowance refers to the annual allowance made by SAC to community councils. In our opinion there are at least two interrelated issues.

1. The fact that the allowance has been pinned back at £800.00 for more than 17 years. You will appreciate that the real value has been eroded significantly by inflation in the interim, making it a struggle to ensure basic functions are carried out. We would expect therefore that this matter would have been reviewed as part of the current process and the sum restored to an equivalent level in real terms. Thereafter the allowance should be updated on an annual basis.
2. Missing from previous reviews, we would now expect an explanation for why £800.00. What factors have SAC used to arrive at this figure, and how are they sustained and indeed justified?

We look forward to hearing from you.

Yours sincerely,
Margaret

Margaret Milligan

Secretary
Prestwick Community Council

South Ayrshire Council

Scheme for Establishment of Community Councils 2026

Incorporating Constitution, Standing Orders, Community Council Members Code of Conduct

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DRAFT

INTRODUCTION

Community Councils were first established in Scotland following the Local Government (Scotland) Act 1973. Thereafter, the Local Government etc. (Scotland) Act, 1994, produced the current system of unitary local authorities and made provision for the continuation of Community Councils. Under the legislation, every local community within an identified Community Council boundary area in Scotland is entitled to Petition their local authority to establish a Community Council.

Community Councils are voluntary bodies which exist within a statutory framework, and which have been granted statutory rights of consultation. They can complement the role of the local authority but do not form any part of local government.

Community Councils may also undertake other functions within the terms of their Constitution. It is the responsibility of a Community Council to satisfy South Ayrshire Council that it has taken positive steps to ascertain the views of the wider community within their area, before making representations on any matter, on behalf of the community, which for the most part is comprised of residents.

It should be remembered that a Community Council can only act collectively. The law does not permit individual Community Councillors any special place to act independently.

STATUTORY PURPOSES

The general purpose of Community Councils established under the Scheme is set out in Section 51 (2) of the Local Government (Scotland) Act 1973, as follows: -

“In addition to any other purpose which a Community Council may pursue, the general purpose of a Community Council shall be to ascertain, co-ordinate and express to the local authorities for its area, and to public authorities, the views of the community which it represents, in relation to matters for which those authorities are responsible, and to take such action in the interests of that community as appears to it to be expedient and practicable”

ROLE & RESPONSIBILITIES OF COMMUNITY COUNCIL

The general purpose of Community Councils is to act as a voice for their local area.

This will involve them articulating the views and concerns of local people in their area on a wide range of issues of public concern and make representations to their council, other public sector bodies and private agencies on matters within their sphere of interest.

It is essential that these views be demonstrated to be accurately representative of the community. Accordingly, the Community Councils will have in place, recognised consultative mechanisms, to validate their views and devise strategies to secure greater involvement by all sectors of the community. The National Standards for Community Engagement are a helpful resource and are available at <https://www.scdc.org.uk/what/national-standards/>

Role

- a. Community Councils have a statutory right to be consulted on planning applications. Licensing matters and any other matters may also be jointly agreed between Community Councils, South Ayrshire Council and other public sector and private agencies.
- b. Community Councils are a community participation body under the Community Empowerment Act 2015 and may make requests in relation to the following provisions:
 - Part 3 Participation Requests
 - Part 4 Community Right to Buy
 - Part 8 Common Good
 - Part 9 Allotments.
- c. Community Councils may carry out other activities that are in the general interests of the communities they represent, provided these activities fall within the objects of their Constitution and the terms of South Ayrshire Council's Scheme for Establishment of Community Councils.
- d. There should be mutual engagement in the establishment of working relationships with South Ayrshire Council and other agencies.
- e. In carrying out their activities, Community Councils must always adhere to the law and the terms of the law and the terms of South Ayrshire Council's Scheme for Establishment of Community Councils.
- f. Each new Community Council is required to adopt a constitution. A standard template is provided in Appendix 2, together with a standard template for Standing Orders provided in Appendix 4, to encourage and facilitate their proceedings being properly structured and regulated, to ensure that items of business relevant to the community are properly debated and decisions reached in a democratic manner. Community Councils have the power to change the Constitution and Standing Orders subject to approval by South Ayrshire Council.

Responsibilities

Community Councils have a duty under statute to represent the views of their local community. It is vital therefore, that they reflect the broad spectrum of opinion and interests of all sections of the community.

It is essential that these views are shown to be accurately representative of the community i.e. evidenced consultation; agendas and minutes from special meetings; questionnaire responses.

To fulfil their responsibilities as effective and representative, Community Council shall:

- a. Be non- political. Community Councils are non-political organisations and shall not demonstrate any political allegiance in their duties for Communities.
- b. Inform the community of their work through newsletter and online social media platforms, display agendas and minutes of meetings in public places (such as libraries and notice boards).
- c. Provide publicly available contact information such as names, email addresses and website links to enable members of the public to contact them.
- d. Have in place consultative mechanisms to ascertain, co-ordinate and reflect the views of all sectors of the community which it represents. Community Councils should liaise with other community groups within the area and seek to fairly express and consider the diversity of opinions and outlooks of the people within the course of the community council business.
- e. Agendas of meetings and draft minutes shall be made available for members, South Ayrshire Council, and public access within the Community Council area at least 7 working days prior to the meeting date (except in cases deemed to be an emergency meeting being called under the Special Meetings, see 7.13).
- f. Approved minutes of every meeting shall be distributed by the Community Council within 14 days to members, South Ayrshire Council and other interested parties within the area and including any social media platforms and website.
- g. Seek to broaden both representation and expertise by promoting the associate membership of the Community Council of persons (not eligible for election to the Community Council) for specific projects/issues.
- h. Make efforts to encourage young people and other underrepresented groups to attend/participate in Community Council meetings and to ensure equality of opportunity in the way the Community Council carries out its functions.
- i. Maintain proper financial records and present regular financial reports at Community Council meetings.
- j. Inform South Ayrshire Council of any change in membership (resignations, co-option, and associate membership) as soon as practicable and record any such changes in membership at the next ordinary meeting.

- k. Community Councillors have a responsibility to make sure that they are familiar with, and that their actions comply with, the principles set out in the '*Community Councils Code of Conduct*' and this governance document.

ROLES AND RESPONSIBILITIES OF SOUTH AYRSHIRE COUNCIL

Role

Create a Scheme for Establishment of Community Councils in South Ayrshire with the provision of boundary maps.

Responsibilities

- a. Arrange for establishment of Community Councils upon receiving 20 signatures of electors in that area in terms of section 52(7) of the Local Government (Scotland) Act 1973.
- b. Review the Scheme, both periodically and in response to representations made, and where amendments are required to propose, consult, and vote on those amendments in terms of section 53 of the Local Government (Scotland) Act 1973.
- c. To support Community Councils to conform to the requirements of this Scheme and provide structured support to Community Councils and their members.
- d. To arrange elections for Community Councils.
- e. To provide an administrative grant to cover administrative costs as per Scheme 8.7.
- f. To consult with and/or notify Community Councils on planning applications and licensing applications.

Within the resources available, South Ayrshire Council shall endeavour to:

- g. Provide a consistent level of support to Community Councils across the local authority area within available resources.
- h. Offer advice and assistance to Community Councils for development and training on such things as the duties and responsibilities of office bearers, the role of Community Councils, the functions of South Ayrshire Council and other relevant topics.

1. COMMUNITY COUNCIL AREAS WITHIN SOUTH AYRSHIRE

South Ayrshire Council has produced a list of named Community Council areas and a map that defines their boundaries. The list of community areas is specified in

Appendix 1 of the Scheme. These can be modified with the prior approval of South Ayrshire Council.

Any request to create a new or amend existing Community Council boundaries by (1) the merging of 2 community council areas or (2) changing the boundaries of existing Community Councils must be made in writing to South Ayrshire Council. Such request should demonstrate local support for the proposal, including the agreement of existing Community Council(s).

2. MEMBERSHIP OF COMMUNITY COUNCILS

- 2.1 Minimum core membership is 9 and maximum is 18.
- 2.2 The minimum age to stand for election as a Community Councillor is 16 years of age.
- 2.3 Qualification for membership is by residency within the specific Community Council area.
- 2.4 Community Council candidates for membership must be named on the current electoral register for the Community Council area in which they reside as a local government elector.
- 2.5 For the duration of your term as a Community Councillor, you must continue to meet the criteria.
- 2.6 Any previously eligible elected Community Councillors who move to reside out with the Community Council boundary area shall become ineligible to remain as a member of the Community Council. Under these circumstances, the Community Council shall actively seek to fill the vacancy.
- 2.7 The absolute minimum number of members for a Community Council to remain established is one half of its stated constituted membership. However, South Ayrshire Council should be advised immediately if the Community Council membership falls to half or less of its voting membership.
- 2.8 There shall be provision made for non-voting Associate Membership for purposes, as defined by each Community Council.
- 2.9 No elected member of South Ayrshire Council shall be eligible to be a member of a Community Council. If a member of a Community Council is so elected, they will be deemed to have resigned from the Community Council the day after the result of the Local Government election is declared.

- 2.10 Elected members of the Scottish and United Kingdom Parliaments are entitled to become ex-officio members of Community Councils, with no voting rights.

Disqualification of Membership

- 2.11 Members who cease to reside in the Community Council area will be deemed to have resigned.
- 2.12 If any member of a Community Council fails to attend a Community Council meeting in a 6-month period, with or without submitting apologies, the Community Council shall advise South Ayrshire Council and terminate their membership. However, at the discretion of individual Community Councils, a period of leave of absence for Community Council members may be granted at any meeting of the Community Council.

Additional Membership

Associate Member

- 2.13 Associate members may be appointed by a Community Council where there may be a need for individuals with particular skills or knowledge. These individuals do not have voting rights.
- 2.14 Associate members may serve for a fixed period as determined by the Community Council or for the term of office of the Community Council that has appointed them.
- 2.15 Associate members may include representation from another constituted local voluntary organisations, young people, etc.
- 2.16 An associate member does not require to reside within the Community Council area.
- 2.17 A Community Council can appoint any number of associate members, and they do not count towards the total number of Community Councillors.
- 2.18 The attendance of any associate member at a meeting of the Community Council will not count towards the quorum for that meeting.

Ex-Officio Members

- 2.19 Local Authority Councillors, MPs and MSPs whose wards or constituencies fall wholly or partly within the geographical area of the Community Council area shall be deemed ex-officio members of the Community Council.
- 2.20 Ex-officio members shall have no voting rights and will not be entitled to be elected or nominated representatives of a Community Council.
- 2.21 The attendance of any Ex-officio member at a meeting of the Community Council will not count towards the quorum for that meeting.

Declaration of Members' Interests

- 2.22. All members, including Associate members shall declare all interests and/or make it known if their interests have been made available elsewhere and whether these are accessible to the Community Council.
- 2.23 All members shall declare in advance any financial or any other interest however minor that they may have in relevant matters coming before the Community Council. The member shall withdraw from the meeting during consideration of this item of business and shall take no part in the discussions or decision thereon. **All declarations are to be formally minuted.**

3. ELECTIONS

New Community Councils - Where No Community Council Exists

- 3.1 The forming of a new Community Council shall be initiated in an approved area on receipt of a Petition bearing the names of not less than 20 residents whose names appear on the Electoral Register, are aged 16 or over and live within the boundaries of the Community Council area. This is in accordance with section 52(7) of the Local Government (Scotland) Act 1973.
- 3.2 South Ayrshire Council shall, within not more than six weeks from the date of receipt of confirmation of a valid petition, organise wider consultation and engagement procedures to initiate the election process.
- 3.3 In the first instance, a steering committee and/or appropriate structure may be formed from amongst the 20 residents and be supported by a relevant officer to familiarise themselves with the Governance for Community Councils.
- 3.4 Each Community Council is required to adopt the Constitution which has been approved by South Ayrshire Council. Following adoption of the Constitution, on behalf

of the proposed Community Council, South Ayrshire Council can proceed with the establishment process.

Where a Community Council already exists

- 3.5 Where a Petition is received to start a new Community Council in an area where an existing Community Council operates, the proposal will be referred initially to the existing Community Council for comment before South Ayrshire Council determines whether action should be taken in terms of Section 53 of the Local Government (Scotland) Act 1973.

Election Process

- 3.6 Full Community Council membership elections shall be held every four years with the election process taking place during January to March. South Ayrshire Council shall conduct and administer Community Council elections, including By-Elections, where necessary.
- 3.7 Where the number of valid candidates received and verified is less than or equal to the number of advertised vacancies for the Community Council, then no contested election shall be held.
- 3.8 Where the number of valid candidates nominated to be Community Councillors is greater than the number of advertised vacancies, a period of 7 days will be allowed for anyone who wishes to withdraw and thereafter a contested election shall be organised and held by South Ayrshire Council.
- 3.9 Community Council membership should reflect the various wards within the council area. However, if there are insufficient nominations from a sub-ward during an election, or if representation is lacking, the Service Lead, Thriving Communities of South Ayrshire Council may, at the Community Council's request, remove sub-warding within the affected areas.
- 3.10 Should the number of candidates validly nominated, be below the MINIMUM required membership, no Community Council will be established at that time. However, that does not preclude South Ayrshire Council from issuing a second call for applications for a Community Council area failing to meet the minimum membership requirement within 6 months of the closing date for the registration of the first call for applications.
- 3.11 The Service Lead, Thriving Communities, of South Ayrshire Council, shall act as Returning Officer for elections administered by South Ayrshire Council and shall be responsible for regulating the conduct of these elections. The decision of the Returning Officer on all matters of election and nomination procedures shall be final.

Contested Election Process

- 3.12 All persons who are resident in the Community Council boundary area; are 16 years of age or over, and whose names appear on South Ayrshire Council's Electoral Register for the same Community Council boundary area shall be entitled to vote for candidates in Community Council elections (alternative measures for identification and residency status of candidates may be undertaken upon request/approval of the individual in certain circumstances).
- 3.13 Elections shall be conducted by secret ballot of local electors, organised by South Ayrshire Council, as determined appropriate by South Ayrshire Council's Service Lead, Thriving Communities. Community Councils shall be elected on a simple majority basis.
- 3.14 Where, after counting the votes (including any re-count), two or more candidates have the same number of votes, the Returning Officer will break the tie by drawing lots. The candidate whose name is drawn will be treated as if they received one extra vote and will be declared elected.
- 3.15 Any ballot papers received after the close of poll will not be counted towards the vote.
- 3.16 Successful candidates should have their names (only) published for transparency within the community for a period of at least 21 days. Election results will be available on South Ayrshire Councils website, social media, and public notices.

Reserve List

- 3.17 Following a contested election, a reserve list shall be compiled consisting of candidates who were not elected but received votes. The list shall be ordered by the number of votes received, from highest to lowest. Should any 2 candidates receive the same number of votes, then a draw of lots would be used to determine priority on the list.
- 3.18 Only candidates who meet the eligibility criteria for election and, who were not elected due to insufficient votes, shall be included. Candidates must have indicated their willingness to be considered for future vacancies at the time of nomination or election.
- 3.19 In the event of a vacancy arising during the council's term, the Community Council may invite the next eligible candidate on the reserve list to fill the vacancy. If the candidate accepts, they shall be appointed without the need for a by-election or co-option. If the candidate declines or is no longer eligible, the next candidate on the list shall be approached.

3.20 The reserve list shall remain valid until the next scheduled election. The list shall be maintained by the Returning Officer. The reserve list shall be published alongside election results and made available on South Ayrshire Councils website, social media, and public notices.

3.21 The reserve list is void when it is exhausted or no candidate accepts the invitation, in which case, the vacancy shall be filled in accordance with a Co-option or an interim election as appropriate.

4. CO-OPTION - FILLING OF VACANCIES BETWEEN ELECTIONS

4.1 Vacancies on a Community Council may arise in the following circumstances:

- a. when an elected Community Council member submits his/her resignation;
- b. when an elected Community Council member ceases to be registered on the electoral register within the Community Council area;
- c. when a Community Councillor is elected as a Local Councillor, MSP, or MP;
- d. due to unreasonable non-attendance by a Community Councillor at scheduled Community Council meetings for a period of six months (Scheme 2.12).

4.2 Should a vacancy or vacancies arise on a Community Council between elections, it shall be a requirement that the Community Council in consultation with the Returning Officer shall firstly attempt to fill the vacancy using the Reserve list under Scheme 3.21. Where this fails, filling a vacancy can be undertaken through the co-option process. However, should circumstances arise that lead to the number of elected Community Councillors falling below **HALF** of the maximum permitted membership, the local authority shall be informed and shall undertake arrangements for an interim election to be held.

Co-option to Community Councils

4.3 Where the Reserve list is void, a person may be Co-opted onto a Community Council to fill vacancies that arise. Vacancies will first be advertised publicly, inviting expressions of interest.

4.4 Interested individuals will be required to complete a nomination form which will be passed to South Ayrshire Council for the appropriate checks to be carried out. They must also be

eligible for membership of the Community Council as detailed in Section 2 of the Scheme to be considered as Co-opted members.

- 4.5 Thereafter the Community Council will consider the application at the next Community Council meeting. If the Community Council agrees by a two-thirds majority of those members present and voting, to invite the person to fill the vacancy the nomination of the person must be proposed, seconded and minuted. A copy of the completed nomination should be submitted to South Ayrshire Council.
- 4.6 If there are more eligible applications than there are vacancies, a draw by lot must take place. The appointed officer, or in his/her absence someone other than a full member of the Community Council, should place all the individual names in an open container and draw out names until the number of vacancies existing have all been filled. Names drawn after the vacancies have been filled will be placed on a reserve list in an order of priority based on the draw.
- 4.7 Interested individuals not co-opted immediately may, subject to their consent, be placed on a co-option reserve list, valid for a period of up to 12 months. Should a vacancy arise during this period, the Community Council may invite the individuals in order of priority on the reserve list to be considered for co-option.
- 4.8 All co-option decisions, including the creation and use of a reserve list, shall be recorded in the minutes of the meeting. Interested individuals on the reserve list must be informed of their status and the duration of the list's validity.
- 4.9 Co-opted Community Councillors:
 - a. counts towards the quorum;
 - b. has voting rights, with the exception of voting on co-option of new members;
 - c. may hold office, except for Chair or Treasurer.
- 4.10 The number of co-opted members should not exceed a third of the current elected Community Council Membership. Should the ratio become greater due to any circumstances, South Ayrshire Council shall be informed and may determine arrangements thereafter for a by-election, where appropriate.
- 4.11 After 12 months from the date of their co-option to the Community Council, the co-opted member will become a full member with the same rights and this full member will no longer be counted within the ratio of co-opted members.

- 4.12 Where a Community Council has sub-areas and there is a vacancy in a sub-area, a co-opted member to fill that vacancy must come from the sub-area.
- 4.13 In the event of there being more nominations than the number of vacancies, a draw by lot must take place. The appointed Officer, or in his/her absence, someone other than a full member of the Community Council, should place all the individual names in an open container and draw out names until the number of vacancies existing have all been filled.
- 4.14 Co-optees who fill vacancies should have their names (only) published for transparency within the community for a period of at least 21 days.

5. RESIGNATIONS

- 5.1 Subject to Scheme 5.5, resignations of members must be submitted in writing by hard copy or by email to the Chair, stating the effective date of resignation. The effective date of resignation must not be retrospective.
- 5.2 If the Chair resigns, then they should notify the Vice-Chair and Secretary in the same manner.
- 5.3 Any notification of resignation received should be acknowledged by the recipient within 7 days or at the next scheduled Community Council meeting- whichever occurs first.
- 5.4 A copy of the resignation should be forwarded to South Ayrshire Senior Communities Officer to allow records to be updated.
- 5.5 If a resignation is made during a Community Council meeting and no written resignation is then submitted, if the resignation has been witnessed by the remainder of the members present at the meeting, then once formally minuted, the resignation will stand.

6. TERMS OF OFFICE OF COMMUNITY COUNCILLORS

- 6.1 Each Community Council shall hold 'Full' elections whereby all Community Councillors demit office and stand for re-election across their boundary area every 4 years in January-March.
- 6.2 Community Councillors elected during 'Full' elections are eligible to hold their position for the 4-year period until the next 'Full' election if they continue to conform to the requirements of this Scheme.

- 6.3 Community Councillors appointed as office bearers shall hold office for a period of 1 year and, at the AGM all office bearers shall stand down and they shall be eligible for re-election to hold office.
- 6.4 An individual may only hold one role within a Community Council at any given time either as a Community Councillor, a Co-opted member an Ex-Officio member or an Associated Member. Upon accepting a new role, the individual must resign from any previously held membership.
- 6.5 Community Councillors must continue to meet all eligibility criteria throughout their term of office.

7. MEETINGS

- 7.1 All meetings of the Community Council are open to members of the public. However, the Community Council shall retain the right to discuss items of business in private where it considers it appropriate to do so.
- 7.2 Notices for Community Council meetings will be published at least 7 working days before the meeting and will include the date, time, and location. Agendas and draft minutes will also be made available to members and the public within the Community Council area during this time.
- 7.3 The first meeting of each Community Council following, the four yearly Full Election, shall be convened by a representative of South Ayrshire Council (usually the Link Officer) or an Elected Member within 30 days from 1st April. The business of that meeting will include adoption of a Constitution and Standing Orders, appointment of office bearers and any outstanding business matters from the outgoing Community Council.
- 7.4 In addition to ordinary meetings of the Community Council; an Annual General Meeting (AGM) shall be held in April/May of each year. Including the Annual General Meeting (AGM), the Community Council shall meet no less than 7 times throughout the year.
- 7.5 Minutes of the meeting and details of any decisions taken must be recorded, in writing, in the usual way and approved version made publicly available. Full and approved copies of minutes and associated papers should be forwarded electronically to South Ayrshire Council within 14 days from the date of the meeting which approved them as a true record. Video or audio recording of meetings can only take place with the clear consent of all present, such consent to be recorded in the written minutes.

- 7.6 In instances of private discussions being held in whole or in part within a Community Council meeting, Community Councils must take recognition of the limitations within the GDPR regulations and acknowledge that an approved redacted minute may be made accessible to the public if appropriate; South Ayrshire Council reserves the right of access to a full and redacted copy of all minutes; of all present, such consent to be recorded in the written minutes.

Hybrid Meetings

- 7.7 Community Councils may decide to take an in-person, online or hybrid approach to their meetings, and the platform to be used for any meeting is for the Community Council to decide.
- 7.8 Virtual or hybrid meetings should be open to include members of the public.
- 7.9 Whether or not they are able to attend, proper provision must be made to afford members of the public the opportunity to address the Community Council.
- 7.10 An Agenda for the meeting shall be published in the usual way and all members of the Community Council and members of the public invited, in advance, to submit comments on any Agenda item to the Community Council's generic email address or by other appropriate means; such views to be considered by the members dealing with the items of business. Comments may also be submitted during the meeting itself, but the ability to receive comments in advance will assist the Community Council in managing a remote meeting.
- 7.11 Minutes of the meeting and details of any decisions taken must be recorded, in writing, in the usual way and the approved version made publicly available. Video or audio recording of meetings can only take place with the clear consent of all present, such consent to be recorded in the written minutes.

Quorum at Meetings

- 7.12 The quorum for Community Council meetings shall be one third of the current voting membership of a Community Council (rounded up to next whole number), or 3 voting members, whichever is the greater.

Special Meetings

- 7.13 A Special Meeting, no more than 4 per annum, may be called by a simple majority of the total voting membership present and eligible to vote. See guidance for examples.

Sub-Committees

- 7.14 The Community Council may from time-to-time form sub-committees of at least two Community Councillors to consider specific matters.

- 7.15 The details of the remit and delegated powers of any committee should be agreed by a simple majority of Community Councillors and recorded in the Community Council minutes as soon as is practicable.

8. FINANCES

- 8.1 The financial year of each Community Council shall be provided for in the Constitution of each Community Council and shall be from 1st April to 31st March in each succeeding year to allow for the proper submission of an independently examined statement of accounts to the Community Council's annual general meeting on a specified date in April or May,
- 8.2 The administrative grant annual accounts of each Community Council shall be independently examined by at least one examiner appointed by the Community Council, who is not a member of the Community Council.
- 8.3 The Independent Examiner of the Community Council's accounts shall not be a relative of a member either by birth or marriage, nor in a relationship with or live in the same address.
- 8.4 Community Councillors who are bank account signatories may not be directly related by birth, marriage, civil contract, or co-habitation etc.

Annual Account of Administration Allowance

- 8.5 South Ayrshire Council will make an initial allowance for administration, to each Community Council within its area, based on the electorate of each Community Council on the following basis. The initial allowance will be awarded at Inauguration, and each Community Council will receive a top up allowance thereafter – which will be based on **approved** expenditure for the previous year.
- 8.6 Administration allowances shall be for Community Council administration only and/or promotion purposes only and shall not be expended on any other purpose. All decisions in relation to the expenditure of the administration allowance should be minuted.

8.7 The administration allowance is available to cover the cost in administering Community Council business which includes:

1. Advertising/general publicity and promotional activities
2. Accommodation/lots
3. Auditors fees
4. Consultation with the community
5. Data protection registration (ICO)
6. IT software/hardware/website construction and maintenance
7. Photocopying/printing
8. Stationery
9. Postage
10. Production and circulation of minutes, agenda and annual reports
11. Subscriptions
12. Telephone costs/ISP costs/ Internet Service Provider
13. Travel costs
14. Expenses for attending ceremonies
15. Subsistence
16. Purchase of a Wreath
17. Donations to Groups (max £150)
18. Honorarium

This list is not exhaustive and enquiries regarding acceptability of items other than those noted above should be referred to Senior Communities Officer, Thriving Communities.

8.8 Payment of the allowance will be made in accordance with a procedure determined by South Ayrshire Council. The following needs be submitted:

- a. Grant Application Form;
- b. up to date Bank Statement;
- c. copy of ICO Certificate;
- d. copy of Zurich Insurance Certificate;
- e. must have carried out a minimum of 6 Quorate meetings and have supplied to South Ayrshire Council minutes for all meetings held;
- f. a copy of the Community Council's Independently audited accounts;
- g. completed and returned the self-evaluation (RAG Analysis).

8.9 Each Community Council shall appoint a competent Independent Examiner annually (at the AGM) to examine the Community Council's accounts who may charge a reasonable fee for their services.

- 8.10 The accounts are required to be forwarded immediately, following their approval at the Community Council's Annual General Meeting in April/May, of each year.
- 8.11 South Ayrshire Council may, at its discretion and in consultation with the South Ayrshire Council's Chief Internal Auditor, in circumstances of unclear and/or substantial financial transactions, require the Community Council to produce records such as vouchers; receipts; account books for example to undertake a full audit of the accounts.
- 8.12 Community Councillors should be eligible to receive from their Community Council travel and reasonable out of pocket expenses which have previously been agreed by the collective membership.

Other Grants and Assets

- 8.13 Community Councils who identify projects or other purposes consistent with its functions are free to apply for grants from external funding bodies and other South Ayrshire Council Departments (when funds are available). Any payments from South Ayrshire Council Departments will be made in accordance with the procedure determined by the Council.
- 8.14 An inventory should be kept of all assets owned by the Community Council.

9. OTHER SUPPORT FOR COMMUNITY COUNCILS

- 9.1 South Ayrshire Council will provide each Community Council with a maximum of 13 "lets of premises" per year for the purpose of conducting their meetings. These "lets" will be provided in South Ayrshire Council properties wherever practicable, within the boundary of the Community Council area. Where South Ayrshire Council does not own suitable properties in a Community Council area, reasonable expenses for the hiring of a hall or other meeting place will be re-imbursed to Community Councils by South Ayrshire Council.

Training

- 9.2 South Ayrshire Council will endeavour to provide further assistance through online training, Link Officer support, conferences, and online information to enhance personal development.

Insurance

- 9.3 Insurance is required for a Community Council to be operational. All Community Councils should arrange their own insurance through the South Ayrshire Council approved provider. Community Councils must renew their policy and send proof of payment to South Ayrshire Council for reimbursement of the base expense. It is the responsibility of each Community Council to ensure that their contact details are up to date with the Insurance provider.
- 9.4 It is also the Community Councils responsibility to inform the Insurance provider of any activity that may be out with the regular scope of the policy. Costs above this which relate to additional activities should be met by the individual Community Council.
- 9.5 Where Community Councils own property or equipment, it is advisable that Community Councils have their own appropriate insurance cover.

Community Councils Registration with Information Commissioners Office (ICO)

- 9.6 Under the Data Protection (Charges and Information) Regulations 2018, individuals and organisation that process personal data need to pay a fee to the ICO. Every year each of our Community Councils must register and pay a fee to the ICO which can be claimed back through the Administration Allowance.

10. COMPLIANCE

Supported Status

- 10.1 Where the number of Community Council members falls below the minimum number of members for a Community Council to remain established, as determined by Scheme Clause 2.7, the Senior Communities Officer, Thriving Communities will initiate the process for the Community Council to go into supported status provided they consult with the Community Council. The Service Lead, Thriving Communities, will determine whether supported status will be implemented.
- 10.2 In any other circumstances, the Senior Communities Officer, after reasonable consideration, and after consultation with the Team Leader, Thriving Communities, may determine that the Community Council is not complying with the requirements of the Scheme and will initiate the process for the Community Council to go into supported status. The Service Lead will determine whether supported status will be implemented.
- 10.3 When in supported status, the Community Council will become a steering group whose main task will be to consider matters and act as is necessary to ensure that the Community Council will, in the future, be able to comply with the requirements of the Scheme and continue with any live projects with support from the Senior Communities Officer.

- 10.4 Appropriate support costs, e.g. meeting venues, may be eligible for consideration of financial assistance from South Ayrshire Council.
- 10.5 In order for a Community Council to be in supported status, the Service Lead will give written notification of supported status to the Community Council stating the reasons and that the Community Council would be in supported status from the date of the written notification for a period of up to six months.
- 10.6 An initial decision on supported status can be appealed in writing to the Chief Governance Officer of South Ayrshire Council within 14 days of the decision being notified to the Community Council (the initial notification and any appeal should be in writing, in the form of a dated formal email and/or letter).
- 10.7 Any decision taken on an appeal by the Chief Governance Officer should be made available within 28 days of the dated receipt of said appeal. An appeal which is upheld can conclude with the Community Council's previous status being re-instated.
- 10.8 Following an appeal not upheld or not submitted within the 14-day timeline of an initial decision, the Community Council will revert to the status of a steering group.
- 10.9 Upon the steering group satisfying the Service Lead that the Community Council would be able to comply with the requirements of the Scheme, then the reinstatement to full Community Council status will be granted in writing from the Service Lead.
- 10.10 If the steering group are demonstrating insufficient progress towards satisfying the Service Lead that the Community Council will be able to comply with the requirements of the Scheme, then the period of supported status can be extended by an additional three months to enable further progress to satisfy the Service Lead that reinstatement to full Community Council status could be achieved.
- 10.11 If the steering group is unable to satisfy the Service Lead that the Community Council will be able to comply with the requirements of the Scheme within the nine-month period, the Service Lead may recommend the dissolution of the Community Council to Assistant Director Communities and Transformation..

See Appendix 5 for full details on Supported Status

11. DISSOLUTION OF A COMMUNITY COUNCIL

- 11.1 Representations and/or decisions concerning dissolution of a Community Council should be considered as a last resort. In accordance with the Scheme, reasonable

efforts should be taken to engage every Community Council member in identifying and considering alternatives to dissolution.

- 11.2 Dissolution of a Community Council (except for voluntary dissolution as detailed below) can take place following supported status made in terms of Scheme Clause 10.11 above. Where, after a period of 9 months, a Community Council remains unable to conform with the Scheme, a recommendation may be made by the Assistant Director Communities and Transformation to the Council of South Ayrshire Council to dissolve the Community Council.
- 11.3 Prior to such a recommendation being made to the Council of South Ayrshire Council, the Community Council will be advised in writing and given 14 days from the date of the notification to make written representation to the Chief Governance Officer of South Ayrshire Council, as to why such a recommendation should not be made.
- 11.4 Where no such representation is received within 14 days, or where having considered such representation, the Chief Governance Officer confirms said recommendation, a report recommending dissolution of the Community Council shall be submitted to the Council of South Ayrshire Council in line with Scheme 11.2.
- 11.5 The Council of South Ayrshire Council shall consider the above report and may decide to either follow the recommendation and dissolve the Community Council or it may decide to re-instate the Community Council. In event of either decision, the Community Council will be deemed to have been dissolved or re-instated with immediate effect
- 11.6 The dissolution will be intimated by South Ayrshire Council, by giving appropriate public notice, including on the South Ayrshire Council Community Council web page.
- 11.7 Where South Ayrshire Council has reasonable grounds to believe that a Community Council has been 'abandoned', and is no longer functioning, then the Service Lead will notify the Assistant Director of Communities and Transformation. Depending on the circumstances the Assistant Director may report the matter to the Council of South Ayrshire Council and issue appropriate public notice.
- 11.8 Where, for any reason, the number of Community Council members falls below the minimum number of members for a Community Council to remain established, South Ayrshire Council Service Lead will put the Community Council into supported status and may recommend to the Assistant Director of Communities and Transformation the subsequent dissolution of the Community Council.
- 11.9 In the event of the dissolution of a Community Council, all assets shall transfer to South Ayrshire Council, which shall hold these for a period of one year to ascertain

whether a future Community Council becomes established in that area. Following this period, all assets will be subsumed into South Ayrshire Council.

Voluntary Dissolution by Resolution of the Community Council

- 11.10 If the Community Council, by a two-thirds majority of the present and voting membership and present at the meeting, decides that it necessary or advisable to dissolve the Community Council, it shall agree a date for a Special Meeting to discuss the proposal to dissolve.
- 11.11 It is a requirement that at least 7 days' notice is given prior to the date of such a Special Meeting. With public notices located in appropriate local venues and/or websites or other social media.
- 11.12 If the proposal is supported by a two thirds majority of those voting members present at the Special Meeting, the Community Council shall be deemed to be dissolved with immediate effect, and the decision is subsequently notified to South Ayrshire Council within 7 days.
- 11.13 In the event of the dissolution or voluntary dissolution of a Community Council, all assets shall transfer to South Ayrshire Council, which shall hold these for a period of one year to ascertain whether a future Community Council becomes established in that area. Following this period, all assets will be subsumed into South Ayrshire Council.
- 11.14 In the event of the dissolution of a Community Council, within 10 working days (or such time agreed by the Senior Communities Officer), the former office bearers of the Community Council must:
1. Deliver all papers, minute books and digital information to the Senior Communities Officer;
 2. Transfer all funds to the Council either by cheque (where no online banking is used) or electronically (Council bank details will be provided);
 3. Close the bank account(s); and
 4. Close any Community Council social media accounts.
- 11.15 After dissolution of the Community Council, the former members must not engage in or use any media or social media purporting to be representative of the Community Council.
- 11.16 In the event of a Community Council being dissolved, a new Community Council can be established after 6 months and in line with the process.

12. COMPLAINTS

Complaints about Community Councils and Community Councillors must relate to alleged breach of this Scheme and the Code of Conduct for Community Councillors. Such complaints must be dealt with in accordance with Appendix 6 on Community Council Complaint Procedure.

See Appendix 6 for full details on Community Council Complaints

13. EQUAL OPPORTUNITIES

- 13.1 Recognition should be given to the contribution of everyone participating in the work of the Community Council.
- 13.2 South Ayrshire Council further acknowledges that Community Councillors are volunteers who give up their own time to undertake the work of Community Councils.
- 13.3 Community Councils must comply with the Equal Opportunities legislation and ensure that equality of opportunity be given to every participant to have their knowledge, opinion, skill, and experience considered.

14. DATA PROTECTION – GDPR

- 14.1 South Ayrshire Council handle your information following the GDPR guidelines. A copy of the South Ayrshire Council privacy notice for Community Councils and an example privacy notice for Community Councils to adopt can be provided.
- 14.2 Community Councils should familiarise themselves with GDPR regulations to ensure that they comply with regulations when handling information regarding members etc.

Information Commissioner Office (ICO)

- 14.3 Under the Data Protection (Charges and Information) Regulations 2018, individuals and organisation that process personal data need to pay a fee to the ICO. Every year each of our Community Councils must register and pay a fee to the ICO which can be claimed back through the Administration Allowance.

15. ALTERATIONS TO THE CONSTITUTION

- 15.1 Any proposal by the Community Council to amend its Constitution must be first considered and minuted at a meeting of the Community Council before representation is made to South Ayrshire Council.

- 15.2 Any proposal to alter its Constitution must be delivered in writing to the Secretary of the Community Council not less than twenty-eight days prior to the date of the meeting at which it is first to be considered. The terms of the proposed resolution to alter the Constitution shall be highlighted and stated on the notice calling the meeting.
- 15.3 If the resolution is supported by two-thirds of the elected membership of the Community Council and is approved (ratified), in writing, by South Ayrshire Council or its appointed officer, the alteration shall be deemed to have been duly authorised.
- 15.4 All proposed or actual alterations will require to conform to the Scheme.
- 15.5 The authorised amendment to the Constitution shall be stated on the 7-day notice calling the next meeting.

16. ACTIVITIES OF POLITICAL NATURE

- 16.1 Community Councils must always act in a politically neutral way. They must not engage in any activity that could be construed as supporting a particular political party or candidate. Community Council facilities and resources must not be used in support of a political party or candidate.
- 16.2 When acting in their role as Community Councillors, Community Council members must ensure that they do not engage in activities that may be considered to be of a party-political nature, at any time.
- 16.3 While Community Councillors may undertake political activities in a private capacity, any Community Councillor who becomes a prospective political candidate should take a leave of absence from the Community Council to prevent any risk of public confusion or perceived conflict of interest.

17. GOOD PRACTICE GUIDANCE

- 17.1 This Scheme can be read in conjunction with the Good Practice Guidance for Community Councils which provides additional information to assist Community Councils with interpretation of the Scheme. The Guidance document is subject to ongoing internal review by the Council.

APPENDIX 1



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Use this link to get a full map of your Community Council area <https://www.south-ayrshire.gov.uk/community-councils>

This Appendix forms part of the core Governance arrangements for Community Councils in South Ayrshire

APPENDIX 2



South Ayrshire Council

Constitution for Community Councils

[Name of individual Community Council]

This Appendix forms part of the core Governance arrangements for Community Councils in South Ayrshire

1. Name

The name of the Community Council shall be [insert name] Community Council, which will subsequently be referred to as “the Community Council” in this Constitution.

2. Area of the Community Council

The area of the COMMUNITY COUNCIL shall be as shown on the map attached to the local authority’s Scheme for Establishment of Community Councils.

3. Objectives

The objectives of the Community Council shall be to:

- (a) to ascertain, co-ordinate and reflect the views of the community which it represents, to liaise with other community groups within the area, and to fairly express the diversity of opinions and outlooks of the people;
- (b) to express the views of the community to the local authority for the area to public authorities and other organisations;
- (c) to take such action in the interests of the community as appears to it to be desirable and practicable;
- (d) to promote the well-being of the community and to foster community spirit;
- (e) to be a means whereby the people of the area shall be able to voice their opinions on any matter affecting their lives, their welfare, their environment, its development and amenity.

4. Role and Responsibilities

In the discharge of their functions and the conduct of their business, the Community Council and its membership shall have regard to their role and responsibilities as set out in the Scheme for Establishment of Community Councils, approved by the local authority and the Community Councillors’ Code of Conduct.

5. Membership

The COMMUNITY COUNCIL'S membership is as governed by Clause 2 of the Scheme for Establishment of Community Councils and as determined from time to time by the local authority.

6. Equality and Diversity

It shall be the duty of every Community Council to ensure that its general responsibilities and activities are carried out fully in accordance with current Equalities legislation.

7. GDPR 2018

It is the duty of every Community Council to comply with the General Data Protection Act (GDPR) 2018.

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8. Method of Election

Election procedures are governed by Clause 3 of the Scheme for Establishment of Community Councils.

9. Vacancies on the Community Council

1. Where a vacancy arises, the Community Councillors can agree to fill the vacancy in accordance with Scheme Clause 4 relating to Co-option. South Ayrshire Council requires to be notified if the membership falls below half.
2. The ratification of appointments of Co-opted members to fill the vacancy/vacancies rests wholly with the existing constituted membership, although the validation of nomination forms rests with South Ayrshire Council.

10. Associate Members

An associate member does not require to reside within the Community Council area and may serve for a fixed period as determined by the Community Council or for the term of office of the Community Council that has appointed them.

11. Voting Rights of Members of the Community Council

- (a) The right to vote at any meeting of the Community Council or any committee thereof shall be held by all Community Councillors whether elected or co-opted, but not by Ex-Officio members or Associate members.
- (b) Although all Community Councillors hold the right to vote; a recommended approach to decision-making is working together to support Community Council's to make decisions based upon reaching a consensus.
- (c) Notwithstanding, and with the exception of instances relating to clauses of this Constitution, all decisions of the Community Council, which may require a vote, will be decided by a simple majority of those present and eligible to vote. **There is no provision for proxy votes.**
- (d) In the event of a vote of the Community Councillors that results in a majority not being achieved, the Chair shall have a casting vote.

12. Election of Office-Bearers

- (a) In April/May of each year, as part of the Annual General Meeting, the Community Council shall elect a Chair, Secretary and Treasurer and other such office-bearers as it may decide necessary e.g. Vice-chair, Minute Secretary, as well as a Planning and Licencing contact.
- (b) All office-bearers shall be elected for one year, but shall be eligible for re-election, without limitation of time.

3. Every effort should be made to appoint one person to each position; however, it is permissible for one person to hold more than one office if necessary (e.g Secretary/Treasurer).

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13. Sub-Groups of the Community Council

The Community Council may appoint Community Councillors to sub-groups of the Community Council and shall determine their composition, terms of reference, duration, duties, and powers.

14. Meetings of the Community Council

- (a) The Community Council shall abide by the Scheme, Code of Conduct and Standing Orders to ensure the proper conduct of its meetings.
- (b) The quorum for Community Council meetings shall be at least one third of the current eligible voting membership, or 3 eligible voting members, whichever is the greater.
- (c) In April/May of each year the Community Council shall convene an Annual General Meeting (AGM) for the purpose of receiving and considering the Chair's annual report on the Community Council, the submission and approval of the independently examined annual statement of accounts and the appointment of office bearers.
- (d) Including the Annual General Meeting (AGM), the Community Council shall meet no less than 7 times throughout the year.
- (e) Dates, times, and venues of regular meetings of the Community Council should be identified at the first meeting of the Community Council following the Annual General Meeting (AGM) and/or elections. Meeting arrangements can be subject to review by the Community Council periodically thereafter but no later than at the following year's AGM.
- (f) South Ayrshire Council has the discretion to call a meeting of the Community Council at any time.
- (g) Copies of all minutes of meetings of the Community Council and of sub-groups thereof shall be approved at the next meeting of the Community Council.
- (h) A draft minute shall be circulated at least 7 days prior to its next meeting, to Community Council members, other appropriate parties, and South Ayrshire Council Senior Communities Officer for Community Councils.
- (i) An approved minute will be forwarded to South Ayrshire Council within 14 days of the date of the meeting.
- (i) The Community Council has a duty to be responsive to the community it represents. Should the Community Council receive a written request (petition), signed by at least 20 persons resident within the Community Council area to convene a special meeting for a particular matter or matters to be debated, it shall call such a meeting within 14 days of receipt of such a request and advertise it in the manner prescribed locally for special meetings called by the Community Council.

- (j) Special Meetings shall require at least 7 days public notice and the wording of the motion calling the meeting should be set out on the agenda.
- (k) All meetings of the Community Council are open to members of the public. However, the Community Council shall retain the right to discuss items of business in private where it considers it appropriate to do so e.g. internal Governance matters, complaints, etc.

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15. Public participation in the work of the Community Council

- (a) All meetings of the Community Council and its committees shall be open to members of the public. Proper provision is to be made for the accommodation of members of the public and the opportunity should be afforded at each meeting to permit members of the public to address the Community Council under the guidance of the Chair.
- (b) Notices calling meetings of the Community Council and its committees shall be posted prominently within the Community Council area for a minimum period of 7 days before the date of any such meeting, and, where possible, be advertised by other suitable means including Community Council or local authority websites and social media channels where available.

16. Information to South Ayrshire Council

- (a) South Ayrshire Council shall be sent minutes of all meetings; the annual chair's report; the Independently Examined Statement of Accounts and any other information, as may reasonably be required by South Ayrshire Council.
- (b) When Special Meetings of the Community Council are to be held, South Ayrshire Council should be advised of the date, time, venue, and subject(s) of debate at such meetings 7 days in advance of the meeting date.
- (c) In relation to the Special Meeting at 15(b) above; South Ayrshire Council may appoint an officer to act as the principal point of contact for matters relating to the Community Council if required.

17. Control of Finance

- (a) The Treasurer shall keep proper accounts of the finances of the Community Council.
- (b) All monies raised by or on behalf of the Community Council or provided by the local authority and other sources shall be applied to further the objectives of the Community Council and for no other purpose. The monies provided by the local authority in the annual Administrative Grant for administrative and other approved purposes shall be used only as prescribed. Monies raised from other sources may be used in accordance with the terms of this provision (so long as they are consistent with the objectives of the Community Council), or in the absence of such terms, for the furtherance of the objectives of the Community Council.
- (c) Any two of the three authorised signatories, who need not be office-bearers of the Community Council, may sign cheques on behalf of the Community Council; the Treasurer should assume one of the three authorised signatory roles. Authorised signatories may not be related by birth, marriage, civil contract, or co-habitation.

- (d) A statement of accounts for the last financial year, examined by a competent independent examiner appointed by the Community Council, who are not members of the Community Council, shall be submitted to the April/May Annual General Meeting of the Community Council and shall be available for inspection.
- (e) The financial year of the Community Council shall be from 1 April in any year until 31 March in the succeeding year. An independently examined statement of accounts as received and approved by the Community Council should be submitted to South Ayrshire Council following the Community Council's Annual General Meeting.

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18. Assets

Property and other assets belonging to the Community Council shall be vested in the Chair, Secretary and Treasurer of the Community Council and their successors in these respective offices.

19. Alterations to the Constitution

- (a) Any proposal by the Community Council to alter this Constitution must be first considered by a meeting of the Community Council and the terms of the proposal to alter the Constitution shall be stated on the notice calling the meeting, which shall be issued not less than 7 days prior to the meeting. Any proposed alterations may not prejudice the terms and objectives contained within the Scheme for Establishment of Community Councils.
- (b) If the proposal is supported by two-thirds of the total voting membership of the Community Council and is approved in writing by the local authority, the alteration shall be deemed to have been duly authorised and can then come into effect.

20. Supported Status and Dissolution

- (a) Where for any reason it is deemed by South Ayrshire Council that a Community Council is not conforming to the Scheme, South Ayrshire Council can put the Community Council into supported status in terms of the Scheme Clause 10-
- (b) If the Community Council, by a two-thirds majority of the total voting membership decides, at any time, that it is necessary or advisable to dissolve, it shall agree a date for a public meeting to be held to discuss the proposed resolution to dissolve. It is a requirement that not less than ten days prior to the date of such meeting a public notice be given by means of notification in the local newspaper as well as through Community Council and local authority websites and social media channels, where available. If the resolution is supported by a majority of those persons present and qualified to vote and is approved by the local authority, the Community Council shall be deemed to be dissolved and all assets remaining, subject to the approval of the local authority, after the satisfaction of any proper debts or liabilities shall transfer to the local authority who shall hold same in Trust for a future Community Council representing that area for 12 months.
- (c) In the event that the Community Council is dissolved under the above procedure, and twenty or more electors subsequently wish the re- establishment of a Council for the area, these electors shall submit a requisition to the local authority in accordance with Section 52(7) of the Local Government (Scotland) Act 1973, on receipt of which the Returning Officer shall arrange for elections to be held in accordance with the Scheme for Establishment of Community Councils.
- (d) Where for any reason, the number of Community Council members falls below the minimum specified in the Scheme for Establishment of Community Councils

the local authority may, by suspending the Constitution of the Community Council, cause the Community Council to be dissolved and in this event, the procedures for the establishment of a new Community Council being those identified in the immediately preceding paragraph hereof, shall be initiated.

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APPENDIX 3



South Ayrshire Council

Code of Conduct for Community Councillors

This Appendix forms part of the core Governance arrangements for Community Councils in South Ayrshire

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CODE OF CONDUCT FOR COMMUNITY COUNCILLORS

The Code of Conduct for Community Councillors is largely based on the Code of Conduct for South Ayrshire Council councillors and relevant public bodies as provided for in:

1. ***The Ethical Standards in Public Life etc. (Scotland) Act 2000***

Community Councillors, as elected representatives of their communities, have a responsibility to make sure that they are familiar with, and that their actions comply with, the principles set out in this Code of Conduct.

The Code of Conduct and its principles shall apply to all Community Councillors and those agreed and minuted as representing the Community Council. These principles are as follows:

1. ***Service to the Community (Public Service)***
2. ***Selflessness***
3. ***Integrity***
4. ***Objectivity***
5. ***Accountability and Stewardship***
6. ***Openness***
7. ***Honesty***
8. ***Leadership***

1. ***Service to the Community (Public Service)***

As a Community Councillor you have a duty to act in the interests of the local community, which you have been elected or nominated to represent.

You also have a duty to act in accordance with the remit of South Ayrshire Council's Scheme for Establishment of Community Councils (2026) (the 'Scheme'), as set out by South Ayrshire Council under the terms of the Local Government (Scotland) Act 1973.

You have a duty to establish and reflect, through the Community Council, the views of the community; on any issue, irrespective of personal opinion.

You should ensure that you are, within reason, accessible to your local community and local residents.

Various mechanisms to enable the general community to express their views, i.e. suggestion boxes, community surveys, opinion polls should be made available where appropriate.

2. Selflessness

You have a duty to take decisions solely in terms of the interests of the community that you represent.

You must not use your position as a Community Councillor to gain financial, material, political or other personal benefit for yourself, family, or friends.

3. Integrity

You must not place yourself under any financial or other obligation to any individual or organisation that might reasonably be thought to influence you in your representation of your community.

If you have any such private and/or personal interest in a matter to be considered by the Community Council, you have a responsibility to declare this and if deemed necessary by other members, withdraw from discussions and the decision-making process regarding that matter.

You should not accept gifts or hospitality that may be seen to influence or be intended to influence your opinion or judgement. The offer and/or receipt of any gifts, regardless of form, should always be reported to and noted by the Secretary and Treasurer of the Community Council.

4. Objectivity

In all your decisions and opinions as a Community Councillor, you must endeavour to represent the overall views of your community, by taking account of information which is provided to you or is publicly available; assessing its merit and gathering information as appropriate; whilst laying aside personal opinions or preferences.

You may be appointed or nominated by your Community Council to serve as a member of another representative body. You should ensure that this Code of Conduct is observed when carrying out the duties of the other body.

You are free to have political and/or religious affiliations; however, you must ensure that you represent the interests of your community and Community Council and not the interests of a particular political party or other group.

5. Accountability and Stewardship

You are accountable for the decisions and actions that you take on behalf of your community through the Community Council. You must ensure that the Community Council uses its resources prudently and in accordance with the law.

Community Councillors will individually and collectively ensure that the business of the Community Council is conducted according to South Ayrshire Council's Scheme for Establishment of Community Councils and this Code of Conduct.

Community Councillors will individually and collectively ensure that annual accounts are produced showing the financial undertakings of the Community Council as set out in South Ayrshire Council's Scheme.

Community Councillors must also ensure that all resources are used efficiently, effectively, and fairly and are used strictly for the purposes of Community Council business and for no other purpose.

Draft minutes of meetings recording all actions and decisions made should be produced and circulated to all members of the Community Council as soon as possible after each meeting and no later than 7 days prior to the next meeting.

Any breach of the Council's Scheme for Establishment of Community Councils as set out by your local authority under the terms of the Local Government (Scotland) Act 1973 may be reported to your local authority to determine what action, if necessary, should be taken.

6. Openness

You have a duty to be open about your decisions, actions, and representations, giving reasons for these where appropriate. You should be able to justify your decisions and be confident that you have not been unduly influenced by the views and/or opinions of others.

If you have dealings with the media, members of the public, or others not directly involved in your Community Council, you should ensure that an explicit distinction is made between the expression of your personal views and opinions from any views or statement made about or on behalf of the Community Council.

7. Honesty

You have a duty to act honestly. You also have an obligation to always work within the law. You must declare any private interest relating to your Community Council duties and take steps to resolve any conflicts arising in a way that protects the interest of the community and the Community Council.

Community Councillors must not bring themselves or their Community Council into disrepute through their actions, public discussions, or communications, including anonymous online activity or commentary that would otherwise breach this Code.

8. Leadership

You have a duty to promote and support the principles of this Code of Conduct by leadership and example, to maintain and strengthen the community's trust and confidence in the integrity of the Community Council and its members in representing

the views and needs of the local area. You must also promote social inclusion and challenge discrimination in any form.

You should act to assist the Community Council, as far as possible, in the interest of the whole community that it serves. Where groups' concerns conflict with those of other groups or other areas you should help to ensure that the Community Council is aware of them.

9. Respect

You must respect fellow members of your Community Council and those that you represent, treating them with courtesy, respect and in a non-discriminatory manner always. This should extend to any person, regardless of their position, you have dealings within your capacity as a Community Councillor.

Recognition should be given to the contribution of everyone participating in the work of the Community Council. You must comply with Equal Opportunities legislation including the Equality Act 2010 and ensure that equality of opportunity be given to every participant to have their knowledge, opinion, skill, and experience considered.

You should ensure that confidential material, including details about individuals, is treated as such and that it is handled with dignity and discretion and is not used for personal, malicious, or corrupt purposes.

You must behave openly and honestly, treating fellow Community Councillors, ex-officio members, council officers, and community members in a positive, respectful, and non-discriminatory manner always, including at meetings and in online spaces. Community Councillors must support and respect the roles of office bearers and refrain from undermining their confidence or authority. Personal attacks, ridicule, or conduct intended to humiliate others whether in person, during meetings, in correspondence, or on social media will be considered a serious breach of this Code.

Bullying or harassment is completely unacceptable and will be a breach of the Code.

Harassment is any unwelcome behaviour or conduct which has no legitimate purpose and which makes someone feel offended, humiliated, intimidated, frightened and/or uncomfortable. Harassment can be experienced directly or indirectly and can occur as an isolated incident or as a course of persistent behaviour.

Harassment can take the form of unwelcome physical contact; inappropriate remarks or questioning; intrusive questioning; and the sending of unwelcome emails, messages, or notes. This is by no means an exhaustive list.

Bullying is inappropriate and unwelcome behaviour which is offensive and intimidating, and which makes an individual or group feel undermined, humiliated, or insulted. It is the impact of the behaviour rather than the intent which is the key. Bullying can arise because of an individual misusing their power and can occur

through all means of communication. Bullying can be a pattern of behaviour or a one-off serious incident that becomes objectionable or intimidating. This can include the unwelcome physical, verbal, or non-verbal conduct; intimidatory behaviour; disparaging, ridiculing or mocking comments and remarks; physical violence; deliberately excluding an individual from conversations or activities in which they have a right or legitimate expectation to participate. This list is not exhaustive.

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APPENDIX 4



South Ayrshire Council

Standing Orders for Community Councils

This Appendix forms part of the core Governance arrangements for Community Councils in South Ayrshire Council

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1. Meetings

1. All meetings of Community Councils are open to members of the public subject to Clause 7.1 of the Scheme.
2. The frequency of meetings will be determined by each Community Council, subject to Clause 7.4.
3. Ordinary meetings of the Community Council should ideally be held on the same day in each of the months where a meeting is scheduled.
4. The notice of ordinary and Annual General Meetings of the Community Council, featuring the date, time, and venue, shall be provided to each Community Council member and South Ayrshire Council by the Secretary of the Community Council, at least 7 days before the date of the meeting.
5. Special Meetings may be called at any time under Clause 7.13 of the Scheme for Establishment of Community Councils.

2. Minutes

Minutes of the proceedings of a meeting of the Community Council shall be drawn up timeously and be distributed in accordance with the Community Councils Responsibility's Part e of the Scheme for Establishment of Community Councils and be submitted for approval to the next meeting of the Community Council.

3. Quorum

A quorum shall be one-third of the current voting membership of the Community Council, 3 voting members, whichever is the greater.

4. Order of Business

(a) Ordinary Meeting

Order of business at Ordinary meetings of the Community Council should include: -

- (i) Recording of membership present and apologies received.
- (ii) The minutes of the last meeting are submitted for approval.
- (iii) Any Matters arising are addressed.
- (iv) Correspondence
- (v) Monthly Reports
- (vi) Consideration of other agreed items of business as directed by the Chair
- (vii) Any other competent business.
- (viii) Questions from the floor.
- (ix) Chair to declare date of next meeting and close meeting.

(b) Annual General Meeting

It will not be uncommon that the Community Council has arranged for an Ordinary meeting of the Community Council to begin at the close of the Annual General Meeting (AGM), to enable any outstanding reporting on business

matters to be heard; and for Community Council members and members of the public to have an opportunity to bring matters to the attention of the Community Council, possibly for inclusion on a future agenda.

The AGM minutes should be presented to the next ordinary meeting of the Community Council following the AGM for the purposes of establishing accuracy and noting their availability to the public, although they remain in draft form until approved at the following year's AGM.

The order of business at Annual General Meetings (AGM) of the Community Council shall be as follows:

- (i) Record membership attendance and apologies received.
- (ii) Approve the presented minutes of the last Annual General Meeting (AGM).
- (iii) Chair's annual report (and questions from the floor).
- (iv) Secretary's annual report (and questions from the floor).
- (v) Treasurer's submission of balance sheet and Annual Accounts duly independently examined and certified correct (and questions from the floor).
- (vi) Current office bearers step down.
- (vi) Election of office bearers.
- (vii) Confirm that the Constitution is signed and dated by the Chair and 2 other members of the Community Council (if there is a change to the Chair a new constitution needs to be signed and submitted to South Ayrshire Council).
- (viii) Note the appointment of Associate Members.
- (ix) Review the Inventory and Additional Resources (See Constitution Clause 18).
- (x) Chair to declare that a date in April/May of following year will host the next AGM and close meeting.

(c) Special Meeting

The order of business at Special Meetings of the Community Council shall be as follows:

- (i) Recording of membership present and apologies received.
- (ii) Business for debate, as described in the calling notice for the special meeting.
- (iii) Chair to close meeting.

4. Order of Debate

- (a) The Chair shall decide the order of all questions, relevancy and competency arising at meetings of the Community Council and their ruling shall be final and shall not be open to discussion.
- (b) The Chair shall also determine the order, relevancy, and competency of all questions from the public in attendance at meetings of the Community Council.

- (c) The Chair in determining the order, relevance and competency of business and questions shall have regard to the importance of the issue to the community and ensure that the discussion and proceedings are conducted in such a manner that decisions are reached in a democratic manner.
- (d) The Chair shall have the power, in the event of disorder arising at any meeting, to adjourn the Community Council meeting to the next scheduled meeting or another fixed time and/or date.
- (e) In instances of the Chair's absence, the meeting should proceed through the Vice-Chair or other interim Chair as agreed by the members present.
- (f) Every motion or amendment must be proposed by one member and seconded by another.
- (g) After the Chair asks the person who proposed the motion to give their final reply, no one else should speak about the motion or any changes to it.
- (h) A motion or amendment can't be withdrawn unless both the person who proposed it and the person who seconded it agree.
- (i) A motion or amendment that reverses a previous Community Council decision cannot be considered again within six months unless new information or an error becomes available.

5. Voting

- (a) Voting shall be taken by a show of hands of those present and eligible to vote, with the exception that, at an annual general meeting, the election of office bearers may be held by secret ballot.
- (b) The Chair may vote as an ordinary member and, in the event of a tie, will have a second casting vote.
- (c) In instances of the Chair's absence, their casting vote is transferred to the Vice-Chair or other interim Chair, as previously agreed by the members present.

6. Alteration to Standing Orders

- (a) A proposal to alter or add to these Standing Orders may be proposed to South Ayrshire Council at any time by the Community Council if notice of a motion to that effect is given at the meeting of the Community Council previous to that at which the motion is discussed.
- (b) South Ayrshire Council shall have final discretion on any proposed change to these Standing Orders.

7. Sub-Groups

The Community Council may appoint sub-groups as it may from time to time decide and shall determine their composition, terms of reference, duration, duties, and powers.

8. Suspension of Standing Orders

These Standing Orders shall not be suspended except at a meeting at which two-thirds of the stated constituted membership number of Community Council members are present and then only if the proposer states the object of their motion and if two-thirds of the Community Council members present consent to such suspension.

APPENDIX 5

South Ayrshire Council

Supported Status

This Appendix forms part of the core Governance arrangements for Community Councils in South Ayrshire

Introduction

When a Community Council moves into supported status, it will be provided with:

1. Reasons for its move to supported status.
2. Confirmation of the period of supported status.
3. Information about what they need to achieve by the Steering Group to reinstate Community Council status.
4. Details on how they can appeal the decision.

What is a Steering Group?

1. It is the remaining members of the Community Council (if it remains above the quorum of one third of the remaining membership of the Community Council or four members, whichever is the greater). The Steering Group will be supported by a South Ayrshire Council Officer as appropriate.
2. If a steering group drops below the quorum for the Community Council, it will immediately be moved to dissolution and appropriate action will be taken by Service Lead, South Ayrshire Council.

What must the Steering Group do?

1. Meet as a Group to rectify the issues that resulted in them being in supported status.

What can the Steering Group do?

1. Continue with any live projects that were already in progress when the Community Council went into supported status with the support of the Senior Communities Officer (it should be noted that the insurance cover in place for Community Councils will remain operational whilst the Community Council is in supported status).
2. Complete financial transactions agreed by the Community Council when it was operational.
3. Take decisions on expenditure for the live projects ONLY.

What must the Steering Group not do?

1. Undertake any work relating to the statutory functions of a Community Council planning, licensing, and other consultations.
2. Agree any expenditure out with the live projects.
3. Spend any funds unless they had approval prior to supported status.

4. Send any correspondence in the name of the Community Council.
5. Undertake any social media activity or update the website other than to inform the community of the status of the Steering Group, publish SG minutes or to promote the need for additional members.
6. Apply for any funding for the Community Council.

Holding of Meetings

1. Meetings should be held at least every six weeks.
2. Meetings are for members of the Steering Group only and any supporting officers, but they would not be involved in any decisions.
3. Notes of actions and decisions will be taken and circulated to members and made available for the community to have sight of.
4. Agendas will be prepared and circulated by the Senior Communities Officer.
5. Meetings will be held in Council premises or online wherever possible to remove the need for expenses to be incurred.

Next Stage

1. If, within the six-month period, the Steering Group satisfies the Service Lead that the Community Council will, in the future be able to comply with the requirement of the Scheme and have met the expectations set out when they went into supported status, then reinstatement of Community Council status will be granted by written notice from the Service lead.
2. If the Steering Group has not managed to achieve the required outcomes within the six-month period, the Service Lead will review the progress made by the Steering Group.
3. If the Service Lead considers that significant progress has been made, they may consider an extension of 3 months to the supported status period to allow the Steering Group to complete its work.
4. If the Service Lead considers that little or no progress has been made, they may consider that it is appropriate to move to dissolution of the Community Council.

APPENDIX 6

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South Ayrshire Council

Community Councils Complaints Procedure

This Appendix forms part of the core Governance arrangements for Community Councils in South Ayrshire

COMPLAINTS PROCEDURE FOR COMMUNITY COUNCILS

NOTE: The importance of transparency of process whilst retaining the appropriate level of confidentiality must be noted and practiced by all Community Council members upon receipt of any complaint. A complaint against the collective membership of a Community Council may be considered appropriate to share with all members simultaneously, whereas a complaint against an individual member may be shared with that member only in the first instance, to provide them with time to reflect on the content of the complaint and to prepare an appropriate response, before the complaint is shared with the collective membership for discussion.

In any event, Community Councils may consider whether it would be appropriate to invoke Constitution Clause 14k when in receipt of a complaint and undertaking an appropriate procedure.

Complaints Procedure

This procedure is for making complaints against Community Councils or its members and can be used by Community Councillors, members of the public, organisations, or elected members.

1. What is a Community Council Complaint?

1. A complaint against a Community Council is an expression of dissatisfaction or concern relating to the actions of a Community Council or its members. This may be about the conduct; standard of service; actions or lack of action by a Community Council and/or its members. Complaints **MUST** relate to alleged breach of the Scheme of Establishment for Community Council or the Code of Conduct for Community Councillors.
2. A complaint is not:
 1. A dispute of a personal nature which does not involve the role as a Community Councillor.
 2. An issue that is in court or has already been heard by a court or a tribunal.
 3. A disagreement with a decision, where a statutory right of appeal exists.
 4. An attempt to reopen a previously concluded complaint or to have a complaint reconsidered, where a final decision has been reached.
 5. A disagreement with decisions of South Ayrshire Council or complaints regarding South Ayrshire Council services or officers.
 6. Involving a request for compensation on a decision the Community Council has made.

1. This list is not exhaustive. These issues cannot be dealt with and will not be progressed as complaints. Individuals will be redirected accordingly.

2. Who can complain?

2.1 Anyone who is affected by a Community Council can make a complaint. Sometimes an individual may be unable or reluctant to make a complaint on their own. Complaints brought by third parties will be accepted where personal consent has been given.

2.2 Individuals under 16 may complain themselves or can ask a trusted adult such as a parent, older brother or sister, or a guardian to complain on their behalf.

2.3 If an individual considers themselves to be a vulnerable adult they can complain directly, or they can ask a trusted person to complain on their behalf.

2.4 Anonymous complaints will not be accepted under this procedure. However, if the matter involves a sensitive issue, the Senior Communities Officer may permit the complainant's identity to be withheld in exceptional circumstances. In such cases, every effort will be made to maintain the confidentiality of both the complainant and the subject.

3. What can I complain about?

3.1 You can complain about things such as:

1. Neglect by or contrary attitude of a Community Councillor when dealing with a Community Council issue which affects the local community,
2. Breaches to the Code of Conduct for Community Councillors by Community Council members.
3. Breaches to the Scheme for Establishment of Community Councils by Community Councils and/or their members,
4. Financial irregularities and fraud of public funds held by the Community Council,
5. Breaches of confidentiality, including data breaches,
6. Misusing social media, email, or letters for the purpose of personal, political and/or financial gain,
7. Bringing the Community Council into disrepute e.g. misrepresenting the views and interests of the local community.

3.2 This list is not exhaustive, and complaints may involve more than one thing.

4 Time limit for making complaints.

Complaints should be made within three (3) months of the incident occurring. Complaints involving issues that occurred later than this will not be dealt with, unless there are special circumstances for granting an extension. Any such circumstances will be considered on a case by case basis.

5 How do I complain?

5.1 All complaints relating to Community Councils and/or individual Community Councillors must be submitted in writing to the Senior Communities Officer at communitycouncils@south-ayrshire.gov.uk. Representations submitted elsewhere, including directly to Community Councils or other South Ayrshire Council officers, will not be formally considered as complaints.

5.2 All complaints should be made formally in writing, making clear:

- (a) the complainant details, the nature of the complaint,
- (b) the grounds which support it; and,
- (c) including evidence which substantiates the grounds.
- (d) what outcomes they are seeking.

6. On receipt of a complaint

6.1 On receipt of a complaint the Senior Communities Officer will determine whether it is a valid complaint under this procedure (refer to paragraph 1 and 3) and if so, shall record the complaint and determine the next process.

6.2 The Senior Communities Officer shall by letter or email acknowledge receipt of the complaint as soon as possible and shall inform the Community Council or the

Community Councillor of the complaint by providing them with a copy of the complaint.

- 6.3 The Senior Communities Officer must contact the complainant and the person being complained about to discuss the nature of the complaint to see if it is possible to resolve the complaint without progressing further.
- 6.4 Where more than one complaint is about the same incident or issue, they will be considered together. This may affect the timelines for dealing with the complaints and the complainant(s) will be notified if this is the case.

7. The Complaint Handling Process

- 7.1 The Procedure provides for a 2 stage complaints procedure for the resolution of complaints:
1. Stage 1 Community Council Resolution
 2. Stage 2 Panel Hearing
- 7.2 The Senior Communities Officer will determine which procedure is appropriate on receipt of a complaint.
- 7.3 Stage 1 aims to provide a quicker, simple and straightforward way to resolve complaints directly with the relevant Community Council. Stage 2 allows for a more thorough investigation and an independent review by the Community Council Complaints Panel for cases that are more complex or serious.
- 7.4 Some complaints, while simple and straightforward will not be suitable to be handled by the Community Council themselves as determined by the Senior Communities Officer. In such cases, the Senior Communities Officer will progress this to a stage 2 procedure.

Stage 1 Community Council Resolution

1. Where the Senior Community Officer determines that the complaint is valid but involves minor issues, such as meeting administration errors, delays in responding to correspondence or minor breaches of standing orders or the code of conduct for Community Councillors, the Senior Communities Officer will direct such complaints to the office bearer of the Community Council concerned.
2. Where the complaint is about an individual Community Councillor, they should be given the opportunity to present their accounts of events or address specific points raised in the complaints.

3. The office bearers may decide that the appropriate course of action would be for the complaint to be tabled and resolved during a meeting of the Community Council.

The Community Council can invoke Scheme Clause 7.1 and Constitution Clause 14(k) which enables a Community Council to hold a meeting, or parts of a meeting, in private where it considers it appropriate to do so.

4. Any member (including office bearers) directly involved in the complaint must withdraw themselves from discussion and decision-making to avoid conflict of interest or the appearance of bias. This includes leaving the room during discussions and not influencing others.
5. If office bearers choose to resolve the complaint without a meeting of the Community Council, they must report on the decision and action taken at the next possible meeting.
6. The Community Council shall seek to resolve the complaint and within 30 working days, notify the complainant of the outcome of their complaint in writing.
7. An accurate record of the decision reached and how the complaint was handled including a copy of the correspondence of the outcome which was sent to the complainant must be provided to the Senior Communities Officer.
8. Where it has not been possible to resolve the complaint or the complainant is not satisfied with the outcome, they can request that the Senior Communities Officer progress their complaint to a Stage 2 procedure.

Stage 2 Panel Hearing

1. Complaints handled under the Panel Hearing stage are typically complex and serious, involving issues such as fraud, harassment, breaches of law, systemic corruption or collective misconduct and would require detailed examination before an outcome can be reached. A thorough investigation must be carried out.
2. The Senior Communities Officer will identify where the complaint is valid and relates to a Stage 2 procedure and advise the parties. They shall notify the Community Council or Community Councillor concerned and the complainant that they have up to seven (7) days to provide a written statement to support their position and that the written statements would form part of the information provided to the Complaints Panel,
3. The complaint will be referred to a Panel of three (3) Community Councillors from within the pool of trained members. All written statements and information relating to the complaints from both parties will be supplied to the Panel for determination of the complaint.

4. The Panel shall appoint a Chair and a note taker. The Panel must determine if they are able to resolve the complaint based on the information before them. If there is enough information, then the panel will make its decision and notify both parties.
5. If the Panel are unable to decide and require additional information, then they must seek supporting information from both parties and any witnesses and if necessary, undertake interviews to aid the investigation of the complaint.
6. Unless there are circumstances which may not make this possible, the Panel shall communicate their decision in writing within 40 working days of receipt of the written statement in support of the parties' position to the complainant, the Community Councillor subject to the complaint and or the office bearers of the Community Council. Where it is not possible to meet this time limit, all parties must be notified of the circumstances.
7. A record of the decision reached and how the complaint was handled including a copy of the correspondence of the outcome which was sent to the complainant shall be sent to the Senior Communities Officer.
8. The decision by the panel will be the final decision in respect of the complaint. Any communication with the panel must be done via the Senior Communities Officer. No individuals email addresses will be given.

8. Extension to timelines

8.1 In exceptional circumstances, where there are clear and justifiable reasons for doing so, the Senior Communities Officer may determine that an extension to the timeline is required. Examples of when this may be appropriate include:

1. individuals concerned being temporarily unavailable.
2. essential accounts or statements, required to establish the circumstances of the case, are needed from individuals, but they cannot help because of long-term sickness or leave.
3. where it is not possible to obtain further essential information within normal timescales.
4. when operations are disrupted by unforeseen or unavoidable circumstances, for example severe weather conditions; and

5. where multiple complaints submitted in relation to the same issue.

8.2 This list is not exhaustive. An extension to the timescale must be considered as soon as it becomes apparent that this is required. All parties will be informed if permission for an extension is given. The complainant shall be made aware of delays or complexities that may impact progress.

9. Possible Outcomes

9.1 **No Breach:** If the Community Council or Complaint Panel considers that there has been no breach, then it should provide reasons why this is the case.

9.2 **Breach:** Where a Breach has been determined, the possible sanctions that can be imposed include Censure with a requirement of Apology, Training (exact nature to be identified); Mentoring; Restriction of communication between parties (to be clearly specified); Written undertaking to behave within the Code of Conduct. **A decision to impose any of these sanctions must be with a simple majority.**

9.3 **Serious Breach:** Where it has been determined that a Serious Breach has occurred, the possible sanctions that can be imposed include Suspension for a set period up to six (6) months; Instruction to stand down from an Office Bearer position; Expulsion; Recommendation of Supported Status. **A decision to impose any of these sanctions must be a unanimous decision.**

FLOWCHART to be added once final approval is received

DRAFT

APPENDIX 7



South Ayrshire Council

Annual Self-Assessment (RAG Analysis) for Community Councils

CONSIDERED GOVERNANCE STATUS

1. **RED** – 1 or more CORE ADMINISTRATION items remain outstanding.
2. **AMBER** – All (6) CORE ADMINISTRATION items met; and Any 1 GOOD PRACTICE item being met.
3. **GREEN** – All (6) CORE ADMINISTRATION items met; and evidence of 6 GOOD PRACTICE items being met; which must include the Annual Self-Assessment (RAG Analysis).
4. **RAG Analysis should be completed each year. AMBER status is satisfactory; GREEN status Community Councils will be held up as MODELS of GOOD PRACTICE.**

This Appendix forms part of the core Governance arrangements for Community Councils in South Ayrshire

Name of Community Council

SAC can complete

Year of Self Assessment

SAC can complete

Date of meeting which discussed self assessment

CC to complete

Considered RAG Status

Green

Amber

Red

Completed by

(name - block Capital)

CC to complete

(signature)

(position)

(date self assessment completed)

CORE ADMINISTRATION	MONITORING QUESTION	YES	NO	COMMENTS / EVIDENCE / CONCERNS
1. Constitution	Is there a signed Constitution held on file and by South Ayrshire Council?			SAC can complete
2. Minutes	Are all Community Council minutes from the last 2 years held on file by South Ayrshire Council?			SAC can complete
3. Annual General Meeting	Has an AGM been held in April/May of the most recent year?			SAC can complete
4. Finances	Have the most recently approved accounts been submitted to South Ayrshire Council?			SAC can complete
5. Treasurer Reports	Are regular financial reports presented at scheduled meetings?			SAC can complete

6.	Chairperson's Report	Is a Chairperson's Report available from the most recent AGM?			SAC can complete
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GOOD PRACTICE	MONITORING QUESTION	YES	NO	COMMENTS / EVIDENCE / CONCERNS
7.	Elected Members' Reports			SAC to answer (as per minutes)
8.	Police Reports			SAC to answer (as per minutes)
9.	Planning			SAC to answer (as per minutes)
10.	Licensing			SAC will populate for those that have one.
11.	Email			SAC will populate for those that have one.
12.	Website			SAC will populate for those that have one
13.	Social Media			CC to answer
14.	Online Training			SAC to answer
15.	Wider Participation			CC to answer
16.	Consultations			CC to answer
17.	Local Vision			SAC will populate once we have the details from each CC

FOR OFFICIAL USE: Thriving Communities confirmation of RAG status:

Green **Amber** **Red**

Relevant Officer: _____

Date:

MODEL SCHEME FOR THE ESTABLISHMENT OF COMMUNITY COUNCILS IN SCOTLAND 2023

1. Background

The Model Scheme for the Establishment of Community Councils 2023 replaces the Model Scheme that was first published in 2009.

The Model Scheme for Community Councils in Scotland is designed to enable the establishment of community councils across Scotland to provide a common minimum basic framework governing their creation and operation. However, each local authority is responsible for consulting on and agreeing its own Scheme.

2. Introduction

Community Councils were first established in Scotland following the Local Government (Scotland) Act 1973. Thereafter, the Local Government etc. (Scotland) Act, 1994, which produced the current system of unitary local authorities, made provision for the continuation of community councils. Under the legislation, every local community in Scotland is entitled to petition their local authority to establish a community council in their area.

The role of Community Councils in Scotland was further strengthened by the Community Empowerment (Scotland) Act 2015 which identified them as community participation bodies.

Community councils have a statutory right to be consulted on applications for planning permission and have a key role as per the Planning (Scotland) Act 2019 in engaging with the statutory planning system.

3. Statutory Purposes

The statutory purposes of community councils established under the Model Scheme are set out in Section 51 (2) of the Local Government (Scotland) Act 1973, as follows: -

“In addition to any other purpose which a community council may pursue, the general purpose of a community council shall be to ascertain, co-ordinate and express to the local authorities for its area, and to public authorities, the views of the community which it represents, in relation to matters for which those authorities are responsible, and to take such action in the interests of that community as appears to it to be expedient and practicable”

4. The Role and Responsibilities of Community Councils

The general purpose of community councils is to act as a voice for their local area. This will involve them articulating the views and concerns of local people in their area on a wide range of issues of public concern and make representations to their local authority, other public sector bodies and private agencies on matters within their sphere of interest.

It is essential that these views be demonstrated to be accurately representative of the community. Accordingly, the community council will have in place, in consultation with and supported by the local authority where possible, recognised consultative mechanisms including digital to validate their views and devise strategies to secure greater involvement by all sectors of the community.

Community councils have a statutory right to be consulted on planning applications.

Licensing matters and any other matters may also be jointly agreed between community councils, the local authority and other public sector and private agencies.

The Community Empowerment (Scotland) Act 2015 also provides new statutory rights for community councils along with other community organisations. This includes Part 3 Participation Requests, Part 8 Common Good and Part 9 Allotments.

Community councils may carry out other activities that are in the general interests of the communities they represent, provided these activities fall within the objects of their Constitution and the terms of the Council's Scheme for the Establishment of Community Councils.

There should be mutual engagement in the establishment of working relationships with the local authority and other agencies.

In carrying out their activities community councils must at all times adhere to the law, the terms of the Council's Scheme for the Establishment of Community Councils and the Community Councillors' Code of Conduct.

Each community council is required to adopt a Constitution, based upon the Model Constitution, which has been produced for national use, together with Model Standing Orders, to encourage and maintain consistency for all community councils and to facilitate their proceedings being properly structured and regulated, to ensure that items of business relevant to the community are properly debated and decisions reached in a democratic manner. The community council's Constitution is required to be approved by the local authority.

Community councils have a duty under statute to represent the views of their local community. It is vital therefore, that they reflect the broad

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spectrum of opinion and interests of all sections of the community. Good Practice Guidance has been produced to help Community Councils to deliver on these responsibilities.

In order to fulfil their responsibilities as effective and representative, community councils shall: -

- ☒ Inform the community of the work and decisions of the community council by posting agendas and minutes of meetings in public places, such as libraries, notice boards and online, subject to the provisions contained within the Data Protection Act 1998 and the General Data Protection Regulations (2018), provide contact details of community council members.
- ☒ Agendas and draft minutes of community councils' meetings must be presented to the local authority within 30 days from the date of that meeting and be circulated to community council members, relevant elected members and other interested parties.
- ☒ Seek to broaden both representation and expertise by promoting the Associate Membership of the community council of persons for specific projects/issues.
- ☒ Make particular efforts to encourage young people and other under-represented groups to attend/participate in community council meetings and to ensure equality of opportunity in the way the community council carries out its functions.
- ☒ Maintain proper financial records and present financial reports at community council meetings.
- ☒ Inform the local authority of any change in membership (resignations, Associate Membership, etc.) and circumstances, as soon as is practicable. Respond to enquiries and feedback from the community.

5. Community Council Areas within Local Authority Areas

The local authority has produced a list of named community council areas and a map or maps that define their boundaries.

6. Membership of Community Councils

There shall be minimum and maximum membership numbers of elected community councillors in a community council. Due to the diverse nature of local authority areas, where there may be areas of sparse population relative to geographical disposition, such as island communities, each local authority may set its own formula within their scheme for the definition of a minimum and maximum number of community council members in any community council area.

The minimum age to stand for election as a community councillor is 16 years. Qualification for membership is by residency within the specific community council area. Community councillors and candidates for community council membership must also be named on the electoral

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register for the community council area in which they reside. There shall be provision made for non-voting Associate Membership for purposes as defined by each community council. For example, for persons under 16 years of age. Such persons will not be counted in terms of meeting a quorum, or towards the total number of community council members.

Elected members of the local authority and members of the Scottish and United Kingdom Parliaments are entitled to become *ex-officio* members of community councils, with no voting rights. A broad outline of the remit and responsibilities of each of these institutions is featured in the Guidance Notes accompanying the Model Scheme.

7. Establishment of Community Councils under the Model Scheme

Local authorities may choose to review their own scheme of establishment. Upon the local authority's revocation of its existing Scheme for the Establishment of Community Councils and decision to make a new Scheme, it shall publish a Public Notice, which shall invite the public to make suggestions as to the areas and composition of the community councils. Thereafter, a consultation process shall be undertaken prior to its formal adoption by the local authority.

8. Community Council Elections Eligibility

Candidates wishing to stand for election to a community council must reside in the local area and be named on the Electoral Register for that area. The same criteria shall apply to voters in a community council election.

Sixteen and 17 year-olds residing in the community council area and named on the Electoral Register for that area are also entitled to both stand for the community council and vote in any election.

Any community council member who no longer resides within that community council area is deemed to have resigned from that community council. Local authorities can enable community council members who have left the community council area to remain in place until the next election (full or interim) should they wish to.

Any individual who is elected to serve on this local authority, or the Scottish or UK parliament shall be ineligible to remain a community councillor, or to stand for election to a community council. Such persons, upon taking office, become *ex-officio* members of the community councils contained in whole or in part of their electoral constituency.

9. Nominations and Elections

The first elections to be held under the Scheme shall be held on a date to be determined by the local authority.

Subsequent elections will be held on a four-yearly-cycle on dates to be determined by the Community Council in agreement with the Local Authority. Where the number of established community councils exceeds a level to be determined by the local authority, elections for a proportion of

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the total number of established community councils within the 4-yearly cycle may be arranged. Should community councils' election cycle fall in the year of Scottish local government or parliamentary elections, the electoral proceedings will be held in the following year.

The local authority will administer all elections.

10. Returning Officer

The local authority will appoint an Independent Returning/Depute Officer. The Independent Returning/Depute Officer must not be a current elected member of that community council nor intending to stand for election to that community council.

11. Nominations

Individuals seeking election to a community council require to be nominated by a proposer and seconder, both of whom must be on the Electoral Register for that community council area. Nominations require to be submitted with the candidate's consent.

A nomination form should be completed, the style of which will be described within the Guidance Notes. Nominations require to be submitted by post, email or online by the date set down in the election timetable. No nomination forms submitted after that date will be accepted.

12. Process

On the expiry of the period for lodging nominations:

1. Should the number of candidates validly nominated equal or exceed **HALF**, but be less than or equal to the total maximum permitted membership as specified for the community council area, the said candidates will be declared to be elected and no ballot shall be held.
2. Should the number of candidates validly nominated exceed the total maximum permitted membership as specified for the community council area, arrangements for a Poll shall be implemented. At the Poll, each voter shall be entitled to vote for candidates up to the number of vacancies on the community council.
3. Should the number of candidates elected, be below **HALF** of the total maximum permitted membership, as specified for the community council area, no community council will be established at that time. However, that does not preclude the local authority from issuing a second call for nominations for a community council area failing to meet the minimum membership requirement within 6 months of the closing date for the registration of the first call for nominations.

13. Method of Election

Elections will be based on whole local authority areas or devolved administrative areas, as deemed appropriate. Ideally, elections will take place across whole local authority areas at one time. However, large local

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authorities may need to take an incremental approach to elections across their area, over a specified period of time or cycle. Community councils shall be elected on a simple majority basis.

14. Filling of casual places/vacancies between elections

Casual vacancies on a community council may arise in the following circumstances:

- When an elected community council member submits their resignation;
- When an elected community council member ceases to be resident within that community council area;
- When an elected community council member has their membership disqualified (Clause 18).
- On the death of an elected community council member.

Should a vacancy or vacancies arise on a community council between elections, it shall be a requirement that the community council undertake appropriate election arrangements, in consultation with the local authority. Filling a vacancy can be undertaken either through the process of an interim election or by co-option. However, should circumstances arise that lead to the number of elected community councillors falling below **HALF** of the maximum permitted membership, the local authority shall be informed and shall undertake arrangements for an interim election to be held, as described within the Guidance Notes.

15. Co-option to Community Councils

Co-opted members must be eligible for membership of the community council as detailed in Section 5 of the Community Council Scheme. They must be elected onto the community council by a two-thirds majority of the elected (general and interim) community councillors present and voting. Such co-opted members shall have full voting rights, with the exception of voting on co-option of members, and will serve until the next round of elections (general and interim). Notice of any proposed co-option procedure is required to be intimated to all of that community council's members at least 14 days prior to the meeting when the matter will be decided.

The number of co-opted members may not exceed a **THIRD** of the current elected (general and interim) community council membership. Should the ratio of co-opted to elected community councillors become greater than one third, due to any circumstances, an interim election process shall be triggered.

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16. Additional Membership

Associate Members

Associate members may be appointed by a community council where there may be a need for individuals with particular skills or knowledge. These individuals do not have voting rights. Associate members may serve for a fixed period as determined by the community council or for the term of office of the community council that has appointed them. Associate members may also include representation from other constituted local voluntary organisations. Associate members are not required to be residents of the community council area.

Ex-Officio Members

Local Authority Councillors, MPs and MSPs whose wards or constituencies fall wholly or partly within the geographical area of the community council area shall be deemed ex-officio members of the community council. Ex-officio members shall have no voting rights on the community council.

Youth Membership

Each Community Council is able to appoint two youth members between the ages of 16-18. Youth members must live within the Community Council area. These members shall be in addition to the total membership of each Community Council but will be considered as full members of the Community Council. They will have full voting rights, with the exception of co-option and will be appointed for a two-year term.

17. Equalities

The Equality Act 2010 makes it unlawful to discriminate against persons or groups on the grounds of the protected characteristics of race, sex, gender recognition, disability, age, sexual orientation, marriage and civil partnership, pregnancy and maternity, and religion or belief.

Recognition should be given to the contribution of everyone participating in the work of the community council. Community councils must comply with Equal Opportunities legislation and should recognise and value diversity in their membership and in their communities, ensuring that equality of opportunity be given to every resident to have their knowledge, opinion, skill and experience taken into account.

Consideration must also be given by the Community Council as to their meeting place, whether online or in-person. This must be in terms of accessibility and facilities for disabled users, as well as location, as far as practicable, to ensure that the needs of all members, visiting public or other additional members are met.

18. Disqualification of Membership

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Membership of a community council is invalidated should a community councillor's residency qualification within that community council area cease to exist. If any member of a community council fails to attend any community council meeting, with or without submitting apologies, throughout a period of 6 months, the community council may terminate their membership. At the discretion of individual community councils, a period of leave of absence for community council members may be granted at any meeting of the community council.

19. Meetings

The first meeting of a community council following a community council election, will be called by an independent Returning Officer approved by the local authority and will take place within 21 days of the date of the election, or as soon as practicable thereafter. The business of that meeting will include adoption of a Constitution and Standing Orders, appointment of office bearers and any outstanding business matters from the outgoing community council.

The frequency of meetings will be determined by each community council, subject to a minimum of one annual general meeting and 6 ordinary meetings being held each year. The annual general meeting shall be held in a month of each year to be determined by the local authority.

The quorum for community council meetings shall be one third of the current voting membership of a community council, or 3 voting members, whichever is the greater.

An outline for the content of business that community councils should adhere to when holding ordinary, special and annual general meetings is contained within the Model Standing Orders.

20. Virtual Meetings

Community Councils may decide to take an in-person, online or hybrid approach to their meetings, and the platform to be used for any meeting is for the Community Council to decide.

Virtual meetings may include members of the public where this can be accommodated, but this is not mandatory and for each Community Council to determine.

Whether or not they are able to attend, proper provision must be made to afford members of the public the opportunity to address the Community Council as set out in the following paragraph.

An Agenda for the meeting shall be published in the usual way and all Members of the Community Council and members of the public invited, in advance, to submit comments on any Agenda item to the Community Council's generic email address or by other appropriate means; such views to be considered by the Members dealing with the items of business. Comments may also be submitted during the meeting itself,

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but the ability to receive comments in advance will assist the Community Council in managing a remote meeting.

Minutes of the meeting and details of any decisions taken must be recorded, in writing, in the usual way and made publicly available. Video or audio recording of meetings can only take place with the clear consent of all present, such consent to be recorded in the written minutes.

21. Liaison with the Local Authority

In order to facilitate the effective functioning of community councils, the local authority has identified an official to act as a Liaison Officer with community councils. Unless there is a specific agreement or an issue is a specific departmental issue, all correspondence between the local authority and the community councils should, in the first instance, be directed through that official.

Community councils may make representations to the local authority and other public and private agencies, on matters for which it is responsible and which it considers to be of local interest. Representations should be made, in the case of statutory objections, such as planning or licensing matters, to the appropriate local authority official. On issues where a local authority department is consulting with community councils, representations should be made to the appropriate departmental officer.

Community councils shall provide copies of their agendas and minutes within prescribed timescales to the Council via the local authority's named official.

22. Resourcing a Community Council

The financial year of each community council shall be provided for in the constitution of each community council and shall be from **(to be determined by the local authority)** to **(to be determined by the local authority)** in each succeeding year to allow for the proper submission of audited statement of accounts to the community council's annual general meeting on a specified date.

The Annual Accounts of each community council shall be independently examined by an examiner appointed by the community council, who is not a member of that community council. A copy of the independently examined statement of accounts/balance sheet shall be forwarded immediately thereafter the statement is approved at the community council's annual general meeting, to a named official of the local authority.

The named official may, at their discretion and in consultation with the Council's Chief Financial Officer, require the community council to produce such records, vouchers and account books, as may be required.

Each community council shall have the power to secure resources for schemes, projects and all other purposes consistent with its functions.

Each community council shall be eligible to apply for grants for suitable projects through the local authority's grant system.

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The local authority may provide an initial administrative grant to community councils to assist with the operating costs of the community council. The grant shall be fixed at a minimum flat rate of £ **(to be determined by the local authority)** with an additional minimal -p. **(to be determined by the local authority)** per head of population.

The local authority shall determine any additional support services/resourcing, such as: photocopying and distribution of community council minutes, agendas and free lets of halls for community council meetings, to suit local requirements. The local authority will review the level of annual administrative grant and other support to community councils following each local government electoral cycle.

The local authority's Liaison Officer shall facilitate advice and assistance to community councils and arrange for the establishment of a training programme for community councils on the duties and responsibilities of community council office bearers, the role of community councils, the functions of the local authority and other relevant topics.

23. Liability of Community Council Members

Insurance is required for a Community Council to be operational. All Community Councils should arrange their own insurance.

24. Dissolution of a Community Council

The terms for dissolution of a community council are contained within the Model Constitution.

Notwithstanding these terms, should a community council fail to hold a meeting for a period of 3 consecutive prescribed meeting dates, or its membership falls below the prescribed minimum for a period of 3 consecutive prescribed meeting dates (during which time the community council and the local authority have taken action to address the situation), the local authority shall take action to dissolve that community council.

Integrated Impact Assessment Summary Report

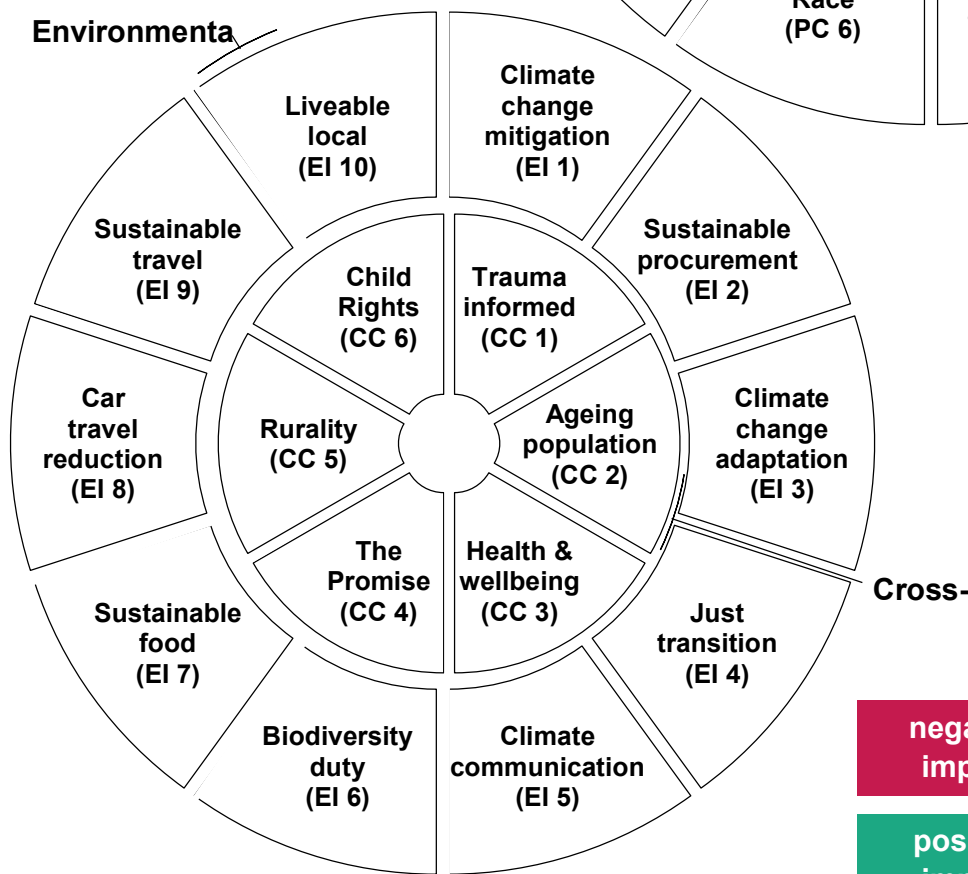
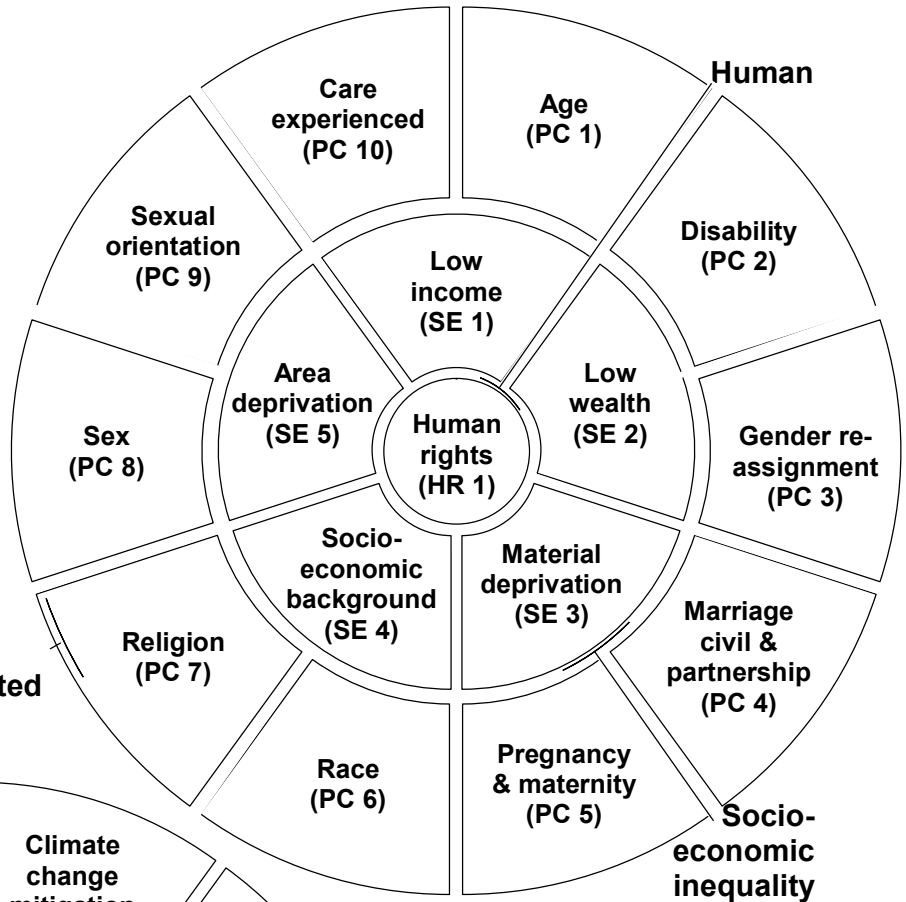


Proposed changes and updates to the Scheme For Establishment of Community Councils.

Completed by:

Jamie Tait ,
Service Lead Thriving Communities ,
Thriving Communities

Date started 23/01/2026



To be implemented on:

1st April 2026

Review date:

every Three Years

Oversight Panel:

Full Council

negative impact

uncertain / not clear

positive impact

no impact / not applicable

Public sector equality duty

Eliminating unlawful discrimination, harassment, and victimisation?

Proposed changes to the scheme will not impact unlawful discrimination, harassment or victimisation.

Advancing equality of opportunity?

Proposed changes will impact equalities however the role of Community Councils is to listen to the views of their communities and represent their community.

Fostering good relations?

Proposed changes should make the Scheme easier to understand and work with and should improve relationships across communities. Officers do recognise that not everyone will be content or supportive of changes however the scheme is designed to support Community Councillors.

Consultation declaration

We confirm consultation has been carried out as part of this process.

South Ayrshire Council

**Report by Depute Chief Executive and Director
of Housing, Operations and Development
to South Ayrshire Council
of 19 February 2026**

Subject: Asset Management Plan (Land and Buildings) 2026

1. Purpose


1.1 The purpose of this report is to seek approval of the Council's revised Asset Management Plan (Land and Buildings) and propose the development of a Corporate Asset Management Strategy for South Ayrshire Council.

2. Recommendation

2.1 It is recommended that the Council:

2.1.1 approves the 2026 South Ayrshire Council Asset Management Plan (Land and Buildings) which is attached as Appendix 1;

2.1.2 agrees that officers continue work with services to develop the prioritisation and challenge of property assets with a view to increase efficiency, reduce costs, improve service delivery, and enhance the alignment of capital resource allocation to achieve these ends

2.1.3 agrees that officers work to develop a single consolidated South Ayrshire Council 'Corporate Asset Management Strategy' (CAMS) that will: encompass property, roads and structures, open spaces, ICT, and fleet; align these strategic objectives with the process of capital resource allocation for all asset classes and categories thus driving forward a best value agenda. 

3. Background

3.1 On 12 December 2024, a revised Asset Management Plan (Land and Buildings) was approved by Council. This document set out the Council's approach to the management of its assets in terms of addressing a number of key challenges for the Council's land and buildings.

3.2 An Asset Management Plan is a valuable tool to support the Council's strategic objectives. It is necessary therefore that it is kept up to date in order that it can continue to provide direction and focus to the delivery of asset management and continue to contribute to the identification of efficiency savings in 2026/27 and future years.

4. Detail

- 4.1 The Council is committed to managing its land and building assets efficiently and effectively. It is recognised that the land and building assets are important in the community's perception of the Council and the services we deliver to them.
- 4.2 The Council is asked to note the updated core property information on the condition, suitability and accessibility of the Council's property assets which is included with the proposed revised 2026 Asset Management Plan ('AMP'). The core property data within the AMP have been updated to reflect the changes to the numbers of properties, asset values and key performance indicators.
- 4.3 The AMP is attached as Appendix 1. It sets out the Council's approach to the management of its assets in terms of addressing several key challenges for the Council's land and buildings. These can be summarised as follows:
- 4.3.1 Ensuring energy performance of our land and building assets is monitored, and improvements undertaken where financially viable and technically feasible, with the objective of reducing the Council's annual energy spend of £8.2m and reducing carbon emissions;
 - 4.3.2 Ensuring energy performance of our land and building assets is monitored, and improvements undertaken where financially viable and technically feasible;
 - 4.3.3 Ensuring that land and buildings are managed effectively and efficiently and demonstrating that they deliver best value; and
 - 4.3.4 Maintaining, improving and rationalising the Council's property portfolio as required to support the delivery of Council services through different ways of working.
- 4.4 The current Asset Management Plan (Land and Buildings) provides robust information on all property conditions and energy efficiency and in so doing provides a strong foundation to inform priorities for investment in the Capital Investment Programme. However, there is currently no long-term strategy to the Capital Investment Programme based upon priorities for investment or for moving away from ongoing investment towards future transfer or disposal of land or property. Further, energy efficiency, retrofit amenability and energy utilisation needs to become a central element of strategic asset planning as it has direct and significant consequence on revenue budgets. The absence of a long-term investment strategy has been reinforced through a recent audit of asset management and capital programme processes undertaken by Audit Scotland. The need for a long term investment strategy to ensure that the Council is providing Best Value by investing its capital strategically is becoming more critical as the Council's budget position becomes tighter.
- 4.5 Asset Management have worked with service leads and coordinators for property to initially identify potential priorities for investment by way of strategic and location based review. Further work with services and engagement with Elected Members will be required before firm priorities for investment can be recommended, Council is being asked to agree that work continues to establish priority assets and work towards developing a long term strategy for the Capital Investment programme.

- 4.6 The Council has a range of other general services' asset plans (ICT Technology Roadmap; Fleet; Open Space). Audit Scotland have recommended that the Council consider and improve the way in which capital resource allocation is linked to strategic asset management of all asset categories. They highlight the importance of formulating a long-term capital strategy, linked to achieving the aims of their asset management strategies; this should include a formal corporate approach to options appraisal for developing proposed capital projects. To further strengthen and ensure a strategic asset management approach to forming the Capital Investment Programme that provides for Best Value it is recommended that Council agree that officers will bring forward an overarching 'Corporate Asset Management Strategy' (CAMS) that will encompass property, roads and structures, open spaces, IT and fleet is considered an appropriate vehicle to align capital investment with strategic asset management across all domains. . The CAMS will be developed as part of the annual review of the Corporate Asset Management Strategy and will be recommended to Council in February 2027.

5. Legal and Procurement Implications

- 5.1 The recommendations in this report are consistent with legal requirements. Any legal implications regarding management of specific assets will be detailed in future reports to South Ayrshire Council or Cabinet.
- 5.2 There are no procurement implications arising from this report.

6. Financial Implications

- 6.1 The recommendations in this report do not have direct financial implications. However, the continuation of effective asset management planning for land and buildings and brings with it opportunities for the Council to generate financial and efficiency savings, along with the opportunity to reduce annual running costs in the future.

7. Human Resources Implications

- 7.1 Not applicable.

8. Risk

8.1 Risk Implications of Adopting the Recommendations

- 8.1.1 Risk that the Council does not start to align strategic objectives with its Asset Management Plan resulting in organisational inefficiency in the future.

8.2 Risk Implications of Rejecting the Recommendations

- 8.2.1 The risk associated with rejecting the updates to the Asset Management Plan is that the Council will lose the opportunity to streamline its approach to capital asset and ward capital management planning and fail to realise potential efficiency savings.

9. Integrated Impact Assessment (incorporating Equalities)

9.1 The proposals in this report have been assessed through the Integrated Impact Assessment and a summary is provided as Appendix 2.

10. Sustainable Development Implications

10.1 **Considering Strategic Environmental Assessment (SEA)** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy as defined by the Environment Assessment (Scotland) Act 2005.

11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to Priorities 1, 2 and 3 of the Council Plan.

13. **Link to Shaping Our Future Council** Yes No

13.1 Not applicable.

14. Results of Consultation

14.1 There has been no public consultation on the contents of this report.

14.2 Consultation has taken place with Councillor Martin Kilbride, Policy Lead for Housing and Property, and the contents of this report reflect any feedback provided.

15. Next Steps for Decision Tracking Purposes

15.1 If the recommendations above are approved by Members, the Depute Chief Executive and Director of Housing, Operations and Development will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Asset Management Plan adopted and published on Council website	March 2026	Service Lead – Asset Management and Community Asset Transfer
Recommendations for assets to be prioritised as part of All Council Asset Management Plan	February 2027	Service Lead – Asset Management and Community Asset Transfer

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Consolidated all Council Asset Management Plan	February 2027	Service Lead – Asset Management and Community Asset Transfer

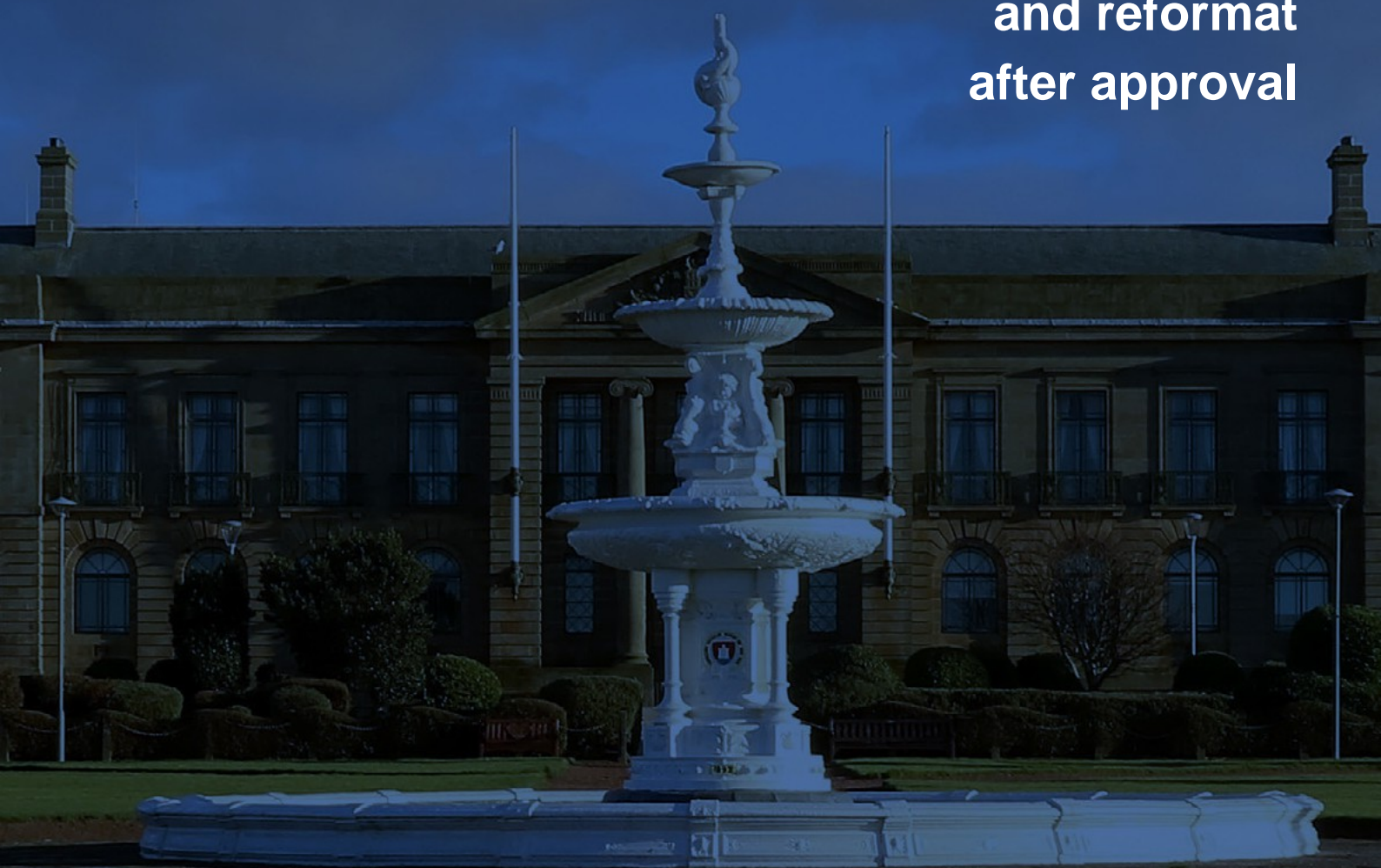
Background Papers **Report to South Ayrshire Council of 12 December 2024 – [Asset Management Plan \(Land and Buildings\) 2024](#)**

Person to Contact **Tom Burns Service Lead - Asset Management and Community Asset Transfer**
County Buildings, Wellington Square, Ayr, KA7 1DR
Phone 01292 612845
E-mail tom.burns@south-ayrshire.gov.uk

Date: 30 January 2026

Asset Management Plan 2026

**Land and Buildings
February 2026
Pre design draft –
will be subject
to full design
and reformat
after approval**



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- 4.4 Community Asset Transfer
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1. Background and Context

- 1.1 The scale of previous Scottish Government grant reductions and those forecast for future years mean that it will become increasingly difficult for the Council to remain financially sustainable with the current service delivery model. It is anticipated that future service demands and cost pressures will significantly outstrip the resources available.
- 1.2 After staff costs the revenue resources deployed in the management of the Council's property assets represent the next highest area of expenditure. It is therefore essential that these significant resources are deployed effectively and efficiently to sustain and where possible improve the performance of our property assets
- 1.3 South Ayrshire Council is committed to managing its land and building assets efficiently and effectively. The Council's land and building assets can be broken down into the following asset categories:
- **Operational Assets** which are required to directly support Council services;
 - **Non-Operational Assets** which are commercial premises which assist in economic development and generate a revenue income stream for the Council – for example, shops and industrial units; and
 - **Common Good Assets** which are generally historic properties/land held and managed by the Council as custodian for the benefit of the inhabitants of the former Burgh to which they are related.
- 1.4 The appropriate use of land and building assets in the right location can make the difference between good or bad service delivery. Land and building assets are visible and therefore positively influence our community's perception, as well as that of visitors to the area, of the Council and the services we deliver; it is recognised that:
- Managing land and building assets effectively is a key element of supporting service delivery;
 - Resources employed in the management of our land and building assets are significant and therefore the efficiency of their deployment is critical;
 - Land and building assets can be a key driver of service transformation and modernisation;
 - Reducing emissions from the public sector built estate to zero between now and 2045 will be critical to achieving national targets;
 - Schools are a key asset, often the most used public facility and the main hub of the community;
 - The value of land and building assets owned by the Council is significant; and
 - Properties are key to public perception of our local authority and the area.



- 1.5 Given that there has been a reduction in Local Authority budgets that will continue for the foreseeable future it is now more vital than ever that the Council ensures the efficient and effective use of our land and building assets to meet the delivery of key service objectives.
- 1.6 The Council has approved a ten-year general services capital programme for 2024-25 to 2035-36 that has been formulated based on our corporate priorities, managing risks, ensuring asset management best practice and adherence to the prudential code. By having the asset management strategy, capital and revenue resources agreed for the next ten years the Council has established a sound basis for aligning our resource deployment with the achievement of corporate priorities and the modernisation of services to meet the aspirations of our communities
- 1.7 Responsibility for asset management of land and buildings in the Council falls within the remit of the Asset Management & Community Asset Transfer (AMCAT) service under Housing, Operations and Development, which has the direct responsibility for the co-ordination and management of the asset management planning process.
- 1.8 AMCAT as the lead service in land and building assets management, must ensure that this is delivered in an efficient and effective manner that supports and links into the Council's financial strategy.

2. Executive Summary

- 2.1 This Asset Management Plan (AMP) sets out the Council's approach to the management of its land and building assets to ensure full support of the delivery of our services and the Council's Strategic Objectives.
- 2.2 The management of the Council's land and building assets involves a number of significant elements including the day-to-day management of their use and maintenance, to significant renovation and new construction projects.
- 2.3 Managing these assets in a challenging financial climate will be a fundamental element of the Asset Management & Community Asset Transfer (AMCAT) service delivery strategy, with a commitment to the sustainable development of finite land resources to create an attractive, functional, built environment that makes best use of new and traditional building assets.
- 2.4 The guiding principles of Property Asset Management Strategy which underpin the Council's approach are as follows

Principle	How we will do it	Current examples
<p>Collaboration and co-location with partners – within the local authority and beyond</p>	<p>We will work with other agencies and public sector partners to promote collaboration, co-location, and joint service delivery.</p> <p>We will challenge and make decisions on property matters at a corporate level in line with our strategic priorities.</p> <p>We will work collaboratively across services to identify co-location options, mechanisms, process to improve efficiency and improve customer experience and service delivery will take priority over property-specific solutions.</p>	<p>Shared campuses such as the Maybole Campus has encompassed three primaries and a secondary school, swimming pool, police office and sports facilities in a single low carbon campus building.</p> <p>Troon Municipal building now encompasses the concert hall, library, Customer Services, Thriving Communities and Health and Social Care activities in a central location.</p>

<p>Adoption of sustainable practices and a route map to net zero carbon emissions</p>	<p>We will ensure property design, construction, operation and maintenance optimise sustainability and minimise CO2 emissions.</p> <p>We will monitor, manage and reduce energy use, water consumption and CO2 emissions using technologically advanced solutions.</p> <p>We will ensure new build property meets the highest environmental standards, optimise our legacy portfolio, and move towards decarbonising the heating in our buildings.</p> <p>We will increase our use of renewable energy and undertake energy efficient invest-to-save opportunities.</p> <p>We will design and deliver a clear programme of property upgrade, retrofit, replacement and rationalisation for net-zero.</p>	<p>The South Ayrshire Council Sustainable Design Guidance (SAC SDG) Part1 covers South Ayrshire Councils; non-domestic and domestic new-build developments, and non-domestic estate refurbishment. It provides a full suite of guidance which sets out a pathway to assist South Ayrshire Council in fulfilling our obligations to align with the Scottish Government Net Zero Targets.</p> <p>The energy team is establishing a pipeline of feasible projects to retrofit and upgrade the estate.</p> <p>The energy team won grant funding for the recently completed Prestwick Pool net-zero retrofit and achieved further success by winning £1,718,998 for a similar project at Troon Pool.</p>
<p>Driving inclusive growth by channelling investment and fostering economic activity for targeted communities</p>	<p>We will use our property assets strategically to challenge inequality and support economic activity.</p> <p>We will work with communities to identify, support and drive forward community asset transfers.</p>	<p>The Council has granted permission to the Fort, Seafield and Wallacetown Community Association (a registered charity) to install PV panels onto the roofs of three Council owned school buildings located around Wallacetown. The project has been operational since August 2025 and will provide a discount in energy costs to the Council, reduce the Council's carbon use, and provide an ongoing community-led revenue stream for local investment.</p> <p>The Council's works proactively with communities to deliver a variety of Community Asset Transfer which empower communities, leads to new opportunities and supports inflows of grant funding to our towns and villages.</p>
<p>Changing service delivery models through use of technology and innovation</p>	<p>We will work with services to identify property solutions which take advantage of technological change.</p> <p>We will equip our properties with connected energy technologies to</p>	<p>The award winning energy team within AMCAT have installed sophisticated BEMS system across the estate managed through IQ Vision and installed a network of AMRs to enable detailed monitoring across the non-</p>

	ensure efficient use of resources.	domestic estate. Increasing use of online and telephone contact has reduced the frontline delivery footprint of Customer Services enabling greater flexibility of property use and improving service delivery.
Data led approach to asset performance and evaluation	We will ensure that property information is accurate, current, comprehensive, and widely used so that we can make informed choices.	The Council uses Civica Property Management to control and interrogate estate data. We combine this with previously mentioned energy management data and liaise with colleagues in Finance and across the Council to build a detailed picture of the Council's operational portfolio which can be deployed to assist strategic decision making.
Supporting user satisfaction and wellbeing	<p>We will prioritise CRA and other relevant expenditure to make our buildings suitable and sufficient for service delivery.</p> <p>We will work to provide property that is flexible and resilient to respond to future need and changes in the economy and social demand.</p> <p>We will ensure our property is accessible, equitable, secure and safe to use fulfilling statutory requirements and supports the health and wellbeing of our employees</p>	<p>The CRA team delivers DDA survey work, compliance testing, and property condition management ensuring our buildings are safe, well maintained and accurate.</p> <p>The energy team ensure building energy utilisation is efficient and well managed as described above.</p>

3.2 Asset Management and the Council's Strategic Objectives


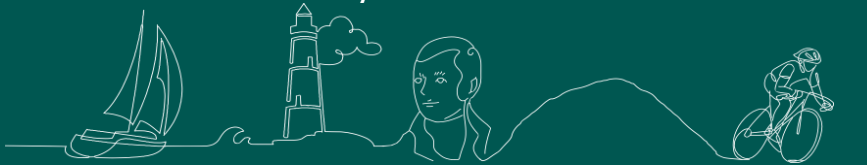
3.2.1 Significant resources are deployed in the management, maintenance and construction of our land and building assets and therefore it is essential that these are deployed to deliver the best possible outcomes for South Ayrshire. Land and building assets are essential to the services delivered by the Council. Managing these assets is a structured process that seeks to ensure best value; continuous improvement in performance; achievement of our Strategic Objectives; and service modernisation. The Asset Management Plan sits within a matrix of documentation and specifies the delivery strategy and realisation mechanism for a range of Council priorities as they relate to property assets. These include;

- [South Ayrshire Council Scheme of Delegation](#);
- [South Ayrshire Council Policy for the Acquisition and Disposal of Land and Buildings](#);
- [South Ayrshire Council's Local Heat and Energy Efficiency Strategy](#); and
- [South Ayrshire Council's Sustainable Development and Climate Change Strategy](#).

3.2.2 The application of an asset management approach can enable efficient resource deployment, service rationalisation, and longer-term financial planning and improved risk management. It is therefore essential that the Council embraces this approach and strives to invest to ensure our land and building assets are fit for purpose. The value of an asset management approach is that it enables the Council to develop a better understanding of the land and building assets which it operates, identify and respond flexibly to changing contributing factors, manage and mitigate risk and ensure financial resources are directed towards achieving the Council's strategic objectives.

3.2.3 The Council's priorities and outcomes place an emphasis on the connection between our places and the wellbeing of our communities and environment. The place-based approach recognises that every area has a different blend of physical, social, and economic characteristics that influence each other and aims to address complex problems that no service alone can solve. The priorities provide a common framework, aimed at promoting a shared understanding that encourages services and partners to work collaboratively to achieve improved outcomes and wellbeing for our communities. The priorities, and the connection with asset management are as follows:



Council Priority	Asset Management's Contribution
<p>Everyone can access streets, places and spaces that make a positive contribution to wellbeing, are well connected, well designed, and maintained.</p> <p>Everyone can access a range of high quality, safe, well maintained, accessible places with opportunities for play, sport and recreation.</p> <p>Priority One Spaces and Places</p>	<p>Our land and building assets provide a range of services to the whole community from accommodation to sport, leisure, learning and recreation. Further, our assets house essential 'back office' functions for front line services. Effective asset management ensures these properties are safe, accessible and fit for purpose.</p> <p>By investing in our land and building assets and ensuring they are managed in a sustainable manner we ensure that there is an attractive and vibrant environment in South Ayrshire and meet targets for carbon reduction and a low carbon future.</p>
<p>Everyone benefits from high quality education and lifelong learning and is supported to learn and fulfil their potential.</p> <p>Everyone benefits from a local economy that provides opportunities for people and helps our businesses to flourish.</p> <p>Everyone can find a good quality home that they can afford, that meets their needs and is in an area where they feel safe and connected.</p> <p>Priority Two Live, Work, Learn</p> 	<p>The investment in land and building assets is significant and supports employment directly in the Council through the Asset Management and Community Asset Transfer, PDS, and Property Maintenance, and indirectly through the engagement of local contractors to undertake works.</p> <p>The estates section of Asset Management and Community Asset Transfer support the local economy through the provision of commercial and industrial units. Schools represent a significant proportion of the Council's operational property portfolio.</p> <p>Ensuring these are compliant, in good condition and fit for purpose is crucial to creating a positive environment for learning.</p>
<p>Everyone (residents, visitors, and tourists) can enjoy attractive destinations and people are proud to live in our towns and villages and celebrate our culture and heritage.</p> <p>Everyone has the opportunity to influence and contribute to what happens in their local area.</p> <p>Priority Three Civic and Community Pride</p> 	<p>Land and building assets are visible and therefore positively influence our community's perception, as well as that of visitors to the area, of the Council and the services we deliver.</p> <p>Asset management supports communities to take control of land and buildings via community asset transfer through Part 5 of the 2015 Community Empowerment (Scotland) Act (as well as through leases and disposals outside of the Act) by ensuring that community bodies have access to accurate property knowledge. This knowledge supports communities to empower themselves through ownership of land and buildings. The Asset Management and Community Asset Transfer service have dedicated support for community bodies interested in taking on land and buildings.</p>

4. Delivering the Asset Management Plan: 6 Workstreams

Asset Management comprises 6 workstreams. The following sections outlines the core functions of these workstreams. Each has dedicated officer support. The 6 workstreams are:

1. Central Repairs Account (CRA)
2. Property Data and management
3. Estates
4. Community Asset Transfer
5. Energy Management
6. Office Accommodation



4.1 Central Repairs Account

- 4.1.1 The Central Repairs Account (CRA) is a resource held by AMCAT. The purpose of the CRA is to ensure that properties are maintained to an acceptable standard and condition (see also Property Data), are compliant with regards legislation, and safe and accessible for employees and the public.
- 4.1.2 The CRA is used to fund repairs to the structure and fabric of properties as they require maintenance due to wear and tear, usage, aging, weathering and periodic faults and defects. The CRA does not fund service delivery equipment (e.g. kitchen units, fixtures, fittings, appliances), machinery, fixtures and fittings, discretionary cosmetic upgrades, or property design specification omissions. The CRA is also used to fund statutory compliance and inspections (e.g. fire/intruder alarms, legionella testing etc.) and this is managed by the AMCAT service.
- 4.1.3 In 2025/2026 the CRA budget was £3,010,915. The CRA has come under significant pressure in recent years with a reduction of approximately £300,000 from the 2023/24 budget and £100,000 from 2022/23 budget. The budget in 2021 was £2,910,677. During the period of inflationary pressure over the last two years (which especially impacted construction materials) the real terms buying power of the CRA was further negatively affected. Further, the increasing complexity of building systems has resulted in increasing compliance costs.
- 4.1.4 As a result of this the CRA prioritises reactive repairs which require immediate rectification. AMCAT's aspiration is that, should budgets allow, planned and preventive maintenance will be reinstated as an operating principle.
- 4.1.5 Where property repairs are required these should be addressed to AMCAT. The request will be assessed by AMCAT to ensure it meets the criteria described in 4.1.2 and is deemed a priority in relation to other demands. Thereafter AMCAT will request Property Maintenance undertake the task or instruct a specialist contractor through a measured term contract.
- 4.1.6 The Council's current backlog maintenance figure, from identified works picked up during our condition surveys of operational properties, amounts to around £41.44m.

4.2 Property data and management

- 4.2.1 The decision-making process relating to asset management should be based upon a sound knowledge of the portfolio and an appreciation of how properties are meeting current and future service needs and supporting the corporate approach set out above. This understanding is gained by the collection and interpretation of several elements of data gathered for each property. This data consists of fully costed condition surveys (see Appendix F) following the Scottish Government elemental approach, (see Appendix B), a suitability assessment (based on guidance issued by the Scottish Government), energy usage and annual running cost figures. The data is then moderated, collated and stored electronically. This allows a very accurate assessment to be made of current asset performance. The following sections give more detail on the current arrangements and performance of current land and building assets.

4.2.2 This AMP sets out that we will manage our assets efficiently and effectively to support the delivery of the Council’s Strategic Objectives. To demonstrate this six performance areas have been identified. The following table demonstrates how these relate to property and sets out appropriate high-level performance indicators that we will use to measure our performance over the year and also to benchmark with other Local Authorities.

Performance Area	Primary Performance Indicators	Activity Aims
Compliance	Percentage of buildings that are fully compliant in terms of having a current fire safety risk assessment, up to date asbestos register, Legionella testing and management processes in place.	Demonstrating that our land and building assets comply with statutory and regulatory requirements. Ensuring properties are safe and available for use to deliver services by having them regularly inspected and retaining compliance logs.
Condition	Percentage of properties in good or satisfactory condition.	Detailing the extent to which our land and building assets are maintained in satisfactory or better condition to support service delivery
Suitability	Percentage of properties that are considered satisfactory or better in terms of suitability.	Detailing the extent to which our land and building assets are fit for purpose in terms of accommodation type and layout to support the delivery of services.
Sufficiency	Percentage of properties that are considered satisfactory or better in terms of sufficiency, utilisation and usage to support service delivery.	Detailing the extent to which our land and building assets are sufficient for service delivery and utilised as much as possible by our communities.
Accessibility	Percentage of properties that are considered accessible according to Government guidelines as detailed in the Equality Act 2010.	Demonstrating that our land and building assets provide accommodation that is accessible for all service users and staff.
Sustainability	Total carbon emissions from corporate land and building assets (CO2 tonnes).	Demonstrates the impact our consumption of energy has on the environment. The energy performance of our land and building assets is monitored, and improvements undertaken where financially viable and technically feasible.

Fixed assets are managed efficiently and effectively taking account of availability, accessibility, safety, utilisation, cost, condition and depreciation. The Asset Register is a document of considerable importance to any organisation; an asset register is designed to record all assets on the balance sheet, together with basic information as to use, size, value, occupying department. The register will record the existence of the asset, in order that an accurate, regularly updated listing is in existence so as to assist in good asset management planning and meeting audit requirements.

4.2.3 Land and buildings asset portfolio is broken down into the following categories:

- Operational Assets are those that are used to directly support Council service delivery such as schools, community centres and depots.
- Non-Operational Assets are those used to enable the council to support local business space and economic development, indirectly support corporate or community planning objectives and provide the council with a revenue stream. This category also includes surplus assets for disposal to support capital programmes and strategic development land.
- Common Good Assets which are generally historic properties/land held and managed by the Council as custodian for the benefit of the inhabitants of the former Burgh to which they are related

4.2.4 As reported in the 2024/25 Asset Register, the current asset value in terms of all land and buildings presently owned by the Council amounts to around £997.2m with properties classified in line with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). This is broken down as follows:

Asset Value by IFRS Category	2024/2025
Council Dwellings	£296,586,000
Other Land and Buildings	£381,555,000
Schools PPP Assets	£161,354,000
Vehicles, Plant and Equipment	£10,555,000
Infrastructure Assets	£81,357,000
Community Assets	£1,529,000
Surplus Assets Held for Sale	£2,291,000
Assets Under Construction	£47,373,000
Common Good	£14,591,000
Total	£997,191,000

4.2.5 A list of our operational portfolio is attached as Appendix C. The table below provides a summary of Asset value as at 31 March 2025 by property use type and number:

4.2.6 Assets are re-valued on a 5-year rolling programme in accordance with the Accounting Code of Practice and in line with valuation criteria as set out by the Royal Institute of Chartered Surveyors. All values are recorded within the Council's asset system and an Asset Register report is produced each year.



Summary Table	Establishments	GIA (M2)	Asset Value
Car Parks	38	N/A	£ 7,955,134.90
Cemeteries and Crematorium	14	1,410	£ 2,307,366.71
Community Facilities	15	7,531	£ 8,864,999.40
Depots and Stores	9	6,593	£ 5,248,833.33
Municipal Buildings	2	14,228	£ 5,296,384.54
Museums	3	1,543	£ 3,324,080.37
Offices	19	14,189	£ 5,381,895.04
Parks and Recreation	16	5,303	£ 5,889,753.95
Public Libraries	8	4,939	£ 4,209,343.81
Public Toilets	9	657	£ 1,079,770.11
Social and Housing	12	9,139	£ 6,837,696.79
Schools - Campus	1	14,611	£ 92,189,801.79
Schools - Early Years Centres	5	3,154	£ 6,054,528.01
Schools - Primary Schools	37	84,064	£ 144,179,425.31
Schools - Secondary	7	78,147	£ 192,690,664.81
Schools - Special Schools	2	3,943	£ 4,129,929.51
Sports and Leisure	17	19,649	£ 35,026,252.55
Total Operational Assets	214	269,099	£ 530,765,860.93

Property Performance: Condition, Suitability, Accessibility

- 4.2.7 The AMP is by its nature a dynamic document, subject to annual update. The performance data contained within this AMP is drawn from 2024/2025 figures, however continual update is made to individual property records as new information comes to light (for example details of a new improvement may be added to a condition record).
- 4.2.8 The performance of the Council's operational property has been evaluated based on a considerable volume of property performance data for business needs and benchmarking. A set of performance indicators has been developed which enables accurate assessment to be made of individual properties, as well as assist in benchmarking with other Scottish Authorities through the National Best Value Benchmarking Scheme and ACES Asset Management Group. More importantly this enables the Council to monitor its property performance against preceding years.
- 4.2.9 The decision-making process relating to asset management has to be based upon a sound knowledge of the portfolio and an appreciation of how properties are meeting current and future service demands.

4.2.10 The information currently gathered relates to the following key areas:

- 1) **Condition** measures the percentage of gross internal floor area of operational accommodation.
Each operational property is allocated a condition rating as detailed below:

- A: Good performing well and operating efficiently;
- B: Satisfactory performing adequately but showing minor deterioration;
- C: Poor Showing major defects and/or not operating adequately;
- D: Bad Life expired and/or serious risk of imminent failure.

Condition surveys are updated periodically and when improvement works are carried out.

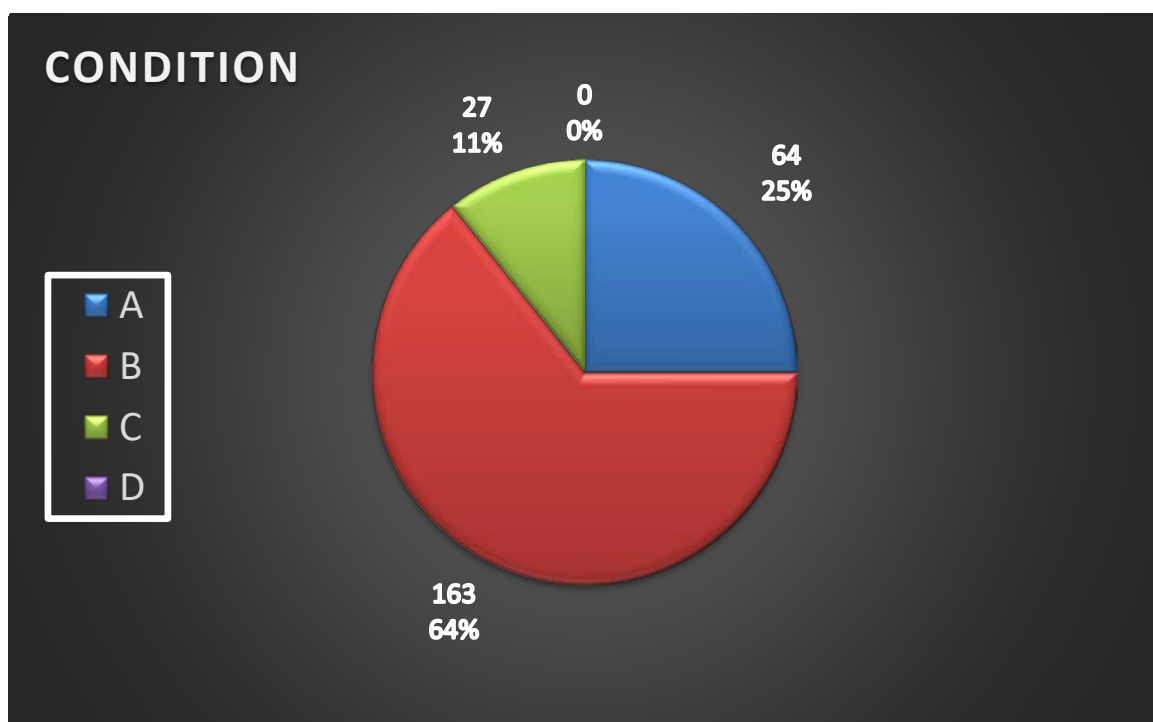
- (2) **Suitability** is defined by CIPFA as being ‘the extent to which a property meets the current and future needs of, and contributes toward improvement of, service delivery’.

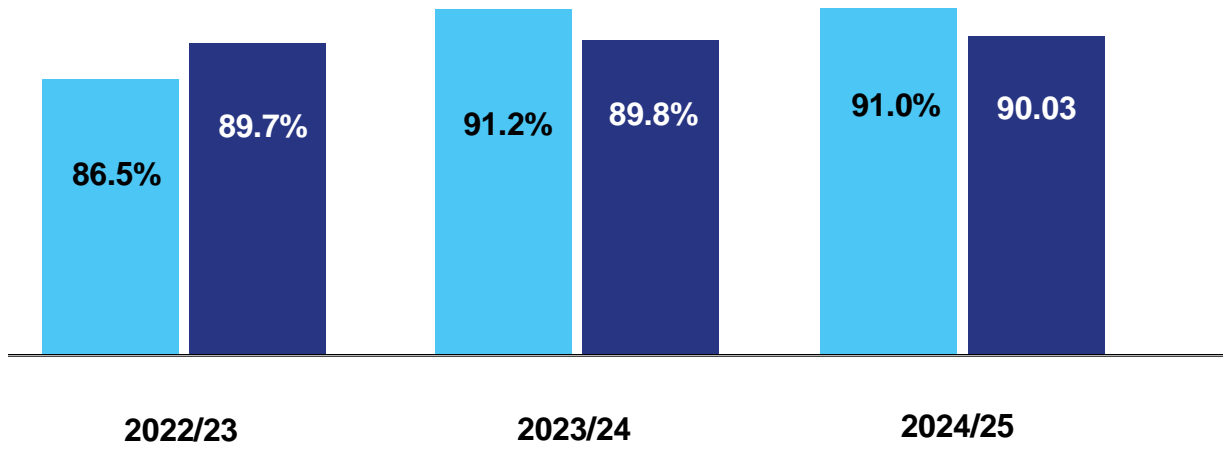
Suitability information is collected on a 5-year rolling programme basis with the assessment of suitability being carried out by service managers in conjunction with Asset Management officers.

- (3) **Accessibility** measures the number of council buildings from which the council delivers services to the public and the percentage of these in which all public areas are suitable for and accessible to people with a disability.

4.2.11 Surveys of all properties have now been completed and further work has been undertaken to identify works required for each building. Further work is required to quantify costs and thereafter implement these works in compliance with the Equality Act 2010.

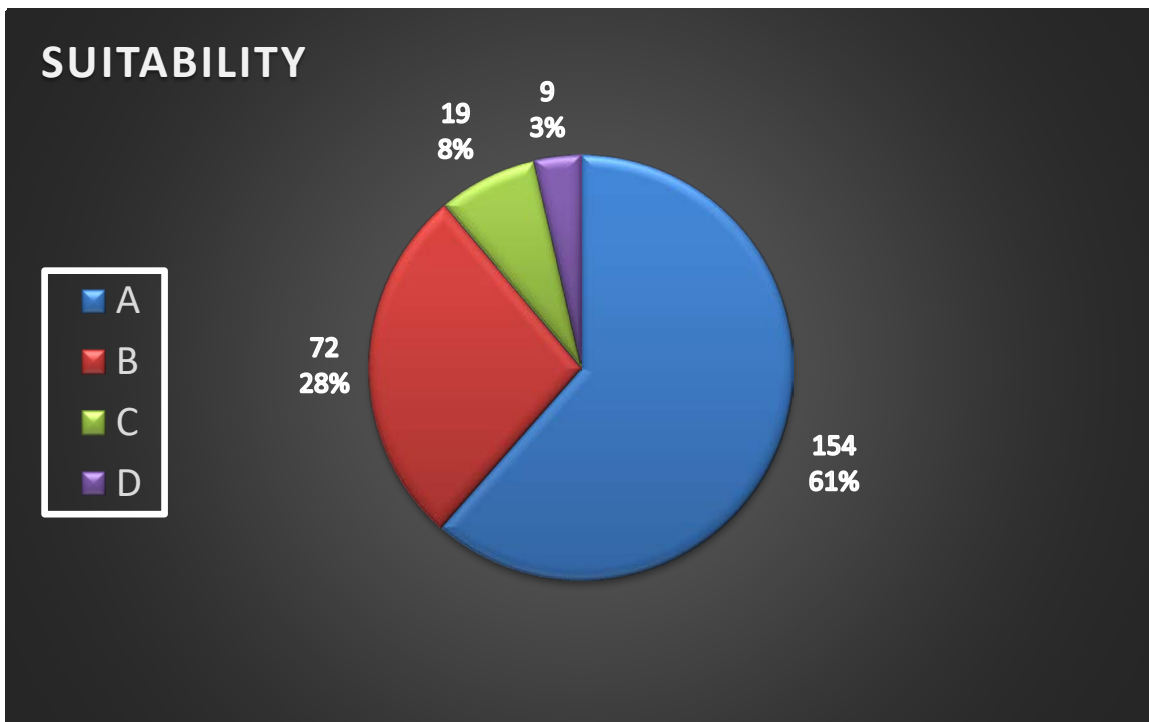
4.2.12 The pie charts below outline condition, suitability and accessibility percentage breakdowns by category rating in relation to our operational portfolio together with a 3-year comparison with the Scottish Local Authority average:

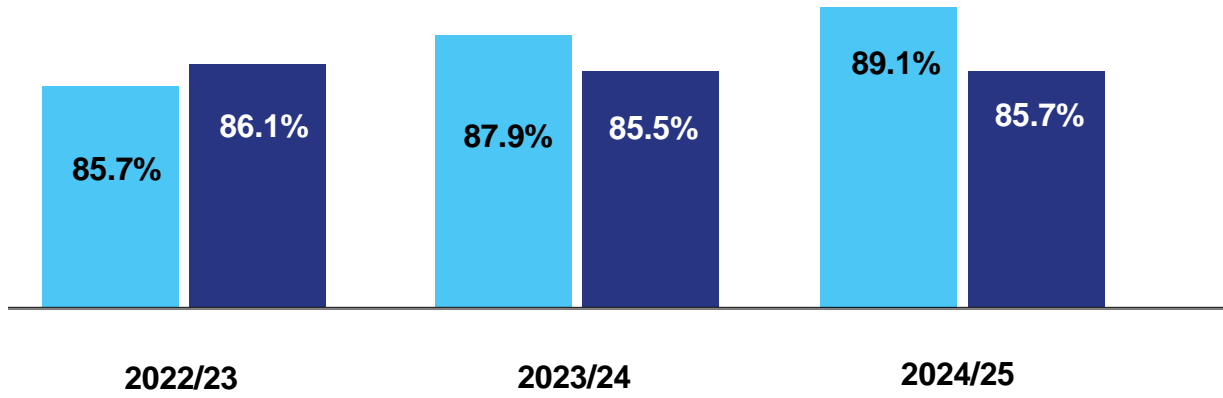




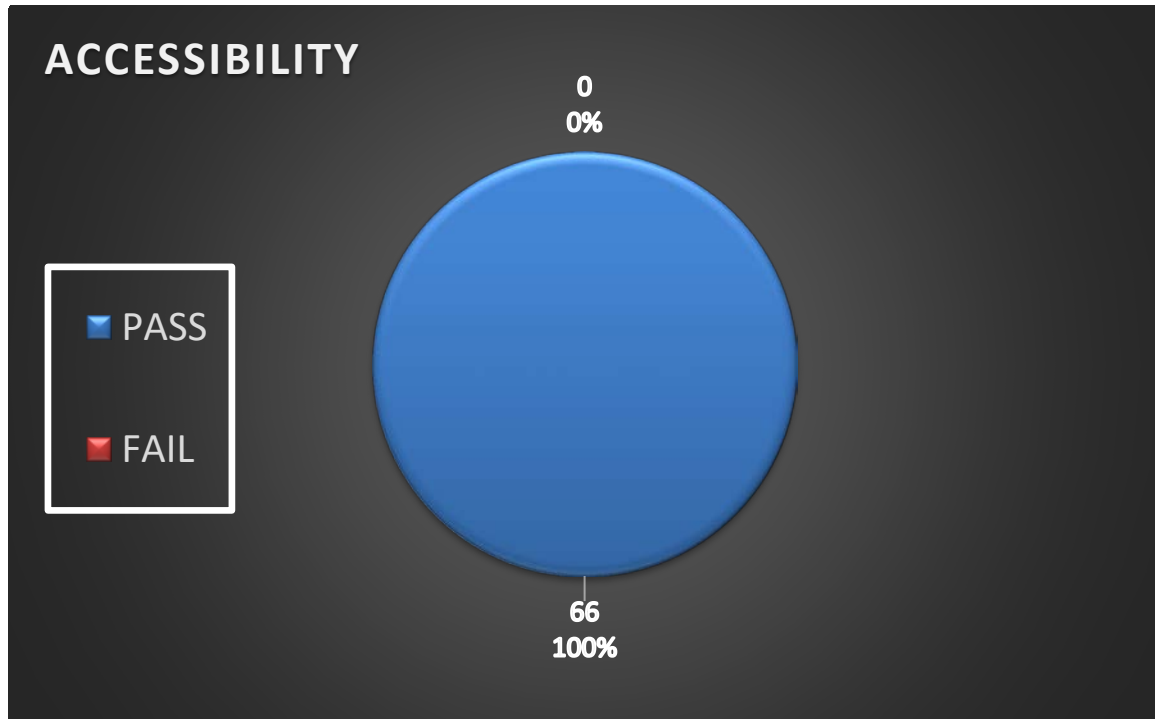
■ S06.1.01 LGBF Proportion of internal floor area of operational buildings in satisfactory condition.

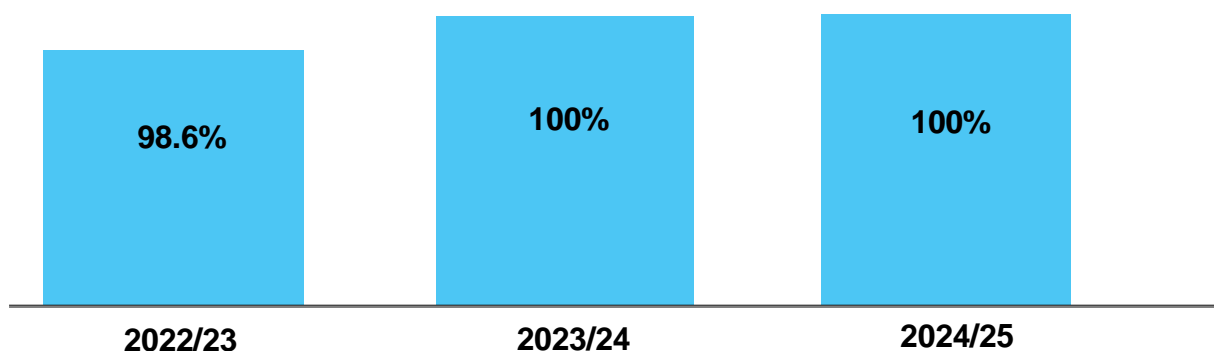
■ Scottish Average





■ S06.1.02 LGBF Proportion of operational buildings that are suitable for their current use.
■ Scottish Average





■ S06.1.06.3 Percentage of council buildings in which all public areas are suitable for and accessible to disabled people.

4.2.13 Within the Council a number of key performance measures are used to report the performance of our asset base to ensure that our assets are fit for purpose. The following performance indicators are reported to Audit Scotland an annual basis:

- the proportion of operational accommodation that is in satisfactory condition;
- the proportion of operational accommodation that is suitable for its current use; and
- the percentage of Council buildings in which all public areas are suitable for and accessible to disabled people.

4.2.14 Additional performance measures are reported within the Council as follows:

- percentage of non-operational properties let;
- current maintenance spend per square metre; and
- ratios of planned and reactive maintenance spend as expressed as a percentage.

4.2.15 The 2024/25 Audit Scotland return on Condition shows 91.0% of the Council's operational property with a grade A or B rating. The 2023/24 value was 90.2%. The noted decrease as a result of a slight decrease in overall floorplate area. Data published by the Improvement Service for Local Government Benchmarking for 2024/25 shows a Scottish average of 90.03%.

4.2.16 New and more accurate electronic property condition surveys are continually maintained and updated for all operational properties. This data identifies planned maintenance requirements.

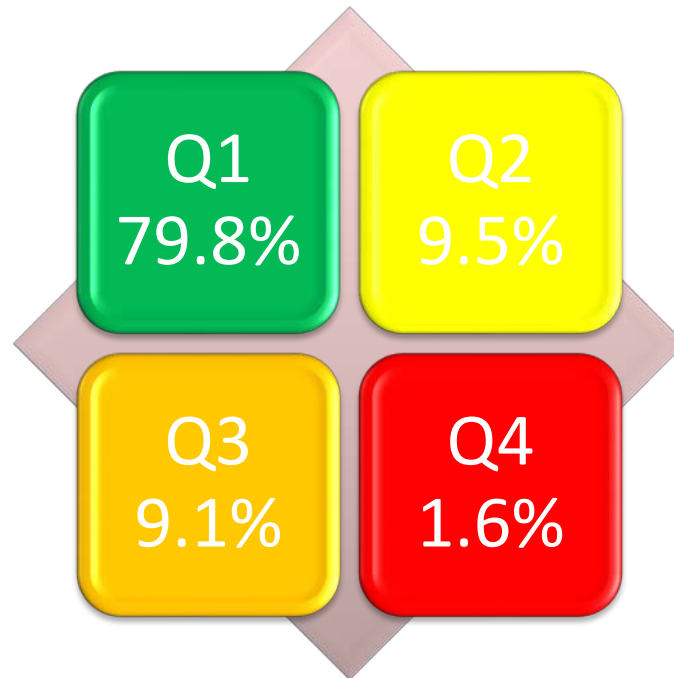
4.2.17 The 2024/25 Audit Scotland SPI return on Suitability shows 89.1% of the Council's operational property with a grade A or B rating. The 2023/24 value was 87.9%. The noted increase largely as a result of improvements within our Educational Estate. Data published by the Improvement Service for Local Government Benchmarking for 2024/25 shows a Scottish average of 85.7%.

4.2.18 The 2024/25 Audit Scotland SPI return on Accessibility shows 100% of the Council's operational property public areas are suitable for and accessible to disabled people. The 2023/24 value was 98.6%. This indicator is not reported within the 2024/25 Improvement Service data set.







Property Assessment Matrix

4.2.19 The Property Assessment Matrix below combines the condition and suitability grading for each of our operational properties and provides a high-level assessment indicating what quartiles need to be targeted for improvement or considered for operational disposal. Please see Appendix C for a property breakdown.



Property Assessment Matrix



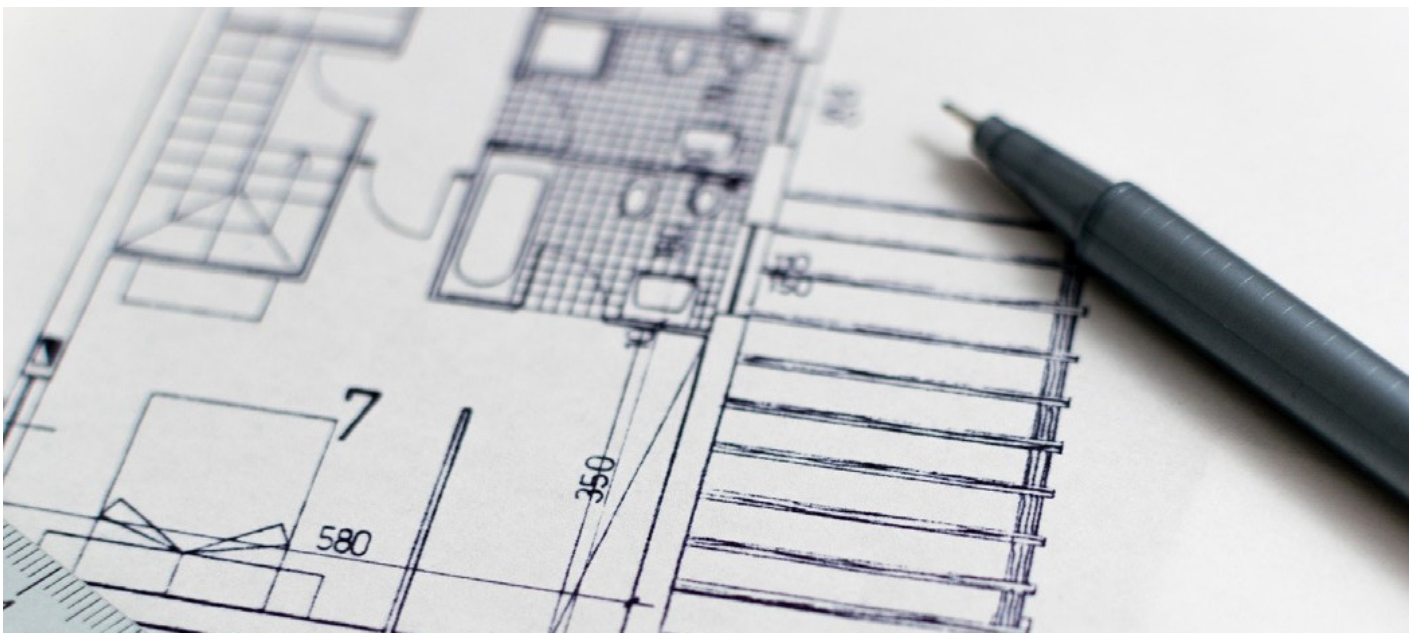
-  The best position for properties in good condition & high suitability
-  2nd best position for properties; high suitability but condition requires improvement
-  3rd best position for properties; good condition but low suitability
-  4th best position for properties; poor condition & low suitability

4.2.20 Planned property activity every year will work to reduce the number of properties in Q3 and Q4 categories and ensuring funding is targeted to increase the number of properties in Q1 and Q2 categories.

Civica Property Management

4.2.21 Civica Property Management is a cloud-based system which is consistently developed and runs on any web browser. The system can be viewed by Council staff. This has assisted in the development of a collaborative approach to asset management and in the creation of a single source for all

- 4.2.22 Civica Property Management holds the Council's Asset Register, including valuation information, in accordance with Audit Scotland guidelines.
- 4.2.23 Civica Property Management is the principal Council property database and the system is central to all aspects of the work of the AMCAT service. All pertinent Asset Management information is held on the system including Condition, Suitability and Accessibility information together with the Corporate Asset Register, Compliance Programming and Identified Building Works.
- 4.2.24 Within the Civica Property Management cloud environment, the Council's property data can be managed from any location with a web-based solution. For this reason there is no longer a requirement to have servers and there are also no databases to maintain. All that is required is a connection to the internet and Civica Property Management can be accessed via PCs, laptops, tablets and smart phones. The Council's data is held on secure servers by Civica TF. Data Security is maintained through an international quality accredited standard.
- 4.2.25 Revenue costs relate to running and maintenance costs for each property. Maintenance costs are held within Civica Property Management whilst annual running cost information is obtained from Finance, based on a cost centre basis.
- 4.2.26 In the period since October 2010, the Council has been required to take all reasonable steps to open services to disabled people. The Equality Act 2010 covers all buildings. Barriers to access that make it difficult for people to access services require to be altered unless alternative means of providing that service can be delivered either through increased use of technology and property assets which can provide a range of Council services.
- 4.2.27 Surveys have been carried out for all properties which are accessed by the public to check compliance with the points identified in the Equality Act 2010 and also BS 8300 2001 and 2009. These surveys have highlighted further work that the Council needs to undertake in order to fully comply.
- 4.2.28 These surveys have highlighted further work that needs to be undertaken in order to achieve full compliance. From the current in year 2025/26 budget of £286,952 there is a projected spend to 31st March 2025 of £237,503. The approved budget for 2026/27 & 2027/28 is £225,000 in each financial year.
- 4.2.29 There is a systematic and evidence-based approach to identifying and managing risks in relation to land, buildings, plant, equipment, vehicles, materials and digital infrastructure. Steps are taken continually to ensure that properties comply with legislative and regulatory requirements. On-going programmes of compliance testing to measure and control risk are in place with this information recorded and managed within TF.



- 4.2.30 Steps are taken continually to ensure that properties comply with legislative and regulatory requirements. On-going programmes of compliance testing to measure and control risk are in place to address key issues relating to:
- gas installation testing – tested annually;
 - electrical installation testing – tested on a 5-year rolling programme;
 - legionella testing – Legionella is monitored on a monthly basis in all properties;
 - asbestos management – Ongoing in accordance with HSG247 and CARs 2012 – also all properties with known positive samples are monitored annually.; and recorded in the Asbestos register in all properties
 - fire risk assessments and general health and safety audits – ongoing management.

4.3 Estates

- 4.3.1 The Estates section is a specialist function within AMCAT. Estate management concerns the delivery of the following activities which contribute towards the delivery of the AMP. The Estates section primarily deals with the following areas of work:
- Property acquisition and disposal
 - Non-operational and commercial property management
 - Third party land and building agreements.
 - Licence to occupy, covering short term use of Council land or buildings.
 - Rent arrears management.
 - Providing professional property advice to the Council.
 - Valuation of Land and Property.
- 4.3.2 In June 2022 the Council updated its [Policy for the Acquisition and Disposal of Land and Buildings](#) which was first introduced in 2016. The purpose of this policy is to inform Elected Members, services and other interested parties of the principles and process by which the Council will acquire and dispose of land and buildings. This policy aims to formalise the basis for the identification of any future need for land and buildings and the means of its disposal and contribute to the efficiency saving in future years. The policy forms the operating basis of the Estates section with regards acquisition and disposal of property.
- 4.3.3 The Council can choose to acquire land and buildings in either of the following forms:
- ownership; or
 - leasehold.

The reasons for the Council to acquire land or buildings would be:

- opportunities for improved service delivery;
- investment purposes; and
- acquisition in line with Council's strategic objectives.

- 4.3.4 Firstly, prior to the purchase or lease of any asset a full options appraisal should be carried out which should involve appraisal of all the options for delivery of the final objective. Consideration should be given to all other Council-owned land and buildings and whether these could be used to fulfil the requirement prior to any acquisition. Further, within the options appraisal consideration of full life property costs should be made with appropriate budgetary consequences understood. It is the responsibility of the proposing services to undertake the options appraisal. The options appraisal should be reported to the Director – Housing, Operations and Development - the result of which identifies the requirement for the land or buildings for service delivery.
- 4.3.5 Secondly, the identified ongoing revenue and capital costs are contained within an approved budget which has been confirmed as appropriate by the Chief Financial Officer and ICT and/ or an appropriate budget is approved by the Council; and
- 4.3.6 Thirdly, the Cabinet/ Council has approved the acquisition of the land or buildings for the purpose of service delivery.
- 4.3.7 On acquisition the proposed holding service is responsible for all property costs.

Surplus Land and Building Assets

- 4.3.8 Vacant and surplus properties cost the Council money. It is therefore important that once a property is declared surplus its future use is determined in a timely manner to minimise ongoing costs to the Council. Until the property has been disposed of by the Council or formal transfer of a property to another Council service has been completed the incumbent holding service will continue to be responsible for the property and all associated costs.
- 4.3.9 The identification of surplus assets is an ongoing process which will require the co-operation of all Council services. There are clear benefits to the Council in reducing its portfolio of properties and therefore a rigorous examination of assets is required. Disposals of the Council land and property assets are undertaken by the Estates Section in order to secure 'best value' and maximise the generation of capital receipts.
- 4.3.10 Property may be identified as being potentially surplus to the Council's requirements as a result of any one or more of the following circumstances:
- the holding service determining it no longer has a requirement for its property due to changes in its operational requirements;
 - as part of a wider strategic review of the Council's land and buildings an alternative and more cost effective service delivery site has been identified;
 - the property has no potential for future strategic or regeneration/redevelopment purposes (including affordable housing);
 - the income generated from the land or buildings is nil or less than £1,000 per annum and there is a potential regeneration or redevelopment opportunity for the asset; and/ or
 - the site has been identified by the Council's Housing Services or local or national Housing associations as being suitable for affordable housing.

- 4.3.11 All land and property that is potentially surplus to requirements will be offered to use as follows:
- Housing Services;
 - Council Directorate; and
 - Public Sector Organisations.
- 4.3.12 If a Council service expresses an interest in retaining the asset, a clear business case including recognition of the ongoing financial responsibilities will require to be developed to justify retention and the relevant approval sought. This exercise may therefore culminate in an alternative Council use being identified, disposal to a community organisation, the leasing of the property where the Council wishes to retain a long-term interest, demolition of the property or the property's outright sale on the open market.
- 4.3.13 Formal approval to declare the asset surplus to requirements will be given by the Cabinet or Council where the land/property is valued at equal-to-or-greater-than £100,000. Under the Scheme of Delegation HOD78 may be used to declare land and property surplus to requirements where the value of the land/property is valued at less than £100,000. Requests for approval to declare land and buildings surplus to requirements will usually be sought in batches to limit the number of individual reports required.
- 4.3.14 It should be noted that there are some sites and properties which are of little or no commercial value and as a consequence are likely to remain in the Council portfolio for the foreseeable future. A small number of properties have lain derelict and unused for a number of years resulting in ongoing costs to the Council. One solution for a number of these properties is demolition in order to reduce this ongoing financial burden to the Council.

Non-operational and commercial estate

- 4.3.15 AMCAT Estates section manages the Council's non-operational estate and does so to meet a variety of objectives as follows:
- To return an income on previously acquired property to the benefit of the Council.
 - To promote and support economic development
 - To create new avenues for income generation
 - Support the Council's visitor offer and generate income for the Council
- 4.3.16 The management of the Commercial Property Portfolio is focused on influencing local business space provision, supporting economic development and delivering revenue income. It comprises a diverse range of property types, including industrial, retail and office properties together with strategic land and other miscellaneous assets. The Council's non-operational assets consist of a variety of properties which are leased out to third parties and which provide the Council with an income stream. Overall the non-operational estate is well tenanted with 95% of non-operational properties currently let. A list of these properties is shown as Appendix D.

- 4.3.17 The non-operational estate presently brings in an annual income of approximately £880,000.
- 4.3.18 The vast majority of the Council's non-operational properties are on Full Repairing and Insuring (FRI) terms which means the burden for repairs and maintenance, along with the cost of utilities and non-domestic rates, lies with the tenant.
- 4.3.19 South Ayrshire Council holds a considerable amount of land, parks, and open space which offer excellent settings for a wide range of events – from small community fun days to major events such as The International Ayr Show - Festival of Flight. In order to ensure the Council receives best value on the opportunities Estates shall undertake commercial marketing exercises and/or valuations as appropriate for these opportunities. Estates shall work closely with other services to support the delivery of a coherent and organised calendar of events to support the visitor economy of South Ayrshire, showcase what our area has to offer and deliver value to the Council.

4.4 Community Asset Transfer

- 4.4.1 The Council continues to encourage the progression of our community organisations to support them in creating strong, successful, sustainable and effective asset transfer proposals that can make a real difference in South Ayrshire through the acquisition and development of Council land and buildings.
- 4.4.2. Furthermore, the objective of the Council's approved Community Asset Transfer (CAT) process and associated fund is to enable a streamlined, efficient and appropriately resourced CAT route map for an applicant that ensures equal access for all in exploring and pursuing ambitions.
- 4.4.3 To date five community asset transfers have been completed under Part 5 of the Community Empowerment (Scotland) Act 2015, three are pending conclusion following approval by Cabinet, and one has been refused.
- 4.4.4 As of September 2025, eight further community groups (described as Community Transfer Bodies under the Community Empowerment (Scotland) Act 2015) have submitted CAT Stage 1 EOI forms to the Council and are working towards the submission of a formal Stage 2 CAT request. Of those eight community groups: 6 can be described as Community Associations; 1 as a Sports Club, 1 as an Arts/Culture organisation.
- 4.4.5 The Council has an 'Advancing Community Assets Fund' (ACAF) which is designed to support community-controlled bodies that aspire to take on a Council-owned asset through ownership, lease or other rights such as rights to manage, occupy or use the asset for a specified purpose, with the aim of promoting or improving economic development, regeneration, public health, social wellbeing, environmental wellbeing or reducing socio-economic inequalities for people living in South Ayrshire. The purpose of the Advancing Community Assets Fund is to encourage the progression of all our community organisations, disadvantaged or not, to support them in creating strong, successful, sustainable and effective asset transfer proposals that can make a real difference in South Ayrshire through the acquisition and development of Council land and buildings.

Community Asset Transfers Approved under Part 5 of the Community Empowerment Act				
Organisation	Council Asset approved for Community Asset Transfer	Outcome	Capital Receipt Value	Advancing Community Assets Fund
Kirkmichael Ayrshire Development Trust (SCIO) SC053662	McCosh Hall and Bowling Green	Approved by Cabinet 26th Aug 2025	£70,000	£115,000
Coylton LTC (SCIO) SC052814	Coylton Tennis Club	Approved by Cabinet 17 th June 2025	£3,000	£100,000
Barr Community SCIO SC049703	Barr Community Centre	Approved by Cabinet 25th Sept 2024	£1	£118,826
Troon Water Sports Centre (SCIO), SC047691	Site at Barassie, North Beach, Troon	50 year lease concluded 2024	N/A	Not Eligible
Ayr Lawn Tennis Club (SCIO) SC049014	Seafield tennis court, Arrol Drive, Ayr, KA7 4AZ	Purchase, 26th July 2022	£4,500	£60,000
Pinwherry and Pinmore Community Development Trust (SCIO) SC048025	Former Pinwherry primary school, Main Street, Pinwherry, South Ayrshire KA26 0RN	Purchase, 23rd April 2021	£25,000	£106,710
Friends of Dundonald Castle SCIO 31541	Dundonald Castle visitor's centre and adjacent land, Winehouse Yett Dundonald KA2 9HD	Purchase, 19th February 2021	£28,000	Not Applicable
Colmonell Community Association SCIO SC049177	Former public convenience Colmonell, Main Street, Colmonell KA26 0RY	Purchase, 30th October 2020	£1	Not Applicable

4.4.6 The Advancing Community Assets Fund has two categories:

Development

The first category of grant is a development grant, which may be available to eligible bodies interested in making a community asset transfer request but who are at the early stages of the process (known as a Community Asset Transfer (“CAT”) Stage 1-Expression of Interest). Sums of up to a maximum of £12,000 for costs associated with all types of property surveys and investigation relating to the land and property asset may be available for the development of an asset transfer proposal and to help towards preparing a Stage 2 CAT application.

Capital

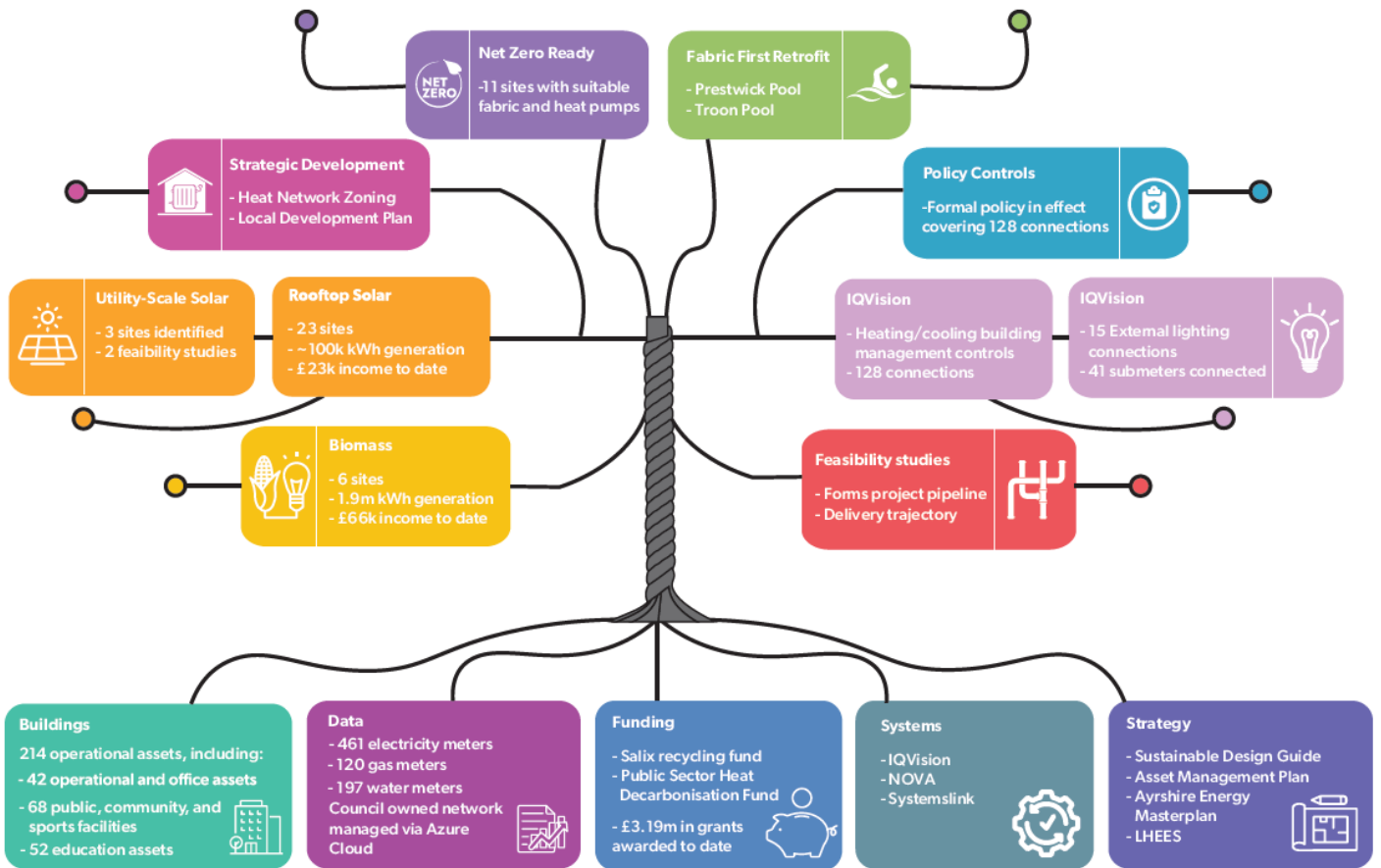
The second category of grant, the capital grant, may be available to bodies at the later stages of the process, which are in a position to make an application for a community asset transfer request (known as a Stage 2 CAT request). Costs may be available for capital works, relevant to the condition of the asset being requested. The Council expects that requests for capital costs would not exceed £100,000; however the Cabinet will consider grant requests in excess of £100,000 on a case by case basis. Capital grant funding may only be requested through the Stage 2 CAT application form. An asset may be requested without a request for a capital grant however a capital grant through the Advancing Community Assets Fund will not be considered by the Council without submission of a formal Community Asset Transfer request for lease or ownership.

- 4.4.7 The Team Leader Community Asset Transfer post within Asset Management is the Council’s ‘single point of contact’ and works to promote community asset transfer in the community and supports interested groups to reach an informed choice regarding the viability or liability of potential transfers, providing information, advice and support from initial enquiry through to post-acquisition. The Team Leader liaises within Asset Management and across the wider council to provide a high-quality service to interested community bodies. The Team Leader also chairs the ‘Community Asset Transfer Advisory Group’ who consider Part 5 applications against a comprehensive assessment tool and make approval recommendations to Cabinet. This ensures that all community asset transfers under Part 5 of the Community Empowerment (Scotland) Act 2015 are viable, robust, and represent good value to both Council and Community.
- 4.4.8 We continue to update and enhance the CAT pages on the Council website (www.south-ayrshire.gov.uk/community-asset-transfer) where members of the public can learn how to apply for a CAT, sign posting to useful support organisations as well as details of live applications.
- 4.4.9 A new CAT information flyer and a short video have been produced, in collaboration with the Public Affairs team, to raise awareness amongst communities of the opportunities offered by CAT. The Team Leader Community Asset Transfer also attends community events and meetings to promote asset transfer.

- 4.4.10 The transfer of assets by sale or lease to community and charitable bodies can also take place outside of Part 5 of the Community Empowerment (Scotland) Act 2015. In some cases this is a necessity as community or charitable bodies do not meet the criteria for being a 'community controlled body' as defined by the Act. In others, it can be quicker to purchase or lease a property which has been declared surplus and marketed. Assets transferred in this way are not eligible for ACAF grants. Through the Community Asset Transfer Team Leader, the Council will work proactively with community and charitable bodies interested in taking on Council properties, in a similar supportive manner to those applying through Part 5 of the Act, in order to ensure positive and appropriate outcomes for the community and the Council.
- 4.4.11 The AMCAT service works with internal Council colleagues to facilitate the transfer/acquisition of assets by community bodies. Most notably, this collaboration involves colleagues from Legal Services and from various teams within the Thriving Communities service. Good working relationships have also been established with external partners including Community Ownership Support Service (COSS), Development Trust Association Scotland (DTAS) and with Voluntary Action South Ayrshire, the local Third Sector Interface. This collaborative approach can be tailored to the particular circumstances of each community and seeks to offer the most comprehensive package of support.
- 4.4.12 Disposals of land and property within or without Part 5 of the Act are subject to requirements of the Council's Policy for the Acquisition and Disposal of Land and Buildings as described in section 4.3

4.5 Energy Management

- 4.5.1 Governments around the world are under increasing pressure to identify measures to help mitigate the ongoing climate crisis. With the built environment accounting for a significant proportion of current energy use and carbon emissions globally, improving the performance of not only new buildings, but also our current building stock, will be key if ambitious decarbonisation targets - such as the Scottish Government's aim to create a net-zero society by 2045 – are to be met. On the 1st of October 2020 the Council set its net zero targets by adopting a 75% reduction in emissions by 2030 (based on 2014/15 as a baseline) and a target of net zero greenhouse gas emissions by 2045. It should be noted that the Scottish Government is also seeking to introduce a statutory requirement for all publicly owned buildings to meet zero emission heating requirements by 2038. The Energy Team within Asset Management and Community Asset Transfer work to deliver multiple strands of work which aim to reduce revenue costs, increase energy efficiency, decarbonise the estate and where possible seek opportunities to generate revenue through renewable energy initiatives. The team threads together skill and expertise, data, and strategic direction with technology driven solutions to meet the Council's energy challenge. Energy thus figures as a central element in the management of the estate. The award-winning team is recognised across the UK as a leader in the field. The work of the energy team is summarised in the following diagramme:



4.5.2 In November 2021 a Net Zero Carbon Estate Strategy report was completed (see Appendix G). This report set out how the Council could align their decarbonisation strategy with the 10-year capital programme. The report assessed the works required to decarbonise our existing buildings and detailed three potential strategic routes to net zero carbon. The options assessed a range of capital and revenue cost scenarios with the capital cost impact estimated at between £225m to £576m. A Net Zero Board group was then established and met for the first time in April 2022 to carry forward the next step actions that were identified in the report. Since then, the group has met regularly and all report actions have been successfully completed in the Cabinet log. Work is continuing in this area.

- 4.5.3 The energy performance of our land and building assets is monitored and improvements undertaken where financially viable and technically feasible. The Council established a Carbon Budget in 2021 and now reports progress on our net zero targets on an annual basis. At present, we are working to ensure that the carbon footprint for Council buildings, in tonnes of CO₂e, falls in line with our net zero targets. This is being carried out through a range of energy efficiency projects, including extensive internal and external LED lighting refits, AMR and BEMS update and installations, and rigorous energy monitoring processes.
- 4.5.4 The Council's Sustainable Development and Climate Change Strategy published in 2019 gives high level objectives for the Council's move towards zero carbon. In the move towards zero carbon we must introduce innovative, low carbon heating solutions, LED lighting inside our buildings and to light our streets, and a suitable infrastructure to support the move towards electric vehicles. A Sustainable Design Guide has now been developed which will be used for future new build and retrofit works for Housing and Non-Housing properties.
- 4.5.5 To meet zero carbon targets for 2045 it is essential that the Council make best use of renewable energy resources. Currently installed renewable capacity includes 738 kW of solar PV, 468kW of biomass heat, and 2.6MW of air source heat pumps. Registration of installations for the Feed in Tariff and Renewable Heat Incentive funding schemes has generated an income of £126,513 to date for the Council. Renewables are now installed on all new build non-Housing properties with gas no longer used and heating and hot water now provided by air source heat pumps. Renewables for future new build will be considered as per design briefs. Bridge St Depot welfare building in Girvan was the Council's first A+ net zero carbon energy performance certificate rated building and was also the first Council site to install a battery for solar PV electricity storage. Feasibility work is underway on 3 potential sites for solar farms within South Ayrshire as part of a commercialisation opportunity. A community led solar PV scheme has also recently been undertaken at 3 Education properties in the Wallacetown area of Ayr.

Renewables	
Feed in Tariff Income To Date	£51,608
Renewable Heat Incentive Income To Date	£74,905
Total Renewables Income To Date	£126,513

Renewables				
Financial Year	FIT kWh	FIT Income	RHI kWh	RHI Income
2021 - 2022	21,529	£5,933	465,660	£14,149
2022 - 2023	25,427	£7,215	474,323	£15,863
2023 - 2024	25,851	£5,173	394,135	£14,525
2024 - 2025	24,345	£4,833	436,239	£16,746

- 4.5.6 Since 2016 the Council has been utilising Salix Finance funding to help deliver energy and carbon reduction projects. The Energy team has successfully delivered projects including ventilation upgrades, LED lighting upgrades and the fitting of swimming pool covers. In 2021/22 two new internal posts were created, Building Services Engineer (Mechanical) and Building Services Engineer (Electrical) as well as £1m of Capital funds to be used for Net Zero project work. Significant work has since been undertaken on BEMS, LED lighting upgrades, installation of solar PV and electrical submetering as well as feasibility work for several Net Zero projects. Officers will continue to work with Council services to identify project opportunities with a programme of carbon reduction projects developed that will target the highest energy consumption sites in the current Council estate, focussing initially on quick payback projects. Looking further ahead, AMCAT is now developing a medium-long term programme that will aim to reduce carbon emissions across the operational estate. Net zero feasibility reports have been completed at Domain Youth Centre and will shortly be carried out at Doonfoot EYC, Troon EYC and Whitletts Area Centre.
- 4.5.7 In December 2023 the Council submitted a joint bid to the Salix managed Scotland's Public Sector Heat Decarbonisation Fund for projects at Crosshill PS and Prestwick Swimming Pool. This new funding source of £20m was available to local authorities to bid into. In March 2024 the Council was notified that the Council had been successful in its request for £1,556,560 and the Prestwick Swimming Pool project was successfully completed in September 2025. In August 2025 the Council was advised it had been successful in a further request for £1,718,998 for Troon Swimming Pool. A suite of Net Zero project feasibility reports are being undertaken so the Council is in a strong position to bid for any further grant funding. Within 2025/26 further LED lighting upgrade projects, solar PV installs and BEMS upgrades will be delivered in our properties that will help the Council meet its energy and carbon reduction objectives. Most medium and large sized sites are now remotely connected to IQVision so further iterative improvements will be made to these sites as well as considering appropriate BEMS solutions for our smaller sites which are not remotely connected at present. The Council has undertaken work to identify further potential projects with a pipeline of future projects now in place.
- 4.5.8 The Council has undertaken a renewal program of utility meters, focussing largely on the implementation of automatic meter readers (AMR). This allows for monitoring of utility consumption within a 24-hour window as half hour meter readings, presenting the opportunity to quickly address faults and excessive energy consumption. We now have 100% AMR data coverage of all corporate (Non-Housing) gas supplies. Work also commenced in November 2021 to install AMR on metered water supplies for the first time. 64 water AMR are now installed providing 32% coverage of all metered supplies. Water AMR provides an early warning system for water leaks with the AMR being used at Forehill PS to identify and fix a leak resulting in a leak allowance of 3690m³ and a refund of £6463 being received by the Council. Electricity AMR and smart meters have also been invested in with 41% coverage of all metered supplies across the estate. The other major benefit of AMR is that it ensures that accurate reads are used for billing, and it has been noted that billing to estimate reads has significantly reduced. We will continue to review and extend AMR coverage across our buildings focussing on buildings with the highest consumption or where significant opportunities exist to make savings. The availability of high-quality utility data is essential to our efforts to reduce energy consumption and associated carbon emissions.



- 4.5.9 The necessity for Building Energy Management Systems (BEMS) was starkly outlined during the Covid-19 lockdowns, when energy staff worked to ensure heating controls were adapted for building closures. A new Trend IQVision software platform was installed and there are now 90 sites connected to this system. The system allows remote access to BEMS to monitor and make controls adjustments. Timeclocks, setpoints and other settings can now be adjusted remotely and this system is now also used to manage holiday heating shutdown periods e.g. school holidays. Significant savings have been achieved, in total reductions equate to 17.6million kWh, £766,000 of costs avoided and 3,179 tonnes of CO₂e reduced. IQVision integration has had a transformative impact on how we manage building energy consumption and is now a critical system used by several staff on a daily basis. This programme continues to develop to ensure that all BEMS can be monitored and accessed remotely, allowing energy staff to adapt heating controls, identify errors, and manage instances of severe weather without the need for a site visit. Improvements on AMR and BEMS coverage are interlinked in providing reductions in energy use, carbon emissions and travel requirements.
- 4.5.10 The requirement for a building heating policy was identified as a result of BEMS work. The Council didn't have a document that defined heating times and temperatures and staff and service responsibilities. A heating policy document has now been created and was shared with services in August 2023 (see Appendix I). Formalising the approach around how we heat our buildings has had many benefits allowing energy saving opportunities to be maximised. This also brings the Council in line with other local authorities who either have a policy in place or have been looking to introduce this policy in response to utility cost price increases.
- 4.5.11 The Council published its Local Heat and Energy Efficiency Strategy in August 2024. The strategy was agreed with its accompanying delivery plan, which outlines objectives for the duration of delivery. The delivery plan is updated annually to reflect changes in both local actions and national policy. Full detail can be found here - [Link](#). Governance of the strategy is formed through an officer level coordination group, with a member/officer working group for oversight and strategic direction. Between 2024 and 2025 work has progressed on communications, heat network zoning and development, off-gas area profiling and retrofit, and Wallacetown regeneration towards net zero. Funding has been achieved through the Centre for Net Zero and Heat Network Support Unit applications are in development for Ayr South Harbour and, speculatively, Prestwick Airport Aerospace Cluster. Heat networking can offer a solution to decarbonisation of historic and hard-to-treat buildings, and provide an infrastructure for area wide decarbonisation..
- 4.5.12 The Council has supported the development of an Ayrshire Energy Masterplan which represents a cross-authority approach to develop a strategic energy vision for the Ayrshire region. This includes socio-economic and techno-economic modelling to identify investment opportunities, areas of business growth, and skills and supply chain development areas. Strategic outcomes will link with LHEES through local energy and heat generation, decarbonisation, investment in local carbon technologies, and a just and inclusive energy transition. The Ayrshire Energy Masterplan strategy report was completed in March 2025 with a paper presented to cabinet in September 2025.



- 4.5.13 The council appointed consultants in September 2019 to undertake a forensic investigation into the 'pass through' and non-commodity charges within the energy and water billing. Third-party costs from the Distribution Network Operator, the Grid and HMRC account for over 50% of the energy billing, many of which are complex comprising of multiple components. This work took some time to complete and was delayed due to Covid 19 site access restrictions. This work concluded in January 2023 and the Council has received a total saving of £93k. The £93k saving includes refunds and first year cost savings but it should be noted that the savings will recur meaning that the savings benefit to the Council will be much higher than the £93k figure. This has been a very worthwhile project, and will be repeated in 2026. Learnings have been integrated in business as usual checks for bill validation and staff have been upskilled.

4.6 Office Accommodation

- 4.6.1 The Covid-19 pandemic resulted in a significant change to work patterns which have endured to a significant extent across both the Council and the wider economy. Enabled by technological innovation many Council services have chosen to adopt flexible work patterns where possible and appropriate. Many non-frontline staff are now working part of their week at home and part of their week in a Council office. As a consequence, parts of the Council's office accommodation estate are now significantly under-occupied.
- 4.6.2. Offices remain an important aspect of working life in the Council and are important in fostering collaboration and a sense of togetherness within and between teams and services. We will also seek collaboration with public sector partners where co-working offers opportunities for improved service delivery – for example through hub/locality models.
- 4.6.3. Under occupancy of property is a poor use of Council resources and does not foster a positive and vibrant working environment. The Transforming the Estate work programme was approved at Cabinet of 23 May 2023 and provision was made to significantly rationalise the Council's office estate. Therefore, AMCAT will look to reduce the office accommodation footprint where possible through a process of office rationalisation and consolidation. This work will reduce revenue property costs, reduce the Council's CO2 emissions, provide a capital receipt to the Council, and result in fully populated workspaces. Where AMCAT identify that a property is surplus to operational requirement, AMCAT will, having engaged with the affected service(s), and having identified suitable alternative provision appropriate for the needs of that service (where required), seek ELT approval to rationalise the property. Thereafter Council properties identified as surplus to Council requirements must be vacated within three months of such a decision being taken by ELT. This shall increase the efficiency of property rationalisation, maximise revenue savings, and expedite capital receipts. The property in question will then be subject to the processes defined by the Council's Policy for the Acquisition and Disposal of Land and Buildings and the Scheme of Delegation.
- 4.6.4 All requests for office moves should be addressed through the Director, Housing, Operations and Development to ensure equity in office space allocation and will be subject to ELT approval.
- 4.6.5 Office accommodation will be kept under review and where under occupancy is identified this will be managed as required in order to ensure effective and efficient uses of resources.

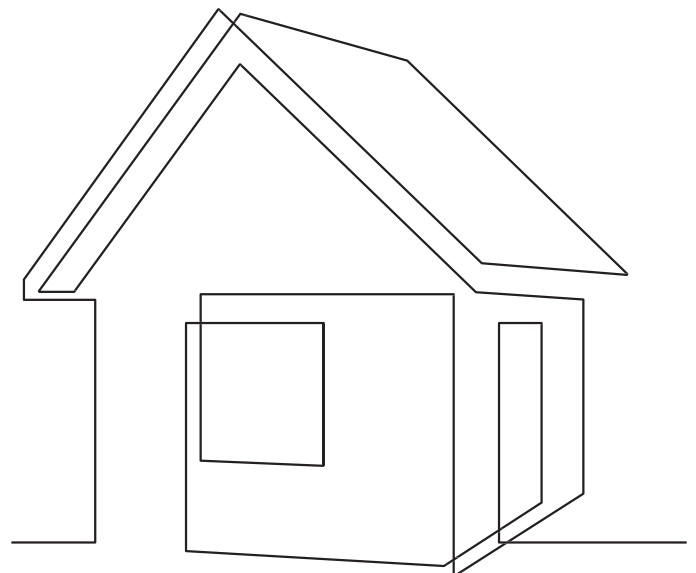
5. Capital Asset Management Planning

- 5.1 The Council's Financial Strategy is to continue to invest in the assets of the Council over a 10-year period through an affordable and deliverable capital investment programme which reflects both available resources and delivery of Strategic Objectives and Outcomes.
- 5.2 All capital bids, except for specified routine capital works, require development of a Capital Project Assessment Bid by the relevant sponsoring service. This includes a simple options appraisal linked to the AMP (see Appendix Ai). The Capital Project Assessment Bid (CPAB) is then considered by the Capital Asset Management Group (CAMG). CAMG comprises senior officers representing all services. CAMG is tasked with ensuring the effective management of the capital programme and the evaluation of new bids brought forward.
- 5.3 In addition to an assessment through completion of a CPAB different categories of capital projects may require further assessments such as a full options appraisal, Best Value Assessment or Business Case Assessment. In addition some projects would benefit from public consultation and prior consideration through an Integrated Impact Assessment. The Council has approved a Protocol that provides guidance on when these further assessments may be appropriate. The Protocol is set out in Appendix Aii). All projects must be deliverable with the prevailing Capital Resource Planning assumptions to avoid abortive work.
- 5.4 Since 2015 all bids for all new capital projects are considered on an annual cyclical basis and accord with a timescale that aligns with the budget setting process in December each year. This has ensured that projects are considered and evaluated on a consistent basis related to strategic objectives and corporate policies and recommended to Members for future investment on that basis, consultation with Portfolio Holders on an ongoing basis will ensure lines of communication are kept open during the year with final proposals and recommendations being brought forward for formal approval through the budget process annually.
- 5.5 In recent years the Council and the Scottish Government have funded an increasing range of place based projects through initiatives such as Place Based Programme, Ward Capital Programme, Promenade Capital and Regeneration Capital. The nature and form of capital projects funded under these arrangements are different from the property focus of the existing CAMG. This AMP introduces a second CAMG grouping – CAMG Place Planning (CAMG-PP) to oversee the approval of these projects. This will compliment the existing CAMG as described above which will henceforth be referred to as CAMG Corporate Property (CAMG-CP).

5.6 CAMG – Corporate Property

- 5.6.1 As part of the continuous improvement in the Councils approach to asset management, the CAMG-CP will focus on corporate property projects and has approved a capital programme for a 10-year period. This enables longer term capital investment plans to be developed in the context of improving the linkages between capital investment and Council strategic objectives and key Outcomes.
- 5.6.2 Bids for all new capital projects are considered on an annual cyclical basis and accord with a timescale that aligns with the budget setting process in December of each year. This will ensure that projects are considered against the Council's Strategic Objectives on a prioritised basis having regard to existing programmes, available resources and deliverability.

- 5.6.3 The Financial Regulations published in June 2024 detail the procedure for the preparation annually of a financial plan for the capital investment programme.
- 5.6.4 The basis for assessment of business cases for projects is as follows: completed business cases are considered and assessed at the one time by the CAMG-CP in September each year; recommendations from the CAMG-CP based on the scored templates are passed to the Corporate Management Team (CMT) for consideration in October; and proposals are presented to Elected Members for inclusion in the Capital Programme
- 5.6.5 The CAMG-CP is established to consider at a strategic level, corporate property issues and investment options. The membership of the CAMG is as follows:
- Director – Housing, Operations and Development (Chair);
 - Director of Health and Social Care;
 - 2 x Assistant Director Housing, Operations and Development;
 - Chief Financial Officer;
 - Quality Improvement Manager - Education Support Services; and
 - Service Lead Asset Management & Community Asset Transfer
- 5.6.6 Capital projects are considered on a regular basis by the CAMG-CP with a view to producing a Capital Project Assessment Bid for each project. Services work together with relevant officers across services as required to complete the template sections 1 to 4, with the actual scoring of the project in section 5 undertaken by the CAMG-CP. Only projects in excess of £100,000 capital requirement will be subject to this process.
- 5.6.7 Projects under £100,000 will be prioritised and approved through a separate form submitted to the CAMG-CP. These will be considered and approved utilising a similar methodology for main capital bids. There may be various sources of funding utilised for works in this category of value including the CRA fund and the Repairs and Renewal Fund. The method for approval of these bids by the CAMG-CP can be achieved through circulation of bids through emails and/or meetings.
- 5.6.8 Works required to be undertaken and proposed to be funded by the Repairs and Renewal Fund in excess of £100,000 require to be considered for recommendation by the CAMG-CP and once approved require formal approval by Cabinet.
- 5.6.10 The Housing Asset Management Group (HAMG) is an operational sub group of CAMG-CP. It meets on a monthly basis to discuss the Housing capital programme and ensures that spend is monitored throughout the financial year. Any adjustments to capital programme budget lines are referred to the CAMG-CP or Cabinet for approval. The HAMG sub group is chaired by the Service Lead - Housing Services and consists of senior officers within Housing and Finance. It fulfils a similar role to the CAMG-CP sub group. It also discusses potential new housing projects, energy efficiency measures, new build /demolition projects, larger scale environmental projects in housing areas and feasibility proposals.



- 5.6.11 If, at any time following approval it becomes apparent that a capital project will be overspent or if the phased expenditure for the current year is likely to vary between years, then following consultation at either the Capital Asset Management CP Sub-Group or the Housing Asset Management Sub-Group, it shall be the duty of the Service Lead – Asset Management & Community Asset Transfer / Service Lead - Housing Services to report such variation immediately to the CAMG-CP.
- 5.6.12 Where a budget variance amount is less than £100,000, the transfers or adjustments to funding shall be considered by the CAMG-CP and formally approved by the Director – Housing, Operations and Development as Chair of the CAMG-CP. Where the variance amount is in excess of £100,000 or if the phased expenditure for the current financial year is at any time expected to vary by an amount in excess of £100,000, then approval must be sought from Cabinet.

5.7 CAMG – Place Planning

- 5.7.1. The CAMG-PP will focus on delivering capital ‘place planning’ projects between 2024 and 2027. Funding is allocated by Ward and was approved at Cabinet 25th April 2023 and is as follows:

Year/Project	2024-25	2025-26	2026-27
Girvan Regeneration Projects	£1,500,000		
Place Planning and Community Led Projects	£1,750,000	£1,750,000	£1,750,000
Place Planning and Ayr Ward West/Ayr Town Centre Projects	£1,000,000	£1,000,000	£1,000,000
Promenade and Shorefront Enhancement Scheme	£500,000	£500,000	

- 5.7.2 Potential projects and considered by CAMG-PP to ensure that projects are considered on a consistent basis and following due diligence.
- 5.7.3 With a place making focus potential Place Planning Projects are scored on place based outcomes such as visitor attraction, enhancing town centre vitality and compatibility with heritage conservation objectives. However, given the need to manage a range of these projects and with the emerging Council budgetary position, potential projects are also scored on their deliverability prospects and opportunity to reduce revenue cost and improve property condition. The bid form for Place Planning Projects is set out in Appendix H.

5.7.4 Regeneration projects will be identified through masterplans developed for each area. Masterplan projects will be first screened by CAMG-PP before being recommended to Council/Cabinet for public consultation. CAMG-PP will ensure that projects satisfy diligence requirements of Best Value and IIA. No further approvals are required from CAMG-PP.

5.7.5 The basis for assessment of business cases for projects is as follows:

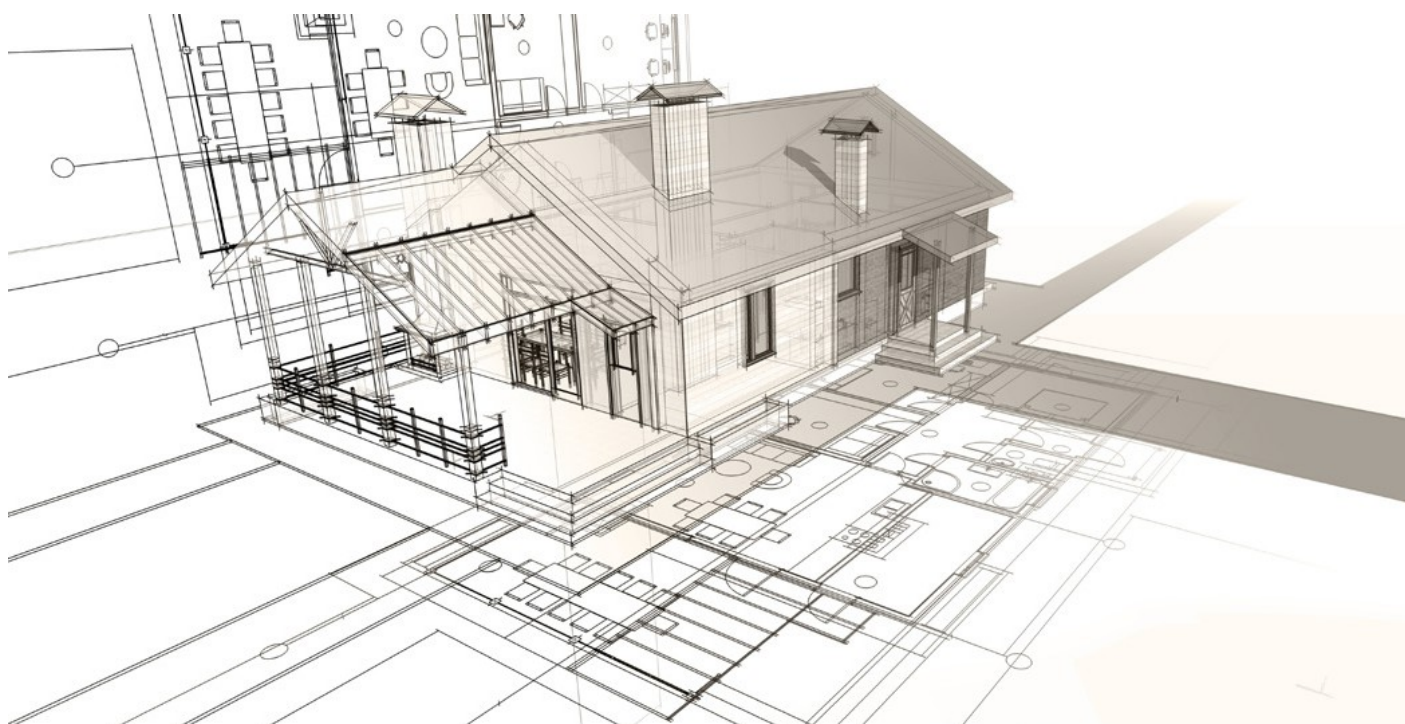
completed business cases are considered and assessed on a rolling basis and as required when projects are sufficiently developed to enable CAMG-PP proper consideration;
for projects with an estimated cost of more than £100,000 recommendations from the CAMG-PP based on the scored templates are submitted to Cabinet or Council for approval..

The Director of Housing, Operations and Development, in consultation with Ward Members, has delegated authority to authorise projects with an estimated cost of less than £100,000 following CAMG approval.

In the event of a project exceeding its approval estimate once a project has been approved then the Director of Housing, Operations and Development, as Chair of the CAMG, will have delegated authority to progress the project, including consultation with the Section 95 Officer, provided that it does not exceed £100,000 from its estimated cost and can be financed from elsewhere within the Capital Programme.

5.7.4 The CAMG-PP membership is as follows:

- Director of Housing, Operations and Development
- Director of Strategic Change and Communities
- Legal officer nominated by Chief Governance Officer
- Assistant Director Housing and Operations
- Assistant Director Planning and Development
- Assistant Director Communities
- Service Lead Professional Design Services
- Service Lead Asset Management & Community Asset Transfer



6. Conclusions

7.1 This AMP is focused on improving our properties within the budgets we have available. The AMP is a dynamic document which will be adaptable and will be reviewed and reported on an annual basis.

7.2 This AMP will provide information and direction to the following range of stakeholders:

7.3 The Council, its Panels and Elected Members – to inform how available land and building assets are currently used;

- Chief Officers, Service Leads and Employees – to help identify the available resources and assist in service delivery planning;
- Residents and visitors of South Ayrshire – to show how the Council's land and building assets impact on service provision; and
- Partners – to help identify opportunities for joint working.

7.4 It is essential that the Council embraces this approach to asset management and strives to invest to ensure our land and building assets are fit for purpose. This will enable efficient resource deployment, service rationalisation, longer term financial planning and improved risk management.



8 Appendices

A – i Capital Project Assessment Bid

- **ii Capital Project Protocol**

B - Scottish Government Elemental Listing for Condition Surveys

C - Property Asset Information

D - Leased Property Information

E - General Services Capital Programme 2024-25 to 2035-36

F - Sample Condition Survey

G - Net Zero Carbon Estate Strategy 2021

H - Place Planning Capital Business Case Form

I - Energy Reduction in Buildings

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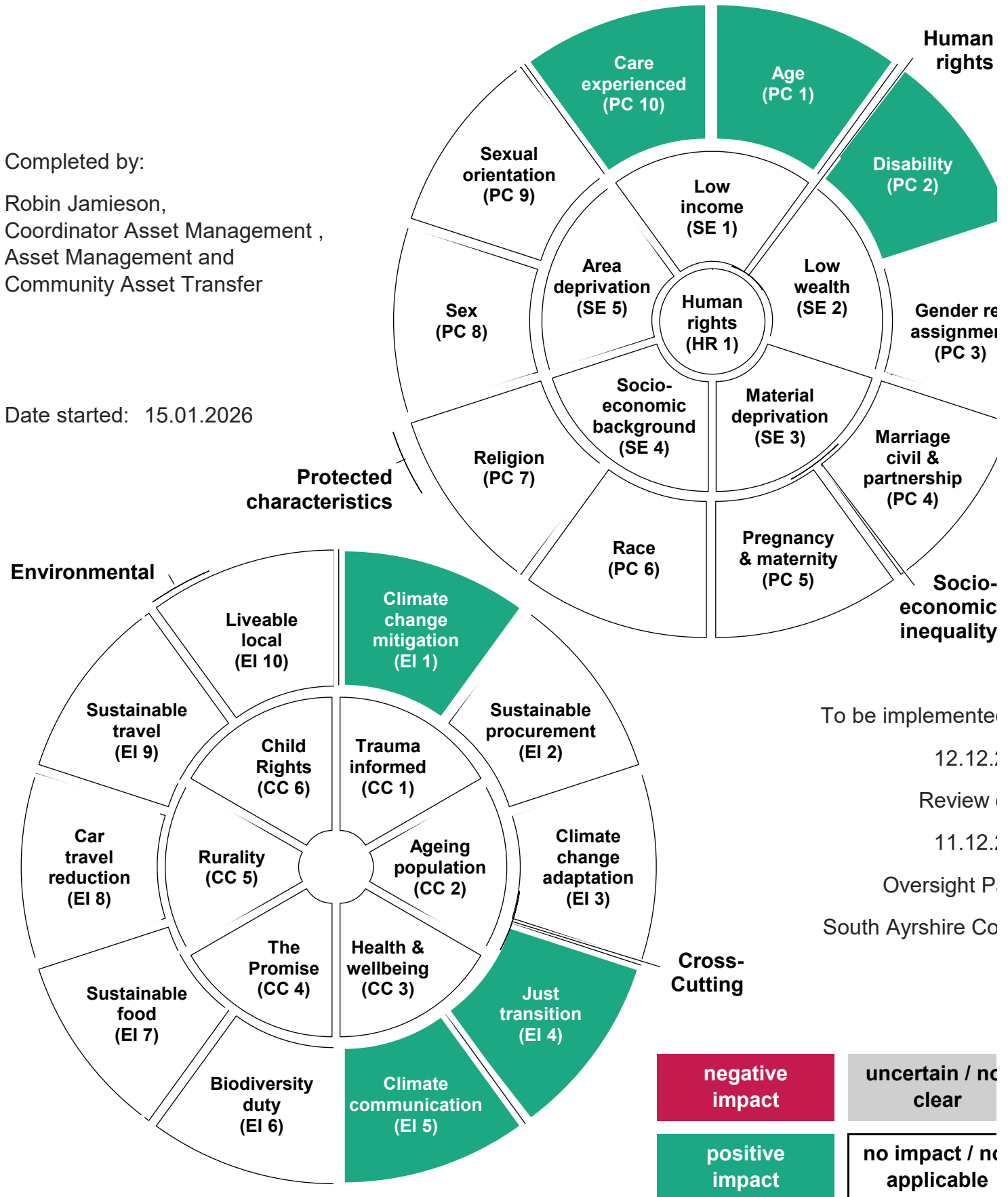
Integrated Impact Assessment Summary Report

Asset Management Plan 2026

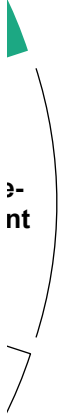


Completed by:
 Robin Jamieson,
 Coordinator Asset Management ,
 Asset Management and
 Community Asset Transfer

Date started: 15.01.2026



To be implemented
 12.12.2026
 Review
 11.12.2026
 Oversight Panel
 South Ayrshire Council



d on:

2024

date:

2025

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Public sector equality duty

Eliminating unlawful discrimination, harassment, and victimisation?

The 2024 AMP does not affect this aspect.

Advancing equality of opportunity?

The 2024 AMP provides for DDA audit work and subsequent actions.

Fostering good relations?

The 2024 AMP does not affect this aspect.

Consultation declaration

We confirm consultation has NOT been carried out as part of this process.

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