

## Policy and Co-ordination Committee

Due to Scottish Government guidance relating to Covid-19, this meeting will be held remotely



Thursday, 9th December, 2021 - 10.00 a.m.

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### AGENDA

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| <b>1. APOLOGIES FOR ABSENCE</b>  |          |
| <b>2. DECLARATIONS OF INTEREST</b> – In terms of Section 5 of the Code of Conduct, members of the Committee are asked to declare any interest in particular items on the agenda and the nature of the interest(s) at this stage. |          |
| <b>3. MINUTES</b>  |          |
| (i) Policy and Co-ordination Committee of 4th November, 2021.  | 3 - 8    |
| (ii) The following Sub-Committee minutes are submitted for noting only:-   |          |
| • Community and Housing Services of 29th October, 2021.  | 9 - 18   |
| • Assets and Corporate Services of 4th November, 2021.   | 19 - 21  |
| • Education and Children's Services of 9th November, 2021.   | 22 - 24  |
| • Environment and Protective Services of 18th November, 2021.  | 25 - 29  |
| • Economy, Tourism, Strategic Planning and Transportation of 25th November, 2021.  | 30 - 33  |
| <b>4. REVENUE MONITORING 2021-22</b> – Report by the Executive Director (Finance and Corporate Services).  | 34 – 48  |
| <b>5. CAPITAL INVESTMENT PLAN UPDATE – PROJECTED OUTTURN 2021-22</b> – Report by the Executive Director (Finance and Corporate Services).  | 49 - 57  |
| <b>6. ANNUAL PROCUREMENT REPORT</b> – Report by the Head of Revenue and Commercial Services.   | 58 - 120 |

**Members are reminded that should they have queries on the detail of a report they should, where possible, contact the report authors in advance of the meeting to seek clarification.**

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Head of Legal and Democratic Services  
Finance and Corporate Services  
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Fife, KY7 5LT

2nd December, 2021.

If telephoning, please ask for:  
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**THE FIFE COUNCIL - POLICY AND CO-ORDINATION COMMITTEE – REMOTE MEETING**

**4th November, 2021.**

**10.00 a.m. – 12.30 p.m.**

**PRESENT:** Councillors David Alexander (Convener), Lesley Backhouse (substituting for Craig Walker), David Barratt, John Beare, Tim Brett, Altany Craik, Dave Dempsey, Linda Erskine, David Graham, Judy Hamilton, Andy Heer, Helen Law, Carol Lindsay, Donald Lothian, Mino Manekshaw, Karen Marjoram, Tony Miklinski, David Ross, Fay Sinclair and Ross Vettraino.

**ATTENDING:** Steve Grimmond, Chief Executive; Eileen Rowand, Executive Director (Finance and Corporate Services), Lindsay Thomson, Head of Legal and Democratic Services, Laura Robertson, Finance Operations Manager, Helena Couperwhite, Committee Manager and Michelle McDermott, Committee Officer, Legal and Democratic Services, Finance and Corporate Services; Paul Vaughan, Head of Communities and Neighbourhoods Service and Andrew Gallacher, Community Manager (City of Dunfermline), Communities and Neighbourhoods Service; Keith Winter, Executive Director (Enterprise and Environment), Gordon Mole, Head of Business and Employability, Kirstin Marsh, Strategic Growth and City Deals Project Manager, Morag Millar, Strategic Growth and City Deals Programme Manager, Economy, Planning and Employability Services and Martin Kingham, Service Manager (Roads Network Management), Roads and Transportation Service; Shelagh McLean, Head of Education and Children's Services and Avril Graham, Sustainable Estate Officer, Education and Children's Service; John Mills, Head of Housing Services and Vania Kennedy, Service Manager - Income Poverty and Private Housing, Housing Services.

**APOLOGY FOR ABSENCE:** Councillor Linda Holt.

**324. DECLARATIONS OF INTEREST**

Councillor John Beare declared an interest at para. 329 – Levelling Up Fund Update – due to his employment as an Office Manager and Senior Researcher to Peter Grant, MP and the requirement within the report that the levelling up bids should have local MP support. Councillor Beare had applied the objective test and concluded that it was so remote and insignificant that he advised he would remain and participate for this item.

**325. MINUTES**

(i) **Policy and Co-ordination Committee of 16th September, 2021.**

**Decision**

The Committee approved the minute.

(ii)/

## 2021 PC 96

(ii) The following minutes were submitted for noting:-

- Environment and Protective Services Sub-Committee of 2nd September, 2021.
- Education and Children's Services Sub-Committee of 7th September, 2021.
- Economy, Tourism, Strategic Planning and Transportation Sub-Committee of 9th September, 2021.

### **Decision**

The minutes were noted.

### **326. NATIONAL CARE SERVICE CONSULTATION**

The Committee considered a report by the Chief Executive asking members to consider Fife Council's response to the National Care Service consultation being carried out by the Scottish Government.

### **Decision**

The Committee noted the main issues arising from the consultation and approved Fife Council's response.

### **327. HOUSING REVENUE ACCOUNT (HRA) CONSULTATIVE BUDGET 2022-23**

The Committee considered a joint report by the Head of Housing Services and the Head of Finance seeking agreement on appropriate options for increasing HRA rents and associated charges in 2022-23. The proposed options would form the basis of statutory consultation with tenants to subsequently inform the HRA budget decision at full Council on 24th February, 2022.

### **Decision**

The Committee:-

- (1) agreed to survey Council tenants around options for a rent increase in 2021-22 of 2.5%, 3.0% and 3.5%, to also apply to charges for services, garage sites, lockups and temporary accommodation;
- (2) noted that the outcome of the full tenant consultation would be reported to full Council on 24th February, 2022;
- (3) noted the assumptions that underpinned the HRA medium-term financial strategy;
- (4) considered the current HRA financial position and emerging pressures, including the potential costs of the Energy Efficiency Standard for Social Housing (EESH2) over the period 2022-32;
- (5) agreed the recommendation for implementing an HRA reserves policy aiming to hold minimum reserves based on 2% of the mainstream rent income budget; and
- (6)/



## 2021 PC 97

- (6) agreed the proposals for use of HRA reserves in 2022-24 and remitted to the Community and Housing Services Sub-Committee any decisions around the use of £1.5m uncommitted reserves.

### **328. RATIFICATION OF THE REGIONAL PROSPERITY FRAMEWORK FOR THE EDINBURGH AND SOUTH EAST SCOTLAND CITY REGION AND FIFE I3 PROGRAMME UPDATE**

The Committee considered a report by the Executive Director (Enterprise and Environment) seeking formal ratification by Fife Council of the Regional Prosperity Framework for the Edinburgh and South East Scotland City Region. The report also provided an update on the Fife Industrial Innovation Investment (i3) Programme which was funded through the Edinburgh and South East Scotland City Region Deal.

#### **Decision**

The Committee:-

- (1) formally endorsed the full final version Regional Prosperity Framework (RPF) for the Edinburgh and South East Scotland City Region as detailed in Appendix 1 to the report;
- (2) noted the overall number and content of responses to the consultation, the major themes which emerged and the broadly positive nature of the majority of responses;
- (3) noted that, following approval of the RPF by the Joint Committee, a number of additional actions were underway to support the RPF, namely:-
  - (i) formal endorsement of the RPF by regional partners;
  - (ii) preparation of an implementation and action plan to support delivery; and
  - (iii) finalisation of a publication version to include additional graphic content;
- (4) noted that the RPF would inform the review of Fife's Economic Strategy in 2022, the next iteration of the Local Development Plan and, the now in hand, Local Transport Strategy; and
- (5) noted the update on the Fife i3 Programme.

### **329. LEVELLING UP FUND UPDATE**

The Committee considered a report by the Executive Director (Enterprise and Environment) providing members with an update on the UK Levelling Up Fund.

#### **Motion**

Councillor David Alexander, seconded by Councillor David Ross, moved that the recommendations contained within the report be approved.

#### **Amendment/**

Amendment

Councillor Tony Miklinski, seconded by Councillor Dave Dempsey, moved as follows:-

“Delete Recommendation (2) and renumber.

Add Recommendation

(4) Asks Area Committees to review, update and prioritise Appendix 1 to best reflect local priorities such that the Council may have a catalogue of 'Shovel-Ready' projects available for any future external funding from whatever source.”

Roll Call

**For the motion – 16 votes**

Councillors David Alexander, Lesley Backhouse, David Barratt, John Beare, Tim Brett, Altany Craik, Linda Erskine, David Graham, Judy Hamilton, Helen Law, Carol Lindsay, Donald Lothian, Karen Marjoram, David Ross, Fay Sinclair and Ross Vettrano.

**For the amendment – 4 votes**

Councillors Dave Dempsey, Andy Heer, Mino Manekshaw and Tony Miklinski.

The motion was accordingly carried.

Decision

The Committee:-

- (1) noted the progress in developing Levelling Up Fund applications for a Fife transport application and four Constituency applications;
- (2) noted the latest information on possible projects to be included in five potential future bids to the UK Levelling Up Fund and agreed that the shortlisted projects be developed further prior to submission in the next round of funding;
- (3) agreed that a one off £225,000 additional revenue budget would be provided from uncommitted balances held, to increase the UK government funding that had been provided for developing applications; and
- (4) delegated to the Executive Director (Finance and Corporate Services) and the Executive Director (Enterprise and Environment), in consultation with the Co-Leaders, to complete and submit the applications once the deadline for the next round of Levelling Up funding was announced.

*The meeting adjourned at 11.35 a.m. and reconvened at 11.50 a.m.*

**330. CIVIC HONOURS COMPETITION TO CELEBRATE HER MAJESTY THE QUEEN'S PLATINUM JUBILEE IN 2022**

The Committee considered a report by the Head of Communities and Neighbourhoods Service providing members with information on the Civic Honours competition that had been launched across the UK to celebrate Her Majesty The Queen's Platinum Jubilee in 2022.

Decision/

**Decision**

The Committee:-

- (1) noted a Civic Honours competition had been launched across the UK;
- (2) supported the submission of bids from the Dunfermline and St. Andrew's areas; and
- (3) agreed that final approval for each bid would be undertaken by the local Area Committee.

*Councillor Donald Lothian left the meeting during consideration of the above item.*

**331. "SCHOOL STREETS" PART-TIME TRAFFIC EXCLUSION ZONES**

The Committee considered a joint report by the Head of Assets, Transportation and Environment and the Head of Education and Children's Services providing members with an update on "School Streets".

**Decision**

The Committee:-

- (1) noted the experiences of other local authorities where "School Streets" had been implemented;
- (2) remitted officers from Roads and Transportation and Education and Children's Services to agree three pilot locations, including Denend Primary School, Cardenden where a temporary trial of the initiative could take place during financial year 2022/2023 and report their findings to the Economy, Tourism, Strategic Planning and Transportation and the Education and Children's Services Sub-Committees; and
- (3) agreed the street selection criteria detailed at para. 1.4 within the report for assessing the potential viability of part-time traffic exclusion zones at primary schools in Fife.

*Councillor Donald Lothian re-joined the meeting following consideration of the above item.*

**332. UPDATE REPORT ON THE DEPARTURE IN ADMINISTRATION OF THE SCHOOLS ADMISSIONS POLICY (NOVEMBER 2020)**

The Committee considered a report by the Executive Director (Education and Children's Services) providing members with an update, including the stakeholder evaluation feedback received, following the implementation of the online Primary 1 enrolment process approved on 19th November, 2020 by this Committee. As a result of the successful implementation of online enrolment for nursery and Primary 1 applications, members were asked to approve a departure from the existing administration process for Primary 7 to Secondary 1 enrolment, through transition to a digital online process for all applications for session 2022/2023.

**Decision/**

**Decision**

The Committee:-

- (1) noted the contents of the report in relation to the evaluation of the online process for Primary 1 enrolment;
- (2) approved the continuation of the digital, online process for Primary 1 and nursery enrolments for the foreseeable future; and
- (3) approved the departure from the administration process in the existing school admissions policy for P7 to S1 transition to enable implementation of an online digital process for academic session 2022/23.

**333. TREASURY MANAGEMENT ANNUAL REPORT 2020-21 AND UPDATE 2021-22**

The Committee considered a report and update prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) publication, Treasury Management in the Public Services - Code of Practice and Cross-Sectorial Guidance Notes, which had been adopted by the Committee on 12th April, 2018. The Council were required to comply with the Code through the Local Government in Scotland Act 2003.

**Decision**

The Committee noted the contents of the report.

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**THE FIFE COUNCIL - COMMUNITY AND HOUSING SERVICES SUB-COMMITTEE –  
REMOTE MEETING**

**29th October, 2021**

**10.00 a.m. – 2.15 p.m.**

**PRESENT:** Councillors Judy Hamilton (Convener), Lesley Backhouse, John Beare, Ken Caldwell, Alistair Cameron, Rod Cavanagh (substituting for Councillor Julie Ford), Neil Crooks, Linda Erskine, Fiona Grant, Helen Law, Donald Lothian, David J Ross and Darren Watt.

**ATTENDING:** Michael Enston, Executive Director - Communities; Paul Vaughan, Head of Communities and Neighbourhoods; John Mills, Head of Housing Services; Vania Kennedy, Service Manager - Income Poverty and Private Housing, Patricia Spacey, Safer Communities Manager, Helen Wilkie, Service Manager-Housing Condition and Supply, Ian Dawson, Lead Officer - Housing Sustainability, Carole Kennedy, Housing Professional, Affordable Housing and Regeneration, Housing Services; Ashley Birrell, Project Manager, Andy Maclellan, Team Manager (Community Projects), Ross Martin, Team Manager (Service Development and Strategy), Communities and Neighbourhoods; Paul D'Arcy, Project Manager, Carlene Simpson, Assistant Project Manager (Private Sector), Gavin Turner, Chartered Architect, Assets, Transportation and Environment Property Services; Allan Barclay, Service Manager - Maintenance, Mechanical and Electrical, Assets, Transportation, Enterprise, Environment and Building Services; and Wendy MacGregor, Committee Officer, Legal and Democratic Services.

**ALSO ATTENDING:** David Redpath, Chief Executive and Sarah Somerville, Business Development Manager, Citizens Advice and Rights Fife; Jeremy Harris, Chief Executive, Fife Coast and Countryside Trust; representatives of Fife Federation of Tenants and Residents Association (FFOTRA), Glenrothes and Residents Federation (GARF) and North East Fife Tenants and Residents Association (NEFTRA).

**APOLOGY FOR ABSENCE:** Councillor Graham Ritchie.

Prior to the start of business, the Convener paid tribute to Mark McCall, Service Manager (Safer Communities) who sadly passed away on 24th September, 2021. Mark was a people person who was highly respected and would be sorely missed by many Services across Fife Council. The Convener, on behalf of the Sub-Committee, offered her condolences to Mark's wife and family.

**235. DECLARATIONS OF INTEREST**

Councillor Caldwell declared an interest in Para. 238 – 'Fife Coast and Countryside Trust - Annual Review 2020/21' – being a Council appointed member on the Board for the Fife Coast and Countryside Trust. Councillor Caldwell also declared an interest in Para. 239 – 'Fife Community Safety Partnership Update' - being a member of the Community Safety Partnership Board.

## 2021 CHSC 118

Councillor Erskine declared an interest in Para. 246 – ‘Lochore Meadows Country Park - Play Park Experience Project’ - being a member on the Board of the Friends of Lochore Group.

### 236. MINUTE

The Sub-Committee considered the minute of the Community and Housing Services Sub-Committee meeting of 26th August, 2021.

#### Decision

The Sub-Committee:-

- (1) agreed to approve the minute; and
- (2) acknowledged an update from the Executive Director - Communities, on para. 225 of the minute – ‘Play Spaces Strategy (2021-2026)’ - that a list of play park projects for replacement, prioritised as a health and safety requirement, would be reviewed in consultation with elected members and relevant Area Committee Conveners.

### 237. CITIZENS ADVICE AND RIGHTS FIFE - PERFORMANCE REPORT

The Sub-Committee considered a report by the Head of Communities and Neighbourhoods providing information on the performance of Citizens Advice and Rights Fife (CARF) during the period 2020/21.

#### Decision

The Sub-Committee:-

- (1) considered and acknowledged the content of the report and its appendices; and
- (2) acknowledged the performance and development of the organisation to date; considered and acknowledged the changes in service delivery due to the impact of the Covid-19 pandemic; and recognised there would likely be changes in demand for Services, as CARF emerged from the COVID-19 pandemic.

### 238. FIFE COAST AND COUNTRYSIDE TRUST - ANNUAL REVIEW 2020/21

The Sub-Committee considered a report by the Head of Communities and Neighbourhoods providing information to enable the monitoring and review of the activities and performance of the Fife Coast and Countryside Trust (FCCT) for the period 2020/2021.

#### Decision

The Sub-Committee considered and acknowledged the continued development and performance of the Fife Coast and Countryside Trust in 2020/2021.

### 239./

**239. FIFE COMMUNITY SAFETY PARTNERSHIP UPDATE**

The Sub-Committee considered a report by the Head of Housing Services providing an update on the progress of Fife Community Safety Partnership (FCSP) in the delivery of the Safer Communities Vision during the period February 2020 to September 2021. Updates on changes in membership, role and remit and detail of the FCSP Delivery Plan were included in the report.

**Decision**

The Sub-Committee:

- (1) considered and acknowledged progress made to date;
- (2) approved the Fife Community Safety Partnership Delivery Plan;
- (3) approved the proposal to establish a sub-group to develop and deliver Fife's Community Justice Outcome Improvement Plan (CJOIP).

The meeting adjourned at 11.30 a.m'

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The meeting reconvened at 11.45 a.m.

**240. HOUSING SERVICE PERFORMANCE REPORT AND 'PATHWAY TO IMPROVEMENT' 2019-22**

The Sub-Committee considered a report by the Head of Housing, presenting the annual performance scorecard for Housing Services in 2020-21 and detailing outcomes of the annual update of the 'Pathway to Improvement' 2019-22.

**Decision**

The Sub-Committee:-

- (1) considered and acknowledged the Housing Services' performance information detailed in Appendix 1 to the report; and
- (2) considered and noted performance in year two of the Pathway to Improvement for 2019-22, detailed in Section 2.0 and Appendix 1 of the report.

**241. ANNUAL ASSURANCE STATEMENT 2021**

The Sub-Committee considered a report by the Head of Housing presenting recommendations for the submission of the Annual Assurance Statement 2021 to the Scottish Housing Regulator, based on regulatory guidance established in 2019.

**Decision/**

**Decision**

The Sub-Committee:-

- (1) noted the revisions to the housing regulatory framework in 2019, which required the preparation of an Annual Assurance Statement, detailed in Section 2.0 and 3.0 of the report;
- (2) agreed the wording of the draft Annual Assurance Statement 2021 based on the compliance position at March 2021, detailed in Section 4.0 and Appendix 1 of the report; and
- (3) agreed that the final draft Annual Assurance Statement 2021 would be submitted to the Scottish Housing Regulator by the deadline of 31st October, 2021.

**242. STRATEGIC HOUSING INVESTMENT PLAN 2022-27**

The Sub-Committee considered a report by the Head of Housing Services seeking authority for the submission of Fife's Strategic Housing Investment Plan (SHIP) 2022/23 – 2026/27 to the Scottish Government. The plan was revised and updated annually over a rolling 5-year period.

**Decision**

The Sub-Committee:-

- (1) agreed the Strategic Housing Investment Plan (SHIP) 2022/23 – 2026/27 based on the priorities and principles outlined in the report; and
- (2) authorised the Head of Housing Services, in consultation with the Sub-Committee Convener and Vice-Convener, to amend/substitute projects within the SHIP as required.

**243. ENERGY EFFICIENCY STANDARDS FOR SOCIAL HOUSING 2**

The Sub-Committee considered a report by the Head of Housing Services providing initial scoping of the requirements and challenges of achieving the Energy Efficiency Standard for Social Housing (ESSH) 2 by 2032. The report confirmed the need to develop a multi-year Delivery Plan for Fife Council to meet the standard and to contribute positively to reducing fuel poverty and to the climate emergency.

**Decision**

The Sub-Committee:

- (1) noted the standards required to achieve ESSH 2;
- (2) agreed to the full development of a ESSH 2 Delivery Plan (2023-32) and the establishment of a ESSH 2 Delivery Board as outlined in Section 3.9 of the report; and
- (3)/



## 2021 CHSC 121

- (3) agreed that a further report would be submitted to the relevant Committee by the end of 2022-23.

### **244. NEW BUILD TRANSITIONAL AFFORDABLE HOUSING PROGRAMME (TAHP) (2022-24)**

The Sub-Committee considered a report by the Head of Housing Services detailing the Transitional Affordable Housing Programme (2022-24) to be delivered between the end of the Phase 3 Affordable Housing Programme (AHP) in May 2022 and the proposed start of the future Phase 4 AHP in June 2024.

#### **Decision**

The Sub-Committee:

- (1) noted the agreement in principle of the Policy and Co-ordination Committee of 24th June 2021 to the delivery of up to 1200 affordable houses between Fife Council and the Fife Housing Association Alliance through the implementation of a 2-year Transitional Affordable Housing Programme 2022-24;
- (2) noted that a report would be submitted to the Policy and Co-ordination Committee meeting on 9th December, 2021 to seek agreement on the additional borrowing requirement in support of the Transitional Affordable Housing Programme;
- (3) agreed the programme of sites to be included in the Transitional Affordable Housing Programme to achieve delivery of the desired number of houses by June 2024, subject to approval by the Policy and Co-Ordination Committee on 9th December, 2021; and
- (4) confirmed that the housing mix on site would be founded on the existing Fife Council policy criteria.

### **245. TACKLING POVERTY AND PREVENTING CRISIS UPDATE**

The Sub-Committee considered a report by the Executive Director - Communities updating members on progress following the Tackling Poverty and Crisis Prevention report submitted to the Policy and Co-ordination Committee in March 2021.

#### **Decision**

The Sub-Committee considered and acknowledged the progress made to date as outlined in the report.

### **246. LOCHORE MEADOWS COUNTRY PARK -PLAY PARK EXPERIENCE PROJECT**

The Sub-Committee considered a report by the Head of Communities and Neighbourhoods providing an update on progress to develop a new destination play park facility located within Lochore Meadows Country Park (LMCP).

#### **Decision/**

**Decision**

The Sub-Committee:

- (1) agreed to approve the Fife Council funding of £500,000 allocated in the 2017-2027 Capital Plan;
- (2) noted that funding from the NHS had not been successful and that alternative match funding would be sought; and
- (3) endorsed the investment of up to £200,000 allocated in the 2021-2031 Capital Plan.

*Councillor Alistair Cameron left the meeting during consideration of the following item.*

**247. COMMUNITY LEARNING AND DEVELOPMENT PLAN - 2021-24**

The Sub-Committee considered a report by the Head of Communities and Neighbourhoods presenting an overview of the Community Learning and Development Planning arrangements for the development of the refreshed plan for the period 2021-2024.

**Decision**

The Sub-Committee:-

- (1) noted the progress areas made with the 2018 – 2021 CLD Plan;
- (2) supported the work being done by the CLD Partnership around the delivery and scrutiny of the CLD Plan for the period 2021 - 2024; and
- (3) agreed that an annual report would be submitted to the relevant Committee commencing October 2022, to highlight progress of the CLD Plan ambitions.

**248. COMMUNITIES AND NEIGHBOURHOODS SERVICE PERFORMANCE REPORT**

The Sub-Committee considered a report by the Head of Communities and Neighbourhoods presenting the performance scorecard for the Communities and Neighbourhoods Service for 2020/21.

**Decision**

The Sub-Committee:-

- (1) considered and acknowledged the Communities and Neighbourhoods Service performance information presented in Appendix 1 of the report;
- (2) considered the requirement that further review work or scrutiny would be necessary in the scope of the review;
- (3) noted the arrangements set out to fulfil the Council's obligation to comply with Audit Scotland's 2018 SPI Direction;
- (4)/

## 2021 CHSC 123

- (4) noted the information regarding the Area report detailed in Appendix 2 of the report;
- (5) noted the information regarding the Workforce profile detailed in Appendix 3 of the report; and
- (6) noted the information regarding the Active Fife Way of Life detailed in Appendix 4 of the report.

The meeting adjourned at 13.20 p.m.

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The meeting reconvened at 13.40 p.m.

### **249. COMMUNITY AND HOUSING SERVICES SUB-COMMITTEE FORWARD WORK PROGRAMME**

The Sub-Committee noted the Community and Housing Services Sub-Committee Forward Work Programme which would be updated accordingly.

### **250. AFFORDABLE HOUSING PROGRAMME (PUBLIC REPORT) - 8 NEW HOUSES - WESTWOOD PARK, GLENROTHES**

The Sub-Committee considered a joint report by the Head of Housing Services, the Head of Assets, Transportation and Environment, the Head of Legal and Democratic Services and the Procurement Service Manager seeking authority as part of the ongoing implementation of Phase 3 (2017-22) of the Fife Affordable Housing Programme, to continue negotiations and conclude a legally binding agreement with the Developer as outlined in the relevant appendix to the report:

- (a) to purchase newly constructed units to Housing for Varying Needs Standards.

#### **Decision**

The Sub-Committee noted the content of the report for the site above, and that there followed, later on the agenda, a confidential report providing detailed information on the (commercial) terms as contained in the report at Para. 253 below.

### **251. AFFORDABLE HOUSING PROGRAMME (PUBLIC REPORT) - 97 NEW HOUSES - LUMPHINNANS ROAD, COWDENBEATH**

The Sub-Committee considered a joint report by the Head of Housing Services, the Head of Assets, Transportation and Environment, the Head of Legal and Democratic Services and the Procurement Service Manager seeking authority as part of the ongoing implementation of Phase 3 (2017-22) of the Fife Affordable Housing Programme, to continue negotiations and conclude a legally binding agreement with the Developer as outlined in the relevant appendix to the report:

- (a)/

## 2021 CHSC 124

- (a) to acquire the site for the development of new affordable Council houses for rent; and
- (b) for the construction of new affordable Council houses for rent (recognising the stated figures may be adjusted as the detail in the proposals was worked through).

### **Decision**

The Sub-Committee noted the content of the report for the site listed above, and that there followed, later on the agenda, a confidential report providing detailed information on the (commercial) terms as contained in the report at Para. 254 below.

### **252. AFFORDABLE HOUSING PROGRAMME (PUBLIC REPORT) - ACQUISITION OF 43 UNITS - CARDEN CRESCENT, CARDENDEN**

The Sub-Committee considered a report by the Head of Housing Services, updating members on the purchase of the affordable housing site on land to the west of Carden Crescent, Cardenden, Fife.

### **Decision**

The Sub-Committee:-

- (1) noted the content of the report for the site listed above, and that there followed, later on the agenda, a confidential report providing detailed information on the (commercial) terms as contained in the report at Para. 255 below; and
- (2) noted that due to the urgency to secure the site and protect the local supply chain, that the Executive Director, Enterprise and Environment authorised the purchase of the Phase 3 and 4 Cardenden site (the Convener and Vice-Convener of Community and Housing Services Sub-Committee, the Chief Executive and Executive Director, Finance and Corporate Services had been advised prior to the purchase).

The Sub-Committee, under Section 50(A)(4) of the Local Government (Scotland) Act 1973, agreed to exclude the public and press from the meeting for the following items of business - at Para. 253, Para. 254 and Para. 255 - on the grounds that it involved the likely disclosure of exempt information as defined in Paragraphs 8 and 9 of Part 1 of Schedule 7A to the Act.

### **253. AFFORDABLE HOUSING PROGRAMME (PRIVATE REPORT) - 8 NEW HOUSES - WESTWOOD PARK, GLENROTHES**

The Sub-Committee considered a joint report by the Head of Housing Services, the Head of Assets, Transportation and Environment, the Head of Legal and Democratic Services and the Procurement Service Manager seeking authority as part of the ongoing implementation of Phase 3 (2017-22) of the Fife Affordable Housing Programme, to continue negotiations and conclude legally binding agreements with the Developer as outlined in the relevant appendix to the report:

- (a)/

- (a) to purchase newly constructed units to Housing for Varying Needs Standards.

**Decision**

The Sub-Committee agreed to authorise the Head of Housing Services, the Head of Assets, Transportation and Environment and the Head of Legal and Democratic Services to conclude negotiations and enter into legally binding agreements on terms to their satisfaction for:

- (1) The acquisition from Keepmoat Homes Limited of 8 new affordable council houses for rent at the site known Westwood Park, Glenrothes for the total cost detailed in the report (recognising that figure may be adjusted as detail of the proposal was worked through) all as described in Appendix A. The acquisition will be for completed units. This was an addition to the 34 units that were approved at Sub-Committee in May 2021, the cost per unit remains the same from the last approval.

**254. AFFORDABLE HOUSING PROGRAMME (PRIVATE REPORT) - 97 NEW HOUSES - LUMPHINNANS ROAD, COWDENBEATH**

The Sub-Committee considered a joint report by the Head of Housing Services, the Head of Assets, Transportation and Environment, the Head of Legal and Democratic Services and the Procurement Service Manager seeking authority as part of the ongoing implementation of Phase 3 (2017-22) of the Fife Affordable Housing Programme, to continue negotiations and conclude legally binding agreements with the Developer as outlined in the relevant appendix to the report: In the case of Lumphinnans Road, Cowdenbeath, (Appendix A):-

- (a) to acquire the site for the development of new affordable council houses for rent; and
- (b) for the construction of new affordable council houses for rent (recognising the stated figures may be adjusted as the detail in the proposals is worked through).

**Decision**

The Sub-Committee agreed to authorise the Head of Housing Services, the Head of Assets, Transportation and Environment and the Head of Legal and Democratic Services to conclude negotiations and enter into legally binding agreements on terms to their satisfaction for:

- (1) The acquisition from First Endeavour LLP of the site of the proposed housing development of 97 new affordable council houses for rent at the site known as Lumphinnans Road, Cowdenbeath, as described in Appendix A.
- (2) The award of a construction contract for the construction of 97 new council houses for social rent at the site known as Lumphinnans Road, Cowdenbeath for the total cost as detailed in the report (including land), recognising that the figure may be adjusted as the detail of the proposal is worked through under the Negotiated Without Call For Competition Procedure.

This/

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This approach was inline with Regulation 33(1)(b)(iii) of the Public Contract (Scotland) Regulations 2015 and 10.9 (a) of Fife Councils Scheme of Tender Procedures on the grounds of the special circumstances described in this report (protection of exclusive rights).

### **255. AFFORDABLE HOUSING PROGRAMME (PRIVATE REPORT) - ACQUISITION OF 43 UNITS - CARDEN CRESCENT, CARDENDEN**

The Sub-Committee considered a report by the Head of Housing Services updating members on the purchase of the Affordable Housing site, on land to the west of Carden Crescent, Cardenden, Fife.

#### **Decision**

The Sub-Committee noted, due to the urgency to secure the site and protect the local supply chain, that the Executive Director, Enterprise and Environment had authorised the purchase of the Phase 3 and 4 Cardenden site (the Convener and Vice-Convener of Community and Housing Services Sub-Committee, the Chief Executive and Executive Director Finance and Corporate Services had been advised of the purchase).

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**THE FIFE COUNCIL - ASSETS AND CORPORATE SERVICES SUB-COMMITTEE –  
REMOTE MEETING**

4<sup>th</sup> November, 2021

2.00 p.m. – 3.25 p.m.

**PRESENT:** Councillors David Barratt (Convener), David Alexander, Mick Green, Alex Campbell, Gary Guichan, Jean Hall-Muir, Kathleen Leslie, David MacDiarmid, John O'Brien, Ross Paterson, Bill Porteous and Andrew Verrecchia.

**ATTENDING:** Keith Winter, Executive Director, Enterprise and Environment, Ken Gourlay, Head of Assets, Transportation and Environment, Yvonne Gillespie, Service Manager (Building Management), Michael O'Gorman, Service Manager (Estates), Alan Paul, Senior Manager (Property Services), Louise Playford, Service Manager (School Estate), David Weir, Service Manager (Professional Services), Assets Transportation and Environment; Sharon McKenzie, Head of Human Resources, Susan Harris, Health and Safety Lead Officer, Human Resources; Lindsay Thomson, Head of Legal and Democratic Services and Michelle Hyslop, Committee Officer, Legal and Democratic Services.

**APOLOGY FOR  
ABSENCE:** Councillor Garry Haldane.

**198. DECLARATIONS OF INTEREST**

No declarations of interest were submitted in terms of Standing Order No. 7.1.

**199. MINUTE**

The Committee considered the minute of the meeting of the Assets and Corporate Services Sub-Committee of 19th August, 2021.

**Decision**

The Committee agreed to approve the minute.

**200. PROPERTY ASSET STRATEGY**

The Committee considered a report by the Head of Assets, Transportation and Environment providing a progress update against the Council's Property Asset Strategy, Building Success for the year to 31st March, 2021. The report also outlined work during the year under review, key challenges and opportunities and future work plans.

**Decision/**

**Decision**

The Committee: -

- (1) noted the contents of the report; and
- (2) endorsed the progress made for 2020/21 against the agreed Property Asset Strategy, and against the unprecedented backdrop of Covid-19 during which various activities had now taken place.

**201. FUTURE PROVISION OF CEMETERIES IN FIFE**

The Committee considered a report by the Senior Manager, Property Services updating members on the growing capacity pressures on cemeteries in Fife. The report also proposed that a consultation be undertaken to help inform a future cemetery strategy.

**Decision**

The Committee: -

- (1) endorsed the proposed engagement arrangements in developing a future cemetery strategy; and
- (2) agreed that a future report be brought back to committee outlining the outcome of the consultation process and in line with the key indicators identified in section 2 of the report.

**202. ANNUAL HEALTH AND SAFETY REPORT 2020/21**

The Committee considered a report by the Head of Human Resources advising members of the ongoing scrutiny of Health and Safety activity. The report provided an update on the activity since the last update provided on 29th October, 2020.

**Decision**

The Committee: -

- (1) reviewed the current performance and activity;
- (2) noted the current progress made to date in regard to improving workforce practices and performance in the organisation; and
- (3) advised on further activity.

**203./**



**203. ASSETS AND CORPORATE SERVICES SUB-COMMITTEE FORWARD WORK PROGRAMME**

**Decision**

The Committee noted the content of the Assets and Corporate Services Sub-Committee forward work programme.

**THE FIFE COUNCIL - EDUCATION & CHILDREN'S SERVICES SUB-COMMITTEE –  
REMOTE MEETING**

9th November, 2021

10.10 a.m. – 10.55 a.m.

**PRESENT:** Councillors Linda Erskine (Vice-Convener), James Calder, Bobby Clelland, Dave Dempsey, Ian Ferguson, Gary Guichan, Andy Heer, Helen Law, Kathleen Leslie, Rosemary Liewald, Ross Paterson, Fay Sinclair, Alistair Suttie, Derek Glen (substitute for Councillor Craig Walker), Lea McLelland (substitute for Councillor Julie Ford) and Mr. William Imlay.

**ATTENDING:** Carrie Lindsay, Executive Director, Education & Children's Services; Shelagh McLean, Head of Education & Children's Services (Early Years and Directorate Support); Avril Graham, Sustainable Estate Officer; Gillian Johnston, Project Manager (Early Learning and Childcare); Stewart Westwater, Headteacher, Education & Children's Services; and Diane Barnet, Committee Officer, Legal & Democratic Services.

**APOLOGIES FOR ABSENCE:** Mr. Alastair Crockett and Mr. George Haggarty

Prior to the start of business, the Vice-Convener, on behalf of the Sub-Committee, extended best wishes for a speedy recovery to the Convener, Councillor Craig Walker. Councillor Erskine, in the absence of the Convener, thereafter took the Chair for this meeting.

Councillor Erskine also welcomed Councillors Glen and McLelland to the meeting, substituting for Councillors Walker and Ford respectively.

**233. DECLARATIONS OF INTEREST**

No declarations of interest were submitted in terms of Standing Order No. 7.1.

**234. MINUTE**

The Sub-Committee considered the minute of meeting of the Education and Children's Services Sub-Committee of 7th September, 2021.

**Decision**

The Sub-Committee agreed to approve the minute.

**235. MINUTES**

The Sub-Committee considered the minutes of meetings of the Education Appointment Committee of 24th, 29th and 30th September and 4th October, 2021.

**Decision/**

**Decision**

The Sub-Committee noted the minutes.

**236. REVIEW OF THE MOTHBALLING OF MILTON OF BALGONIE PRIMARY SCHOOL**

The Sub-Committee considered a report by the Executive Director, Education and Children's Services providing the outcome of the formal review of the mothballing of Milton of Balgonie Primary School.

**Decision**

The Sub-Committee agreed:-

- (1) to continue with the existing mothballing arrangements for Milton of Balgonie Primary School;
- (2) that, during the mothballing period, any children wishing to enrol at Milton of Balgonie Primary School would continue to be offered a place at Coaltown of Balgonie Primary School and provided with free transport if they met the distance criteria; and
- (3) that a further review by the Education Service would take place in June 2022, reporting the outcomes to the earliest relevant and available Committee of the Council thereafter.

**237. EARLY LEARNING AND CHILDCARE – ADMISSIONS**

The Sub-Committee considered a report by the Executive Director, Education and Children's Services providing the results of the 2020/21 Early Learning and Childcare (ELC) Consultation and an update on future consultation relating to – amending the priority criteria within the ELC Admissions Policy; providing further detail regarding the decision that the Education Service agreed discretionary deferrals delivered through a partner provider; and detailing the deferral process from the initial application through to decision.

**Decision**

The Sub-Committee:-

- (1) noted the outcomes of the ELC Consultation, detailed in Appendix 1 of the report, and that they would be reflected in the ELC offer and Admissions process for 2022/23;
- (2) agreed that use of the biennial ELC Consultation was the most appropriate mechanism to consult with parents/carers regarding any change to application priority levels within the ELC Admissions Policy;
- (3) noted the action taken in response to the Scottish Government invite for notes of interest in the P1 Deferral Pilot and agreed that officers progress with the work required to deliver the pilot, as Fife Council had now been invited to become a funded pilot authority for 2022-23; and
- (4)/

## 2021 ECS 101

- (4) noted the P1 deferral process, from the initial application through to decision.

### **238. EDUCATION & CHILDREN'S SERVICES SUB-COMMITTEE FORWARD WORK PROGRAMME**

The Sub-Committee considered the Education and Children's Services Sub-Committee Forward Work Programme.

#### **Decision**

The Sub-Committee noted the Education and Children's Services Sub-Committee Forward Work Programme, subject to amendment as necessary.

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**THE FIFE COUNCIL - ENVIRONMENT & PROTECTIVE SERVICES SUB-COMMITTEE – REMOTE MEETING**

18 November, 2021

10.00 a.m – 11.35 a.m.

**PRESENT:** Councillors Ross Vettraino (Convener), David Barratt, Rod Cavanagh, Dave Dempsey, David Graham, Jean Hall-Muir, Judy Hamilton, Andy Heer, Gordon Langlands, Alice McGarry, Derek Noble, Jonny Tepp and Jan Wincott.

**ATTENDING:** Keith Winter, Executive Director, Enterprise and Environment; Pam Ewen, Head of Planning, Ross Spalding, Service Manager (Climate Change & Zero Waste), Kenny Bisset, Lead Officer (Land & Air Quality), Linda Turner, Service Manager, Environmental Health (Public Protection), Economy, Planning & Employability Services; Nigel Kerr, Head of Protective Services; John Mills, Head of Housing Services; Ken Gourlay, Head of Assets, Transportation and Environment; Robin Baird, Chief Executive Officer, Fife Resource Solutions; Ross Speirs, Service Manager (Structural Services), Rick Haynes, Lead Consultant, Flooding, Shoreline and Harbours, Roads & Transportation Services; and Elizabeth Mair, Committee Officer, Legal & Democratic Services.

Prior to the commencement of business, the Convener paid tribute to Mark McCall, Service Manager (Safer Communities) who had sadly passed away on 24<sup>th</sup> September, 2021. He expressed appreciation of the contribution Mark had made to all the Services within the Council in which he had worked, advising that he would be missed by both members and officers. The Convener, on behalf of the Sub-Committee, offered his condolences to Mark's wife and family.

**215. DECLARATIONS OF INTEREST**

Councillors David Barratt and Jan Wincott declared an interest in paragraph 219 - Prevention of Environmental Vandalism Strategy - as they were on the Board of Fife Resource Solutions, however, they considered that this was covered by a Specific Exclusion so they would remain and participate.

*Councillor Tepp joined the meeting during the above item.*

**216. MINUTE**

The Sub-Committee considered the minute of the meeting of the Environment & Protective Services Sub-Committee of 2 September 2021.

**Decision**

The Sub-Committee agreed to approve the minute.

**217. PRESENTATION ON PROSECUTION OF FLY-TIPPERS**

The Sub-Committee noted that, due to a family bereavement, the Procurator Fiscal had been unable to attend the meeting and this item would therefore be deferred until the next meeting.

**218./**

**218. CLIMATE CHANGE - PUBLIC BODIES DUTIES REPORT**

The Sub-Committee considered a report by the Head of Planning presenting the annual submission of Fife Council's 'Public Bodies (Climate Change) Duties Report' for 2020-21 for approval.

**Decision**

The Sub-Committee:-

- (1) approved the draft Public Bodies Duties Report, attached as Appendix 1 to the report;
- (2) instructed officers to submit the Report to the Scottish Government by 29 November 2021;
- (3) noted the future reporting requirements to provide how the Council would align its spending plans and use of resources to contribute to reducing emissions and delivering emissions reduction targets, as detailed in paragraphs 1.5 to 1.7 of the report;
- (4) noted the inclusion of "Addressing the Climate Emergency" as an objective of the revised Plan4Fife and the focus on five key areas set out in Appendix 2 to the report;
- (5) noted the availability of "Climate Knowhow" training for members; and
- (6) agreed that arrangements be made for a presentation providing a summary of the outcomes of the COP26 Conference recently held in Glasgow and that all elected members be invited.

**219. PREVENTION OF ENVIRONMENTAL VANDALISM STRATEGY**

The Sub-Committee considered a joint report by the Head of Housing Services and the Head of Protective Services providing an opportunity for members to consider a Prevention of Environmental Vandalism Strategy for Fife, including the initial scoping of the requirements and challenges in improving our places and achieving a step-change in citizen behaviour through a prevention-led approach with robust enforcement where offences were committed

**Decision**

The Sub-Committee:-

- (1) noted with disappointment the slow progress made in developing an Environmental Vandalism Strategy;
- (2) agreed that the draft Strategy Outline be the subject of consultation with a range of stakeholders as outlined in Section 5.1 of the report, with the addition of the National Farmers' Union Scotland and Forestry & Land Scotland;
- (3) agreed that two members' workshops be held in December 2021, with an open invite to all members of the Council, to consider the results of the consultation which would inform the scope and remit of the Environmental Vandalism Strategy;
- (4)/

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- (4) agreed the proposed spend for the £50k allocation by the Council from the general revenue budget for 2021/22 as detailed in section 5.4; and
- (5) agreed that, following feedback from the workshops, a finalised Strategy be developed in consultation with the Convener and Vice-Convener and presented to this Sub-Committee on 10 February 2022, supported by a business case for any identified additional resources.

### 220. **OPTIONS FOR TACKLING THE UNLICENSED BREEDING OF DOGS FOR SALE**

The Sub-Committee considered a report by the Head of Protective Services outlining some of the issues and challenges around unlicensed dog breeding and advising of new legislation that came into force on 1 September 2021 and how it would be used to control dog breeding activities in Fife.

#### **Decision**

The Sub-Committee agreed:-

- (1) to note the contents of the report;
- (2) to support the Scottish SPCA Assured Puppy Breeder Scheme;
- (3) to remit to the Head of Protective Services to engage with relevant partner agencies to explore wider data and intelligence sharing to identify and deliver robust enforcement options and promote public awareness raising with respect to unlicensed dog breeding; and
- (4) that the Head of Protective Services presents a further report to the Sub-Committee within 12 months to provide an update on the regulatory and resource impacts of the new animal licensing regulations.

### 221. **SINGLE USE PLASTIC - UPDATE**

The Sub-Committee considered a report by the Head of Planning advising of progress made to date on the reduction in single-use plastics and the impact the Covid pandemic had made on progress.

#### **Decision**

The Sub-Committee:-

- (1) noted the results of steps already taken to cut single-use plastics at Fife Council;
- (2) noted the challenges resulting from Covid in delivering the programme; and
- (3) approved the revised timetable as set out in Appendices 3 and 4 to the report.

### 222. **RECYCLING CENTRES UPDATE - NOVEMBER 2021**

The Sub-Committee considered a report by the Head of Assets, Transportation and Environment providing an update on the impact of changes to the operation of Household Waste Recycling Centres.

#### **Decision/**

**Decision**

The Sub-Committee agreed:-

- (1) to note the contents of the report; and
- (2) that a further report be brought back to the Committee in February 2022 once more detailed data on usage and impacts was available, to include information on progress towards the provision of pedestrian access.

**223. FIFE RESOURCE SOLUTIONS - PERFORMANCE REPORT**

The Sub-Committee considered a report by the Head of Assets, Transportation and Environment summarising the performance of Fife Resource Solutions LLP (FRS) for the financial year 2020/2021.

**Decision**

The Sub-Committee noted the performance information contained in the report which was in line with expected outcomes.

*Councillor Hamilton left the meeting during consideration of the above item.*

**224. FIFE'S AIR QUALITY STRATEGY 2021-2025 – ANNUAL PROGRESS REPORT 2021**

The Sub-Committee considered a report by the Head of Protective Services providing the Fife Council Air Quality Annual Progress Report 2021 to allow members to scrutinise the progress made in delivering the aims and objectives of Fife's Air Quality Strategy 2021-2025.

**Decision**

The Sub-Committee:-

- (1) noted the summary of information contained in Fife's Air Quality Annual Progress Report 2021; and
- (2) agreed to support the ongoing commitment to improving and maintaining good air quality across Fife.

**225. SEVERE FLOODING - UPDATE**

The Sub-Committee considered a report by the Head of Assets, Transportation and Environment providing an update on the progress of investigation and mitigation works regarding the August 2020 flood events across Fife and advising of the proposed initial list of projects identified for progression in the capital works programme in 2021-23.

**Decision**

The Sub-Committee:-

- (1) noted that work continued with the investigation and development of mitigations, where appropriate, on the collated Priority Flooding List;
- (2)/



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- (2) noted that, as projects developed, they would be added to the Area Roads Programme which was available to view on the Council's website and updated accordingly; and
- (3) agreed that a further update report be submitted to the next meeting of this Sub-Committee.

**226. ENVIRONMENT & PROTECTIVE SERVICES SUB-COMMITTEE FORWARD WORK PROGRAMME**

The Sub-Committee noted the current Environment & Protective Services Sub-Committee Forward Work Programme, which would be updated as appropriate.

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**THE FIFE COUNCIL - ECONOMY TOURISM STRATEGIC PLANNING AND  
TRANSPORTATION SUB-COMMITTEE – REMOTE MEETING**

25 November 2021

10.00 am – 10.55 am

**PRESENT:** Councillors Altany Craik (Convener), John Beare (Vice-Convener), Dave Coleman, Colin Davidson, Sharon Green-Wilson, Jean Hall - Muir, Jane Ann Liston, Mino Manekshaw, Ross Paterson, David J Ross, Alistair Suttie, Ann Verner and Jan Wincott.

**ATTENDING:** Keith Winter, Executive Director - Enterprise and Environment, Ken Gourlay, Head of Assets, Transportation and Environment, Martin Kingham, Service Manager, Roads Network Management, Bill Liddle, Service Manager (Roads Maintenance), John Mitchell, Senior Manager, Roads & Transportation Services, Ian Jones, Lead Consultant, Network Management, Neil Watson, Lead Consultant (Roads & Lighting Asset Management), Assets Roads and Transportation Services; Pam Ewen, Head of Planning, Bill Lindsay, Service Manager, Pamela Stevenson, Service Manager - Economic Development, Economy, Planning & Employability Services; Jackie Johnstone, Accountant and Lesley Robb, Lead Officer (Committee Services), Finance and Corporate Services.

**APOLOGY FOR  
ABSENCE:** Councillor Ian Cameron.

**187. DECLARATIONS OF INTEREST**

Councillors Beare and Craik declared an interest in Para 189 – ‘Cessation of SESplan Joint Committee and Budget’ - both being members of the SESplan Joint Committee and the City Region Deal Elected Member Oversight Committee. However, a specific exclusion applied and they would therefore remain and participate in the item.

Councillor Craik also declared an interest in Para 193 – ‘Business Gateway Fife Annual Performance 2020-21’, being a Board Member of Business Gateway Fife.

**188. MINUTE**

The Sub-Committee considered the minute of the meeting of the Economy, Tourism, Strategic Planning and Transportation Sub-Committee of 9 September 2021.

**Decision**

The Sub-Committee approved the minute.

**189./**

**189. CESSATION OF SESPLAN JOINT COMMITTEE AND BUDGET**

The Sub-Committee considered a report by the Head of Planning seeking the cessation of the SESplan Strategic Development Planning Authority Joint Committee and budget through ratification of a SESplan Joint Committee decision on 4 October 2021, following changes through the Planning (Scotland) Act 2019.

**Decision**

The Sub-Committee ratified the SESplan Joint Committee decision to:

- (1) amend the SESplan Constitution so the SESplan Joint Committee was not required to meet twice per year;
- (2) close the SESplan accounts;
- (3) redistribute the remaining SESplan budget equally back to the six SESplan authorities;
- (4) transfer £11,000 (£66,000 across all six SESplan Local Authorities) to the South East Scotland City Region Deal Joint Committee, with the City of Edinburgh Council as the budget holder on behalf of the City Region Deal Joint Committee;

The Committee also noted that:

- (5) following agreement by each of the partner authorities, Regional Spatial Planning responsibilities had transferred from the SESplan Joint Committee to the City Region Deal Elected Member Oversight Committee; and
- (6) the existing 'SESplan Project Board' would be renamed the 'Strategic Planning Advisory Group' (or similar) with the chair of that group becoming a member of the City Region Deal Directors Group.

*Councillor Liston joined the meeting prior to consideration of the following item.*

**190. NEW ROADS & STREET WORKS ACT ANNUAL PERFORMANCE REPORT 2020-21**

The Sub-Committee considered a report by the Head of Assets, Transportation and Environment providing an annual summary of Statutory Undertaker (SU) performance and Fife Council's own performance relating to New Roads and Street Works Act activities in Fife, for the period 2020-2021, as recommended by the New Roads and Street Works Act 1991 (NRSWA).

**Decision**

The Sub-Committee scrutinised and commented on the current New Roads and Street Works Act performance and activity as detailed in the report.

**191./**

**191. A RISK BASED APPROACH TO ROADS MAINTENANCE – UPDATE ON PROGRESS**

The Sub-Committee considered a report by the Head of Assets, Transportation and Environment providing a progress update on the implementation of Fife's 'Road Asset Condition Inspections - Policy Standards', as aligned with the national guidance, 'Well-Managed Highway Infrastructure - A Code of Practice' (October 2016) and approved for implementation from April 2020 (2019 ETSPT 45 para.104 refers).

**Decision**

The Sub-Committee scrutinised and commented on progress of the implementation of the policy and standards approved by the Economy, Tourism, Strategic Planning and Transportation Committee on 24 October 2019.

**192. FIFE'S ROAD CONDITION REPORT 2021**

The Sub-Committee considered a report by the Head of Assets, Transportation and Environment advising Members of the results of the 2018-2021 Scottish Road Maintenance Condition Survey and on the methodology for roads capital budget allocations.

**Decision**

The Sub-Committee scrutinised and commented on the current performance and activity detailed in the report.

*Councillor Craik (Convener), having earlier declared an interest, left the meeting for the following item. The Vice-Convener took the chair for the item.*

**193. BUSINESS GATEWAY ANNUAL PERFORMANCE REPORT**

The Sub-Committee considered a report by the Head of Business and Employability providing an annual overview of the performance of Business Gateway Fife Ltd in delivering services during the period April 2020 to March 2021, including Fife Council's financial assistance to businesses scheme.

The report also provided information on performance and highlighted areas of service adjustments which had taken place during the period, to support businesses across Fife due to the unprecedented impact of COVID-19.

**Decision**

The Sub-Committee noted:

- (1) the performance, expenditure and activity information on Business Gateway Fife Ltd for 2020-2021, as detailed in the report; and
- (2) the delivery focus had been repositioned to support Fife businesses during the period, due to the impact of COVID-19.

*Councillor Craik re-joined the meeting following consideration of the above item.*

**194./**

**194. 2021-22 REVENUE MONITORING PROJECTED OUTTURN**

The Sub-Committee considered a joint report by the Executive Director - Finance and Corporate Services and the Executive Director - Enterprise and Environment providing Members with an update on the projected outturn financial position for the 2021-2022 financial year, for the areas in scope of the Economy, Tourism, Strategic Planning and Transportation Sub-Committee.

**Decision**

The Sub-Committee noted the current financial performance and activity, as detailed in the report.

**195. 2021-22 CAPITAL MONITORING PROJECTED OUTTURN, ENTERPRISE AND ENVIRONMENT DIRECTORATE**

The Sub-Committee considered a joint report by the Executive Director - Finance and Corporate Services and the Executive Director - Enterprise and Environment providing an update on the Capital Investment Plan and advising on the projected outturn for 2021-2022 financial year, for the areas in scope of the Economy, Tourism, Strategic Planning and Transportation Sub-Committee.

**Decision**

The Sub-Committee noted the current performance and activity across the 2021-2022 financial monitoring period, as detailed in the report.

**196. ECONOMY TOURISM STRATEGIC PLANNING AND TRANSPORTATION SUB-COMMITTEE FORWARD WORK PROGRAMME**

**Decision**

The Sub-Committee noted the contents of the Economy, Tourism, Strategic Planning and Transportation Sub-Committee forward work programme.

## Revenue Monitoring 2021-22

Report by: Eileen Rowand, Executive Director (Finance and Corporate Services)

Wards Affected: All

### Purpose

The purpose of this report is to provide members with a strategic overview of Fife Council's finances and to provide an update to the previous report. Funding solutions are also outlined to deal with the continued financial implications of COVID-19 as well as reform and recovery from the pandemic in the current financial year, 2021-22. The report also provides the forecast outturn position for 2021-22.

### Recommendations

It is recommended that members:-

- (i) note the high-level financial position as detailed in this report;
- (ii) note the financial plan for 2021-22 has been updated in response to the financial pressures as detailed in Section 2;
- (iii) instruct all Services to continue to mitigate additional costs, continue to deliver approved savings and to contain expenditure within the approved budget provision wherever possible; and
- (iv) note that detailed provisional outturn reports will be submitted to the relevant Sub-Committees when it is practical to do so.

### Resource Implications

The financial consequences in responding to and recovering from COVID-19 are still significant in 2021-22 and beyond. This, coupled with other pressures the Council is facing, has led to a forecast service overspend of £13.272m. The financial consequences of COVID-19 are estimated to be in the region of £40m. This will be funded from specific grant funding which was carried forward or by grants which can be claimed for qualifying expenditure. The Scottish Government also provided general revenue grant funding of £17.635m in 2021-22, some of which has been used to make temporary investments to aid Services' recovery from the pandemic. The balance remaining of £13.375m being used to offset the forecast service overspend resulting in an overall forecast underspend of £0.028m.

The proposed pay settlement also has resource implications in that the estimated costs are slightly greater than the provision made in the revenue budget. In addition the back dated element from 01/01/21 to 31/03/21 is estimated to be greater than the anticipated funding from Scottish Government. The forecast for use of contingencies includes funding these items.

It should be noted that there remains the risk that further waves of the pandemic and associated restrictions as we enter the autumn and winter periods could result in additional costs being incurred. No forecast for such an occurrence has been built into the current forecasts.

## Legal & Risk Implications

There are no direct legal implications arising from this report.

## Impact Assessment

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An EqIA is not required because the report does not propose a change or revision to existing policies and practices.

## Consultation

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None.

## 1.0 Background

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- 1.1 This report sets out the likely financial impact for 2021-22 as the Council expects to continue to recover from the COVID-19 pandemic and operate in a new environment as restrictions ease. Section 2 of the report provides a high level update detailing what has changed by way of financial assumptions since the previous report was considered.
- 1.2 Section 3 summarises the projected position for 2021-22 based on the most recent forecast and reflects up to date estimated costs associated with recovery from the COVID-19 pandemic and the associated funding solutions. It also provides a summary of the main budget variances across Services and Directorates.
- 1.3 Progress on agreed savings is reported in Section 4 and an update on the anticipated level of balances is contained in Section 5.
- 1.4 More detailed financial reports will be presented to the relevant Sub-Committees as part of the Council's wider scrutiny and performance management reporting arrangements.

## 2.0 Updated Financial Plan 2021-22

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### COVID-19 Pressures

- 2.1 In the previous report to this Committee, additional costs associated with COVID-19 were estimated to be in the region of £35.0m with cost reductions in the region of £3.0m bringing the funding requirement for 2021-22 down to £32.0m. The financial consequences and estimated costs of recovery from the pandemic continued to be reviewed and evaluated as part of our financial monitoring processes. The latest estimate of additional costs associated with COVID-19 has increased and is now in the region of £40.0m, the level of cost reductions has also increased to £4.0m resulting in a net funding requirement of £36.0m, an overall increase of £4.0m.
- 2.2 The additional costs identified include the cost of recovery associated with restarting facilities, vaccination wrap around support, additional supply teacher cover, provision of disposable catering equipment and the extension of free school meal programme throughout the holidays.

- 2.3 The level of cost reductions has also increased partially offsetting the expected costs increases. There is expected to be increased income in respect of homelessness and there is expected to be further reduced costs in respect of school meals.
- 2.4 The current estimates are based on current trends moving into recovery and reform from the pandemic and do not factor in any assumptions for potential costs of any future “waves” and any subsequent COVID-19 restrictions.
- 2.5 The latest estimate of pressures facing the Council covers a range of expenditure items such as continued recovery in the Education directorate by employing additional teachers, additional cleaning costs and increased costs of heating.
- 2.6 It is also anticipated the Council’s trusts will continue to face a period of loss of income as they are unable to operate fully and do not anticipate a return to pre-pandemic levels of demand for services during the current year, even as there is a move to beyond level zero. The forecast outturn recognises this loss of income.
- 2.7 The Council also continues to support the most vulnerable in the community and those facing financial hardship as a direct result of the pandemic. The costs of doing so are included in the estimates.
- 2.8 All pressures associated with COVID-19 have been built into the overall forecast position for the Council based on what we know. This is reflected in the narrative in Section 3.

#### Temporary Investment

- 2.9 The last revenue report considered by this Committee reported a projected underspend of £3.657m. Following consideration of the financial position and the funding strategy for COVID-19 pressures in 2021-22, it was agreed that a level of investment could be made from unallocated funding to aid the recovery from the pandemic.
- 2.10 The total level of investment across the Council is £6.210m across two financial years (£4.260m 2021-22 and £1.950m 2022-23). The revenue budgets have been uplifted to include this additional funding and are reflected in this report.
- 2.11 Investment was allocated across a number of activities including roads maintenance, employability, sports pavilions and parks, private sector adaptations and welfare funding.
- 2.12 Governance arrangements are in place to ensure this funding is being directed to areas intended. These arrangements involve in the main consultation with elected members in the form of discussion with Co-leaders, Briefing Notes to committee members and consideration at committees including area committees as appropriate. Plans are being developed to maximise the use of this additional investment.

#### Updated Pay Offer

- 2.13 The proposed pay settlement also has resource implications in that the estimated costs are slightly greater than the provision made in the revenue budget. In addition the back dated element from 01/01/21 to 31/03/21 is estimated to be greater than the anticipated funding from Scottish Government. The forecast for use of contingencies includes funding these items.



## 3.0 Revenue forecast – Main Variances

### 3.1 General Fund Services

All the above pressures and funding sources are incorporated into the outturn for all services. This section provides narrative explaining the variances detailed in Appendix 1 and identifies where it is clear that these relate to COVID-19. As Services responded to the pandemic and took corrective action to mitigate costs and recover services, it has become more difficult over time to distinguish between “normal” variances and those directly associated with COVID-19.

Overall, there is a forecast overspend of £13.272m across General Fund Services, which equates to 1.70% of budgeted expenditure. This overspend is offset by additional COVID-19 funding not yet allocated of £13.375m which formed part of the Local Government Settlement 2021-22 announced earlier this year. By offsetting this funding against the forecast overspend, the forecast outturn position across all General Fund Services is an underspend of £0.028m.

Appendix 1 details the provisional outturn and variances against the budget broken down across all General Fund Services. The following paragraphs provide a brief explanation of the main areas where there are variances of +/-£0.250m or 0.25%, whichever is the greater, between the budget and forecast expenditure and income.

The annual total expenditure budget, as shown in Appendix 1, has increased since the budget was approved. The changes are summarised below:-

	Total Expenditure £m
<b>Current 2021-22 Budget (June 2021)</b>	<b>870.240</b>
Budgets Funded from Balances	
- COVID-19 Funding	9.232
- Others	0.060
<b>Current 2021-22 Budget (September 2021)</b>	<b>879.532</b>

The current 2021-22 budget (June 2021) has been increased by £9.232m from earmarked balances which represents the carry forward of unused specific general revenue grant (GRG) from 2020-21. This has been applied to the identified areas of expenditure for 2021-22 and will be used for items such tackling financial insecurity and education recovery.

#### 3.1.1 Education and Children’s Services

Directorate position:- Variance £0.855m overspend, movement £0.490m

*Devolved School Management: - Variance (£2.326m) underspend, movement (£0.244m)*

The figure reported above is mainly the DSM carry forward of £1.901m from 2020-21 and an additional minor projected underspend of £0.356m in Special Education, mainly in Pupil Support Service staffing.

Additional costs due to COVID-19 are included in the projected outturn, for example, costs in relation to the appointment of additional teachers of £4.466m, classroom resources of £0.100m and unachieved savings from 2020-21 in relation to the DSM of £0.400m. These costs will be funded by COVID-19 funding announced by the Scottish Government in relation to additional teachers of £4.466m, and £0.500m from Scottish Government COVID-19 Education Logistics funding.

*Non DSM/Childcare: - Variance £5.751m overspend, movement £1.254m*

The projected overspend mainly relates to maternity pay and long-term absence and overspends of £2.962m and £0.629m are included within the projection. These costs are in relation to teachers but are borne by the non-devolved central Education budget and not the DSM. A further projected overspend has arisen due to the increase in pupil rolls in Secondary Education and the requirement to fund this increase in schools DSM budgets. The pupil roll has increased by 1,485 pupils over a two-year period with an estimated pressure of £1.800m. The overspends are partially offset by a projected underspend in Early Years, of £0.286m, mainly due to the timing of recruiting of EYO Modern Apprentices and an underspend in Special Education of £1.068m, mainly due to reduction in payments for the Education element of placements for Looked After Children.

In relation to COVID-19, the main estimated additional costs included within Non Devolved Education are in relation to school transport of £0.200m, cleaning/catering and waste collection of £1.249m, staffing costs of £0.775m, PPE of £1.500m, heating costs of £1.000m, free school meal costs to date of £1.516m, Summer Activities programme of £1.160m, Mental Health for Children and Young People of £0.785m and projected net loss of income in relation to Childcare Services of £0.500m and Music Service of £0.316m. It should be noted that some of these costs are estimates which will require to be refined as more information becomes available. In relation to Music fees, new funding announced by the Scottish Government to enable Councils to cease charging music fees has been announced, but the total available to the Council is still to be confirmed. Total COVID-19 costs within the forecast are £9.7m, and funding of £7.5m has been applied either via additional income or budget to fund additional COVID-19 costs.

The movement since the last report is mainly due to increases in COVID-19 costs in respect of supply teaching staff and additional Catering cost.

*Children and Families / Criminal Justice Service: - Variance (£2.570m) underspend, movement (£0.520m)*

The position for the service reflects a projected underspend for Children and Families / Criminal Justice Service, mainly due to projected underspends on third party payments, relating to Purchased Placements of £7.5m due to the full year effect of the reduction in placement numbers over the last year. Offsetting this underspend are projected overspends in Kinship Care of £1.287m, as some of the children previously in purchased care arrangements have moved into kinship care. A further projected overspend of £0.407m in foster care, adoption and throughcare has also arisen due to the shift in the balance of care from external purchased arrangements, as well as an overspend on Supported Lodgings of £0.325m. A further overspend of £1.171m is projected as a result of children remaining in Continuing Care arrangements, and £1.359m in Supplies and Services reflecting the shift away from purchased care to foster care/kinship/home support. A realignment of the budget within Children and Families Service will be required to reflect these new balance of care arrangements.

In relation to COVID-19, the projected costs are in relation to additional support for looked after children of £0.710m which is fully funded from Scottish Government COVID-19 funding.

The movement since the last report of £0.520m is mainly due to a projected underspend in staffing costs due to recruitment lead in times.

### 3.1.2 Health and Social Care

Social Care:- Variance £0m overspend, Variance after additional Scottish Government funding £0m, movement (£1.966m)

The Scottish Government has indicated that support will be provided to Integration Authorities to deliver break-even on a non-repayable basis but HSCP must work to reduce overspends, whilst ensuring patient safety. The level of support has not yet been finalised but H&SCP is being reported as achieving a break-even position at the year-end on the basis of this additional funding being received.

The projected outturn position for Fife Council Social Care is an overspend of £6.460m reducing to zero once the additional Scottish Government funding is taken into account. As there is a forecast break-even position, the risk share agreement with NHS Fife is unlikely to be applied this year.

The main variances are projected overspends on adult placements of £5.769m due to a greater number of adult packages having been commissioned than the budget available, £0.125m for the transition of packages from Children and Families to Adult Services and unachieved savings of £1.098m. There is a projected overspend on Homecare of £1.234m due to an increase in demand for direct payments to service users to arrange their own packages leading to a forecasted overspend of £0.750m and increased staff mileage costs of £0.280m.

The movement of (£1.966m) is mainly due to the assumption that support will be provided to Integration Authorities to deliver break-even.

The above position does not include forecasted spend of £15.5m in relation to COVID-19 and remobilisation costs. It is assumed these costs will be fully funded through the local mobilisation plans (LMP). The £15.5m includes unachieved savings of £1.764m which are COVID-19 related. At the moment, there is not a commitment from the Scottish Government to fund these through the local mobilisation plan. The Senior Leadership Team will endeavour to deliver these savings in-year but it is likely that there will be delays in implementing some of these savings due to on-going restrictions. If the unachieved savings are not funded through the LMP, they will be funded by the additional support to be provided to deliver break-even.

### 3.1.3 Enterprise and Environment

Directorate position:- Variance £3.499m overspend, movement £0.349m

*Assets, Transportation and Environment:- Variance £4.080m overspend, movement £0.442m*

There is a projected net under recovery of income of £0.967m within Car Parking. This is due to an ongoing reduced level of demand as a result of the COVID-19 pandemic.

Building Services projected under-recovery of income is £2.327m, movement of £0.235m, this is due to the continuing impact of the COVID-19 pandemic on the trading account income as there are still productivity impacts caused by the additional health and safety measures post lockdown, as well as issues regarding materials caused by both the pandemic and BREXIT.

There is a projected under-recovery of income of £0.461m within the Managed Print & Document Service due to the drop in printing levels with ongoing home working, this is offset by underspends in client Services across the organisation.

The remainder of variance relates to various overspends as a result of COVID-19, partly offset by minor underspends throughout the Service.

The movement of £0.442m is primarily related to reduced income in Building Services based on the latest information.

*Economy, Planning and Employability:- Variance (£0.581m) underspend, movement (£0.093m)*

The service underspend is made up of £0.202m in Protective Services, mainly due to difficulties in recruitment and options are being considered to address the recruitment challenge. Other underspend of £0.225m within the Business & Employability Service mainly relates to vacancies and challenges in recruitment.

Further underspend has emerged in Planning of £0.197m and is the main reason for the movement. This is a result of increased Planning fee income which reflects the economic bounce back effect as the development industry continues to catch up and submit delayed projects. Particularly a consequence of the buoyant housing market and the increasing number of applications received for renewable energy generation and storage projects.

### 3.1.4 **Communities**

Directorate position:- Variance £5.609m overspend, movement (£0.480m)

*Housing & Neighbourhood Services:- Variance (£0.660m) underspend, movement (£0.501m)*

The movement of (£0.501m) relates to Homelessness which is projecting an underspend of (£0.893m). The number of Homelessness presentations increased significantly in 2020-21 at the beginning of COVID-19 and homelessness numbers have remained high in 2021-22. Although increased homelessness numbers has meant increased expenditure in some areas such as rents payable and cleaning costs, there have been significant improvements in the levels of voids and bad debts which overall is resulting in the net underspend of £0.893m.

There are overspends within Safer Communities of £0.214m for the purchase of CCTV and other equipment. There is also an unachieved saving of £0.100m within Adaptations which the service is working to achieve.

*Communities & Neighbourhood:- Variance £5.941m overspend, movement (£0.100m)*

The majority of the overspend is still related to the impact of COVID-19. Each of the Council's Trusts are continuing to suffer loss of income, each to varying degrees and this is estimated to be in the region of £3.880m as they cannot fully operate yet and demand has not recovered, reducing their ability to generate income. Funding mechanisms are being investigated and Council officers are working closely with these organisations in order to support them. Community Use is forecasting lost income in the region of £1.269m and Halls and Centres are anticipating a reduction of £0.539m in income due to the lasting implication of closures resulting from COVID-19. Unachieved savings of £0.348m remain across the service which have been further impacted by COVID-19. The movement of £0.100m is a result of the level of support required by FSLT reducing and is offset by an increase in the level of unachieved savings due to the further impact of COVID-19.

*Customer & Online Services:- Variance £0.328m overspend, movement £0.121m*

The overspend of £0.328m mainly relates to an underachievement of income within Revenue Services of £0.252m. The introduction of Universal Credit has reduced the level of work being carried out for the DWP and has in turn reduced the level of funding received. This could have a significant impact on future years outturn and will require a review to determine the impact on future years.

### 3.1.5 **Finance & Corporate Services**

Directorate position:- Variance £2.917m overspend, movement £0.885m

Of the total overspend, £2.755m relates to the impact of COVID-19. Included in the COVID-19 pressures are estimated costs of £0.861m that relate to home and remote working and the workstyles project. The balance of this projected overspend is mainly due to savings from projects that being delayed.

Non-COVID-19 overspends of £0.162m are mainly due to unachieved staff savings as a result of an increase in demand for some services, partly offset by some staff turnover. Finance and Corporate Services are currently facing some challenges in the employment marketplace. This has resulted in difficulties recruiting staff.

The movement is mainly due to the COVID-19 pressures for the workstyles project.

### 3.1.6 **Chief Executive**

Directorate position:- Variance £0.392m overspend, movement £0.016m

The projected overspend sits within Corporate and Democratic Core and relates to an increase in the Apprenticeship Levy for Fife Council. The levy is 0.5% of the Council's overall pay costs which have increased over time.

### 3.1.7 **Other Variances**

*Loan Charges – Variance (£0.925m) underspend, movement £0.925m*

The projected underspend on loan charges is due to the level of actual borrowing being less than anticipated at the time the budget was set. Interest costs are also less than expected as a result of reduced borrowing requirement combined with actual interest rates being less than forecast when setting the budget.

The movement reflects that the projected level of loan charges for 2021-22 based on the most up to date capital forecasts to be used.

*COVID-19 Funding – Variance (£13.375m) underspend, movement £4.260m*

This underspend is being used to offset the forecast overspend in general fund services. The allocation of Scottish Government grant funding for 2021-22 was general in nature and does not relate to any specific service, therefore it is being held centrally. As cost estimates become more definitive consideration will be given to allocating this funding to individual services to eliminate forecast overspends. This will be considered later in the financial year.

The movement represents the allocation of funding to individual Services to cover the funding of temporary investments agreed at Committee in September.

### 3.1.8 **Financing**

*Council Tax Income – Variance overspend £1.000m, movement £1.000m*

The projected under recovery is as a result of an increase of qualifying cases for council tax reduction from pre COVID-19 levels. It is anticipated that this will be covered as part of the COVID-19 recovery funding. The movement is as a result of a more detailed projection being completed.

## **3.2 Housing Revenue Account**

### 3.2.1 *Housing Revenue Account:- £0.500m contribution to balances*

To ensure the HRA remains resilient to unknown future risks, part of the HRA's financial strategy is to aim to contribute £0.500m each year into balances to ensure future financial resilience. The final figure to be contributed to, or withdrawn from balances is determined at year-end once final outturns are known.

As well as planning to contribute £0.500m into balances, the HRA is also projecting that the CFCR contribution to Capital will overachieve by £1.413m which is largely due to the Cost of Borrowing being projected to be £1.096m underspent. The total contribution to CFCR is projected to be £32.985m for 2021-22 which will support the HRA's capital investment plan.

Repairs & Maintenance is projecting to underspend by £0.501m. Additional investment has been made into Concierge & Caretaking to improve services for tenants. As part of this, a review of Concierge & Caretaking is ongoing before changes are rolled out later in the financial year. The underspend relates to the project start date being delayed as a result of COVID-19.

Based on current estimates, the total bad debt write-offs in year are expected to be underspent by £0.744m. There is a commitment by the HRA to make available in year, up to £1m for the Universal Credit Support Fund and £1m for the COVID-19 Support Fund. The current level of applications suggests that the full £1m may not be required for each of these in year under the current criteria. As lockdown rules change, the schemes will be reviewed to maximise the benefits to tenants.

## **4.0 2021-22 Revenue Budget Savings Progress**

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- 4.1 Appendix 3 provides details of the achievements against the approved revenue budget savings for 2021-22 by Directorate.
- 4.2 The table demonstrates that overall the Council will achieve 52% of 2021-22 budget savings. This is lower than in previous years as the ability of services to deliver savings has been significantly impacted in several areas as a direct result of the pandemic. However, services continue to deliver savings where possible in year but there is potential risk that delays could impact into the next financial year.
- 4.3 More detailed reports on the progress of savings will be presented to the relevant Sub-Committees as part of the Council's wider scrutiny and performance management reporting arrangements.

## 5.0 Balances

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### 5.1 General Fund Services

- 5.1.1 Appendix 4 shows a forecast of the balances' position for General Fund Services over a three-year period with the level of approved commitments also being set out. The opening level of balances is unprecedented and came as a result of a year of significant financial uncertainty having an impact on the Council finances, coupled with a raft of additional funding being provided towards the very end of last financial year.
- 5.1.2 The opening General Fund balance brought forward at 1 April 2021, including earmarked balances, was £121.697m. This was exceptionally high due to the late funding received in 2020-21 to address the Pandemic.
- 5.1.3 Funding has been transferred from the General Fund Balance to augment 2021-22 revenue budgets to fund commitments made such as items carried forward at the end of 2020-21 such as Roads Maintenance, Local Community planning and anti-poverty budgets. Contributions have also been made to balances for Energy Management projects and Council tax from Second Homes. The net contribution from balances being £13.375m.
- 5.1.4 The current level of forecast underspend of £0.028m provides a contribution to balances taking the estimated balances level to £108.350m. However, there are already a number of commitments against that value and it should be recognised that there will be recurring financial consequences as a result of the pandemic and financial risk and pressures associated with the continued recovery from COVID-19. Any additional priority recovery and reform actions in the current financial year could reduce the level of balances.
- 5.1.5 A commitment has been included for Fife Council's contribution to Levelling Up funding as agreed by Committee in November 2021.
- 5.1.6 Commitments in 2021-22 of £17.694m are currently recognised for recovery from COVID-19, DSM, Energy Management Fund and other previous decisions.
- 5.1.7 It is expected that the costs of COVID-19 are far reaching and will continue into future financial years. As reported to this Committee in September, the agreed strategy for covering these costs is to use the unallocated COVID-19 funding from 2020-21. This is reflected in Appendix 4 as commitments against balances in future years.
- 5.1.8 Taking into account the approved financial plan for future costs associated with COVID-19 costs and all other known commitments against balances, the level of uncommitted balances at 31 March 2024 is expected to be £44.216m which equates to approximately 5% of the revenue budget. However, this is set in the context of increasing financial uncertainty and financial risk.
- 5.1.9 Uncommitted balances are held to mitigate against financial risks which are not planned for or included in the medium term finance strategy. Examples of where balances could be called upon include settling of legal claims and disputes, or responding to one-off "shocks" such as reductions in funding, or unplanned increased costs, for example rising inflation, which we can then factor into future budget planning. As part of the budget planning process, a financial risk register is maintained.

5.1.10 As a result of underspends on HRA, there is a positive contribution to HRA balances of £0.500m taking the balances to £8.505m. The Housing Revenue Account (HRA) Consultative Budget 2022-23 presented to this committee on 4<sup>th</sup> November approved a minimum reserves policy of 2% of the mainstream annual rent income budget and proposals for the use of HRA reserves in 2022-24. Of the total £8.505m, the proposal approved on 4<sup>th</sup> November was to use £1.500m for the cost of COVID-19 mitigation and £2.5m for the Transitional Affordable Housing Programme 2022-24. This leaves £2.005m of Non-committed reserves available.

## 6.0 Conclusions

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- 6.1 The financial consequences of the ongoing response to and recovery from COVID-19 continue to be significant and continue to be a real pressure for the Council in this and future financial years. As a result, there is a projected overspend on Service expenditure of £13.272m.
- 6.2 As a result of additional grant funding of £13.375m being provided as part of the overall local government settlement and an underspend on loan charges, the majority of the service overspend is offset with a resultant forecast underspend of £0.028m.
- 6.3 Taking into account all earmarked balances and commitments will take the uncommitted level of balances to £44.216m.
- 6.4 In line with the agreed approach set out in the General Fund Revenue Budget 2021-24, the unused COVID-19 government funding has been earmarked to assist with the ongoing costs of the pandemic and recovery. There continues to be a high degree of uncertainty going forward. Balances can only be used once and it is important that we continue to focus on a sustainable level of core funding and take decisions wisely on how we use balances without adding to our ongoing commitments in future years.
- 6.5 The provisional outturn for the Council's Housing Revenue Account in 2021-22 is a surplus of £0.500m which has been added to the HRA balances. The level of HRA balances now being £8.505m. As noted in para 5.1.10 after minimum balances and proposed use of balances are taken into account the balance of non-committed balances available for use is £2.005m.

### List of Appendices

1. General Fund Revenue Summary 2021-22
2. Housing Revenue Account Summary 2021-22
3. Approved Savings 2021-22
4. Summary of Balances

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**FIFE COUNCIL**  
**GENERAL FUND REVENUE SUMMARY 2021-2022**

	Annual Budget £m	Forecast £m	Annual Variance £m	Previous Committee Annual Variance £m	Movement £m
<b>EDUCATION &amp; CHILDREN'S SERVICES</b>					
Education (Devolved)	211.482	209.156	(2.326)	(2.082)	(0.244)
Education (Non Devolved)	110.767	116.518	5.751	4.497	1.254
Children and Families/CJS	64.098	61.528	(2.570)	(2.050)	(0.520)
	<b>386.347</b>	<b>387.202</b>	<b>0.855</b>	<b>0.365</b>	<b>0.490</b>
<b>HEALTH &amp; SOCIAL CARE</b>					
Health & Social Care	169.858	176.318	6.460	6.865	(0.405)
Additional Scottish Government funding	0.000	(6.460)	(6.460)	0.000	(6.460)
H&SC Payment from Health per Risk Share	0.000	0.000	0.000	(4.899)	4.899
	<b>169.858</b>	<b>169.858</b>	<b>0.000</b>	<b>1.966</b>	<b>(1.966)</b>
<b>ENTERPRISE &amp; ENVIRONMENT</b>					
Assets, Transportation and Environment	82.403	86.483	4.080	3.638	0.442
Economy, Planning and Employability	10.406	9.825	(0.581)	(0.488)	(0.093)
Property Repairs and Maintenance	15.351	15.351	0.000	0.000	0.000
	<b>108.160</b>	<b>111.659</b>	<b>3.499</b>	<b>3.150</b>	<b>0.349</b>
<b>COMMUNITIES</b>					
Housing & Neighbourhood Services	11.662	11.002	(0.660)	(0.159)	(0.501)
Communities & Neighbourhood	45.431	51.372	5.941	6.041	(0.100)
Customer & Online Services	12.539	12.867	0.328	0.207	0.121
	<b>69.632</b>	<b>75.241</b>	<b>5.609</b>	<b>6.089</b>	<b>(0.480)</b>
<b>FINANCE &amp; CORPORATE SERVICES</b>					
Assessors	1.788	1.817	0.029	0.090	(0.061)
Finance	4.528	5.425	0.897	0.914	(0.017)
Revenue & Commercial Services	14.158	14.370	0.212	0.159	0.053
Human Resources	5.680	6.015	0.335	0.202	0.133
Business Technology Solutions	15.015	16.483	1.468	0.626	0.842
Legal & Democratic Services	3.747	3.723	(0.024)	0.040	(0.064)
	<b>44.916</b>	<b>47.833</b>	<b>2.917</b>	<b>2.031</b>	<b>0.886</b>
Miscellaneous	0.124	0.124	0.000	0.001	(0.001)
Housing Benefits	0.751	0.751	0.000	0.000	0.000
	<b>45.791</b>	<b>48.708</b>	<b>2.917</b>	<b>2.032</b>	<b>0.885</b>
<b>CHIEF EXECUTIVE</b>					
Chief Executive	0.294	0.264	(0.030)	(0.028)	(0.002)
Corporate and Democratic Core	2.204	2.626	0.422	0.404	0.018
	<b>2.498</b>	<b>2.890</b>	<b>0.392</b>	<b>0.376</b>	<b>0.016</b>
<b>SERVICE TOTALS</b>	<b>782.286</b>	<b>795.558</b>	<b>13.272</b>	<b>13.978</b>	<b>(0.706)</b>
<b>ADDITIONAL ITEMS</b>					
Loan Charges (including interest on revenue balances)	60.123	59.198	(0.925)	0.000	(0.925)
Capital Expenditure Financed from Current Revenue	6.059	6.059	0.000	0.000	0.000
Contingencies	17.689	17.689	0.000	0.000	0.000
COVID Funding	13.375	0.000	(13.375)	(17.635)	4.260
	<b>97.246</b>	<b>82.946</b>	<b>(14.300)</b>	<b>(17.635)</b>	<b>3.335</b>
<b>TOTAL EXPENDITURE</b>	<b>879.532</b>	<b>878.504</b>	<b>(1.028)</b>	<b>(3.657)</b>	<b>2.629</b>
<b>FINANCED BY:</b>					
General Revenue Grant	(556.139)	(556.139)	0.000	0.000	0.000
Non Domestic Rates	(135.763)	(135.763)	0.000	0.000	0.000
Council Tax Income	(174.255)	(173.255)	1.000	0.000	1.000
Budgets transferred to/(from) Balances (previous years carry forwards etc)	(13.375)	(13.375)	0.000	0.000	0.000
<b>TOTAL INCOME</b>	<b>(879.532)</b>	<b>(878.532)</b>	<b>1.000</b>	<b>0.000</b>	<b>1.000</b>
<b>CONTRIBUTION (TO)/FROM BALANCES</b>	<b>0.000</b>	<b>(0.028)</b>	<b>(0.028)</b>	<b>(3.657)</b>	<b>3.629</b>

**Appendix 2**  
**FIFE COUNCIL**  
**HOUSING REVENUE ACCOUNT SUMMARY 2021-2022**

**Appendix 2**

	Annual Budget £m	Forecast £m	Annual Variance £m	Previous Committee Annual Variance £m	Movement £m
<b>BUDGETED EXPENDITURE</b>					
Repairs and Maintenance	35.735	35.234	(0.501)	(0.472)	(0.029)
Supervision and Management	17.117	17.190	0.072	0.188	(0.115)
Funding Investment					
Cost of Borrowing	28.964	27.868	(1.096)	0.000	(1.096)
Revenue Contribution (incl CFCR)	31.572	32.985	1.413	0.281	1.132
	<u>113.388</u>	<u>113.276</u>	<u>(0.112)</u>	<u>(0.004)</u>	<u>(0.108)</u>
Voids	2.134	2.523	0.390	0.172	0.218
Housing Support costs	(0.405)	(0.476)	(0.072)	(0.038)	(0.033)
Garden Care Scheme	0.385	0.385	0.000	0.000	0.000
Bad or Doubtful Debts	2.944	2.200	(0.744)	(0.744)	0.000
Other Expenditure	9.640	9.789	0.149	0.098	0.051
Covid Expenditure	0.000	0.001	0.001	0.002	(0.001)
	<u>128.086</u>	<u>127.699</u>	<u>(0.387)</u>	<u>(0.515)</u>	<u>0.128</u>
<b>FINANCED BY</b>					
Dwelling Rents (Gross)	(120.954)	(121.132)	(0.178)	0.000	(0.178)
Non Dwelling Rents (Gross)	(3.438)	(3.492)	(0.053)	(0.053)	(0.001)
Hostels - Accommodation charges	(2.300)	(2.300)	0.000	0.000	0.000
Other Income	(1.393)	(1.275)	0.118	0.068	0.051
	<u>(128.086)</u>	<u>(128.199)</u>	<u>(0.113)</u>	<u>0.015</u>	<u>(0.128)</u>
<b>CONTRIBUTION (TO)/FROM BALANCES</b>	0.000	(0.500)	(0.500)	(0.500)	0.000

**FIFE COUNCIL  
APPROVED SAVINGS FOR 2021-22**

Directorate	Savings Target £m	Forecast £m	(Under) / Over £m	Achieved %
Education & Childrens Services	0.145	0.000	(0.145)	0%
Enterprise & Enviroment	0.863	0.703	(0.160)	81%
Communities	0.822	0.474	(0.348)	58%
Finance & Corporate Services	0.745	0.165	(0.580)	22%
Health & Social Care				
	<b>2.575</b>	<b>1.342</b>	<b>(1.233)</b>	52%

**FIFE COUNCIL**  
**BALANCE - GENERAL FUND SERVICES**

	2021-22 £m	2022-23 £m	2023-24 £m	Future Years £m
<b>Balance at 1 April 2021</b>	(121.697)	(90.656)	(44.494)	(44.249)
<b>Budgets transferred (to)/from balances</b>	13.375			
<b>Add Overall budget variance 2021-22 (Appendix 1)</b>	(0.028)			
<b>Estimated General Fund Balance at 31 March</b>	<b>(108.350)</b>	<b>(90.656)</b>	<b>(44.494)</b>	<b>(44.249)</b>
<b>Earmarked Balance</b>				
Devolved School Management	2.326			
COVID Specific GRG	0.000	4.485		
COVID Non-Specific GRG	3.400	41.359		
Energy Management Fund	1.781			
Council Tax - Second Homes	8.318			
	15.825	45.844	0.000	0.000
	<b>(92.525)</b>	<b>(44.812)</b>	<b>(44.494)</b>	<b>(44.249)</b>
<b>Commitments against balance</b>				
Budget Carry Forward Scheme	0.000			
Change Fund	0.290			
Fife Job Contract	0.300	0.300	0.216	
Mid-Fife Economic Development	0.033			
Change to Deliver - BTS Investment	0.539			
Dunfermline Flood Prevention Scheme	0.291			
Levelling Up Funding	0.225			
Barclay Funding - Assessors	0.129	0.018	0.029	0.033
Other Commitments	0.062			
	1.869	0.318	0.245	0.033
<b>Estimated uncommitted balance at 31 March</b>	<b>(90.656)</b>	<b>(44.494)</b>	<b>(44.249)</b>	<b>(44.216)</b>

**BALANCE - HOUSING REVENUE ACCOUNT**

	2021-22 £M	2022-23 £M	2023-24 £M	Future Years £M
<b>Balance at 1 April 2021</b>	(8.005)	(7.005)	(7.005)	(4.505)
<b>Add Overall budget variance 2021-22 (Appendix 2)</b>	(0.500)			
<b>Estimated Balance at 31 March</b>	<b>(8.505)</b>	<b>(7.005)</b>	<b>(7.005)</b>	<b>(4.505)</b>
<b>Earmarked Balance</b>				
COVID Mitigation	1.500			
Transitional Affordable Housing			2.500	
	1.500	0.000	2.500	0.000
<b>Estimated uncommitted balance at 31 March</b>	<b>(7.005)</b>	<b>(7.005)</b>	<b>(4.505)</b>	<b>(4.505)</b>

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## Capital Investment Plan Update – Projected Outturn 2021-22

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Report by: Eileen Rowand, Executive Director (Finance and Corporate Services)

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Wards Affected: All

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### Purpose

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The purpose of this report is to provide a strategic financial overview of the Capital Investment Plan, and to advise on the projected outturn for the 2021-22 financial year.

### Recommendations

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The Policy and Co-ordination Committee is asked to note:-

- i) the projected outturn position, that the level of financial risk appears to be increasing and also note the mitigating actions for the major projects within the Capital Investment Plan;
- ii) the projected outturn position for the 2021-22 Capital Investment Plan;
- iii) that more detailed capital outturn reports for 2021-22 will be submitted to relevant Sub-Committees of the Council, in accordance with agreed financial reporting arrangements; and
- vi) that budget variances will be managed by the appropriate Directorate in conjunction with the Investment Strategy Group.

### Resource Implications

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The level of slippage in this reporting period has increased to £6.686m, while the level of financial risk associated with problems with supply chains and increasing costs of materials and labour has increased. The impact of rising prices is likely to be more impactful in future years once projects are in implementation and completion stages.

### Legal & Risk Implications

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Potential risks include the emerging issues associated with delay in supply of some materials and increased costs of construction materials as a result of COVID-19 and BREXIT, the possibility of future restrictions reducing capacity to complete some projects on time and availability of funding streams for larger capital projects e.g. Developers' Contributions. Further explanation of the current risks is contained in section 2.2.

### Impact Assessment

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An EqlA is not required because the report does not propose a change or revision to existing policies and practices.

Financial projections are agreed in consultation with each Directorate and are based around the expected progress and delivery of individual projects.

## 1.0 Background

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- 1.1 The purpose of this report is to advise members of the high level projected outturn position for the Council's Capital Investment Plan (the Plan) for the financial year 2021-22. The report also highlights the projected outturn position for major projects over £5.000m along with any potential risks associated with these projects. Explanation is provided at Section 2.1 where there is deemed to be a greater level of financial risk linked to major projects. The Plan covers capital expenditure on all Council Services including Housing, which is managed as a separate programme.

## 2.0 Issues

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### 2.1 Major Projects

- 2.1.1 Appendix 1 provides a summary of the major projects within the Plan. There are 19 projects in this category with an overall budget of £703.496m.
- 2.1.2 At this stage, cost estimates suggest that there could be an overspend of £14.815m across the major projects in the programme. The majority of the variance relates to "Opportunities for All" theme. Current estimates for Dunfermline Learning Campus indicate that there could be a potential overspend of £11.1m due to the impact of construction inflation and the requirement to design the building to net zero standards. The project is at an early stage and the design team are considering approaches to manage down the potential overspend within the project. Approaches to managing the cost pressure on the project will be explored within the full business case for the project which will be submitted to Policy and Co-ordination Committee early in the new year.
- 2.1.3 The estimated cost of construction in future years for the care home replacements at Methil, Cupar and Anstruther and associated supported housing programme is likely to exceed the allocated budget. The projected cost over-run for the Cupar home is £1.279m, which is above 5% of the total capital cost and is therefore considered to be a significant risk. The additional costs are mainly due to construction cost increases as result of arsenic contamination removal and enhanced drainage works. Options have been explored which have mitigated the cost increases but they cannot all be contained within the existing project budget and all funding options are being explored. It is possible that the budgetary requirement for Anstruther will be at a similar level as Cupar at £7.879m due to its similar size and design specification. However, once the options and impacts are clear, a future report will be brought to Policy and Co-ordination.

### 2.2 Potential Risks and Issues

- 2.2.1 There continues to be a risk across the Capital Investment Plan that both the timing and the costs of projects may be adversely affected as a result of the current economic climate following the response to COVID-19 and BREXIT. Throughout the programme, issues are continuing to be identified in relation to the supply of construction materials which are resulting in delays to projects which, in turn, could lead to increased slippage and increased costs. However, the overall impact of this

is difficult to predict with any degree of certainty and the forecasts in this report for 2021-22 relate in the main to projects that are currently in progress with contracts that are already agreed. That said, monitoring of the impact of any additional costs, impact on timescales and associated risks is ongoing. The known impact on timing of delivery of projects has been built in to the rephased plan but it is likely that the overall scale of any additional costs or further impact on availability of materials for the remainder of the year will be clearer in future reports.

- 2.2.2 At this point in time, COVID-19 restrictions have eased, however, there remains a risk that any changes to future restrictions could impact on project delivery in the current year or future years. These potential risks cover all aspects of the capital plan including both General Fund and HRA.
- 2.2.3 The Council's approved Capital Plan includes £202m investment in respect of Secondary Schools in West Fife, which includes Dunfermline Learning Campus (DLC) and Inverkeithing High School replacement. The budgets for the projects reflect the funding requirements of the Scottish Government's Learning Estate Investment Plan which requires the Council to fund the up-front cost of construction, with Government support coming in the form of a revenue contribution based on the achievement of outcomes. This investment is intended to address both school condition and the need for additional school places arising from housing development. The risks associated with the project relate to the potential impact of inflation on construction costs, the cost pressure arising from the requirement to design the schools to net zero and the potential risks in the market around the availability and supply of labour and materials to complete the schools within the required timescale (August 2024).
- 2.2.4 Within Early Learning and Childcare (ELC), the delivery date of August 2020 was removed by the Scottish Government in light of COVID-19. The new implementation date was confirmed as August 2021. There are 5 projects still to be completed, 3 of these are currently on site with the remaining 2 at the design stage. The final project will be completed by April 2023. The provision of 1140hrs is being provided through decant solutions until the new facilities are operational. The completion of projects currently on site are slightly delayed due to issues with supply of materials, and the impact of inflation on materials costs.
- 2.2.5 The project scope on Leven Railway Bridge has increased considerably beyond that originally expected and now requires the provision of new abutments, raising the parapets over the proposed railway line, extensive public utility diversions and infrastructure for local traffic diversions. This is likely to cost around £5.7m more than budgeted. A business case is being developed to review options and funding solution and will be brought to a future Policy and Co-ordination Committee.
- 2.2.6 It should also be noted that work has been underway to estimate the likely costs to the Council of delivering on the policy intention of Free School Meal expansion. It will be critical that funding is forthcoming to cover these costs. Further detail will be reported as it becomes available.

### 2.3 Financial Performance – 2021-22 Total Expenditure - Projected Outturn

- 2.3.1 Appendix 2 provides a summary by capital theme of projected expenditure and income for 2021-22 showing the total reprofiled expenditure budget of £179.519m and projected spend of £172.833m in the 2021-22 financial year, £6.686m slippage across the plan. Comparable expenditure for the previous 3 years was £138.473m (2020-21), £175.104m (2019-20) and £144.083m (2018-19).



## 3.0 Budgets and Funding

### 3.1 Budget

The Capital Investment Plan 2021-31 was approved by Fife Council in March 2021. At the end of each financial year, any budget which has not been spent is rolled forward into the next financial year as slippage. Services are asked to re-profile their project budgets in light of this slippage and the result of this can be seen in the movement from the approved budget to the current budget as detailed in Appendix 2.

The changes to the approved plan are summarised below and include income from grant funding/other contributions and Capital Financed by Current Revenue (CFCR). All the changes below followed agreed governance processes and have been agreed by the Investment Strategy Group, chaired by the Head of Finance.

	<b>Total Expenditure £m</b>
<b>Capital Investment Plan as at June 2021</b>	<b>179.318</b>
Increased Grant and Contribution Income	0.332
Capital Financed from Current Revenue (CFCR)	(0.131)
<b>Current Capital Investment Plan as at Sept 2021</b>	<b>179.519</b>

### 3.2 Expenditure

Expenditure variances are projected across all Directorates, the most significant being: -

#### 3.2.1 Opportunities for All

##### **Education advancement - £3.198m**

There is advancement of £3.590m associated with Dunfermline Learning Campus (DLC). This reflects the early commencement of the site enabling works and reprofiling of the construction spend. The project is currently forecasting a significant overspend of £11.1m, however, as detailed above in para 2.1.1, the project is at an early stage and approaches to managing the overspend down are being pursued and will be explored in the full business case for the project.

There is slippage of £0.349m for Primary Development which is due to the installation of a 2 classroom modular unit at McLean PS. The project has slipped due to site conditions requiring grouting of mine workings, however, the unit will be ready for August 2022.

##### **Health and Social Care (£0.956m) slippage**

There has been significant supply chain disruption which has led to delays in sourcing materials for the Methil care home replacement project. This has led to an expected completion date of July 2022, which is a 15 week delay, and slippage of £0.956m.

#### 3.2.2 Thriving Places

Economy, Planning and Employability (£0.833m) slippage

The Dunfermline Gap Site is a new project to be developed following additional investment approved as part of the council budget in March 2021. It has taken a substantial amount of time to get the initial site investigations and professional



support and there is £0.175m slippage as a result. Another new project is the Kirkcaldy Volunteers Green project and this is delayed due to global supply chain issues resulting in slippage of £0.300m. Tenders for the works have been issued.

Other slippage of £0.297m relates to the Scottish Government funded project at Inner Court, Cupar. Design works are at an advanced stage, delays have been due to third party negotiations for land and property which are nearing completion.

### **Asset & Transportation & Environment (£0.630m) slippage**

Sustainable Transport - (£0.385m) slippage:

The projected slippage relates to two programmes. Path & Cycleways (£0.195m) due to delays at the design stage. Levenmouth Rail Link (0.170m) as grant applications are currently being assessed and prioritised for approval but there is unlikely to be spend in 2021-22.

### **Strategic Transport Intervention Programme - (£0.246m) slippage:**

The projected underspend relates to two schemes - Pitreavie Roundabout Signalisation (£0.162m) which will be delivered under budget due to a lower tender price than the design estimate, as well as (£0.072m) minor slippage on Bothwell Gardens Signal Replacement.

### **Area, Community and Corporate Development (£1.610m) slippage**

There are a number of projects contributing to the expected levels of slippage, these are detailed as follows:

Area Community facilities has slippage of £0.316m due to delays to the Templehall and Abbeyview community hub projects. Templehall option appraisal is concluded. Abbeyview consultation is complete and the project scope and design has been submitted for planning. As Templehall and Abbeyview are major capital projects, a business case for these projects will be presented to a future Policy and Co-ordination Committee.

Slippage of £0.325m within Improving Health through Sport & Leisure is predominantly due to late delivery of 3 projects in the Cowdenbeath Area, which are now due to commence in 2022. The delay in progress is due to securing third party funding, reevaluating the resourcing of the projects and consultation with communities.

Slippage of £0.879m for Sport & Leisure facilities, includes £0.400m delays to the Cowdenbeath Leisure Centre Phase 2 project due to additional funding being sought. The project will commence in Autumn 2022.

Projects plans for work at Lochore Meadows Phase 2 have recently approved at Committee meaning that the construction work is due to start in early 2022 resulting in £0.500m of slippage in 2021-22.

## **3.2.3 Inclusive Growth and Jobs**

### **Economy, Planning and Employability (£0.690m) slippage**

Infrastructure work at Levenmouth Business Park has slippage of £0.381m due to finalising the necessary legal agreement in respect of a servitude to install a surface water outfall over land in third party ownership.

There is also slippage of £0.309m in the Fife i3 Programme funded through the Edinburgh and South East Scotland City Region Deal. The Levenmouth Business Units project is delayed due to a dependency on supporting aforementioned infrastructure project activity at Levenmouth Business Park. Works planned on the next phase of works at Queensway Industrial Estate, Glenrothes assumed for 2021/22, will slip to next financial year due to the delay in receiving cost plans from the current occupant's contractor, which are currently being finalised.

### 3.2.4 Maintaining Our Assets – Rolling Programmes

#### **Asset & Transportation & Environment (£1.049m) slippage**

Fleet – Purchase of Vehicles and Equipment slippage of (£1.430m) is due to the ongoing impacts of COVID-19 and BREXIT causing worsening effects in the supply chain. It is now anticipated that the new vehicles will be supplied in early 2022/23.

Roads Infrastructure - £0.500m advancement: The Service received an additional £5M over two financial years to improve the road network (carriageway programme) across Fife. A road condition assessment has been undertaken and has identified several high value surfacing schemes on our main strategic routes that will greatly improve road conditions on these busy routes.

Traffic Management – (£0.500m) slippage: The projected slippage is a result of programme delays relating to the pandemic. There is a backlog of 2020/21 schemes which have yet to be delivered, and this has impacted on the delivery of the 2021/22 programme.

Property Services - Advancement of £0.571m partly related to projects being advanced due to immediate health and safety requirements, and in some instances scope of works required were greater than originally anticipated. In addition, there are increasing material and labour costs due to COVID-19 and BREXIT.

#### **Finance and Corporate (£0.320m) slippage**

The projected slippage relates to the refresh programme for IT devices across the organisation. Priority has been given to the procurement of the relevant IT devices for the Workstyles Project, therefore the normal refresh programme has been delayed. In addition to this, there are currently longer lead times to procure IT devices, in some cases up to 6 months.

### 3.2.5 Maintaining Our Assets – Specific Programme

#### **Finance and Corporate (£0.583m) slippage**

The main area of slippage relates to the Corporate Wi-Fi £0.400m. The Council are currently upgrading the Local Area Network (LAN) and the specifications of the corporate Wi-Fi requirements are reliant on this upgrade. The LAN upgrade will not be complete until 2022, therefore the spend on the Corporate Wi-Fi will slip into 2022-23.

### 3.2.6 Housing Revenue Account (£3.420m) slippage

There is slippage relating to Land Acquisition which has a total budget of £2m in year. The purpose of this budget is to ensure that there are sufficient funds readily available when opportunities to buy suitable sites arise. This will help the HRA acquire suitable sites to use as part of the ongoing Affordable Housing Programme. Four sites are due to be purchased in year at a total cost of £1.195m. Work is ongoing to identify other suitable sites, but it is expected that any additional sites identified would not complete in 2021-22 resulting in slippage of £0.805m

The remaining slippage of £2.615m relates to several projects across the HRA which are due to start later in the year than originally anticipated or are delayed until 2022-23. Delayed works include improvement works in Hostels, Travellers sites and regeneration works across Fife. Projects have been delayed as a result of COVID-19 but loosening restrictions have meant that a number of projects have started and are due to complete in year. The HRA holds regular High Level Capital Board Meetings with Building Services to ensure that the level of potential spend is maximised in year and ensure any outstanding projects begin as early as possible.

### 3.3 Total Income

Capital expenditure is funded from several income sources, some of which contribute specifically to individual projects in the plan. These income sources are Capital Financed from Current Revenue (CFCR), Scottish Government Specific Capital Grant and other grants and contributions (e.g. lottery funding). Appendix 2 shows that there is a total income budget of £65.476m against a forecast of £65.653m giving a projected variance of £0.177m. Within this variance is an under recovery of income of £1.001m. This is in relation to subsidy which is provided by the Scottish Government for property acquisitions made by the Housing Revenue Account. At the time the budget was set, it was anticipated that all acquisitions would attract Government Subsidy, but as the year has progressed several Group Homes have been acquired for which no subsidy is payable leading to the current adverse variance.

### 3.4 Total Funding

Within the total funding section of Appendix 2, the other income such as General Capital Grant and Capital Receipts are not specifically related to any capital project but is funding for the plan overall. The adverse variance of £7.010m for Capital Receipts is in respect of the sale of Madras College. At the time the budget was set, it was anticipated that the full sale value of £8.500m would be received in 2021-22. Latest indications are that only a deposit of £1.500m will be received in the current year with the final balance due of payment in 2022-23. The balance of required funding in the year is met from borrowing through the Council's Loans Fund.

## 4.0 Conclusions

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- 4.1 Against the current total expenditure budget of £179.519m, the Council is showing projected spend of £172.833m in the financial year and slippage of £6.686m.
- 4.2 This level of projected expenditure demonstrates continued progress on the delivery of a wide range of capital projects. Major capital investment by Fife Council continues, however there is still a level of uncertainty associated with speed of delivery and future costs.
- 4.3 There are 19 projects within the Plan which have a value of £5.000m or greater. The overall budget for these projects is £703.496m, the Council is showing projected spend of £718.311m and an overspend of £14.815m.
- 4.4 If significant variances arise, these will be reviewed by the Investment Strategy Group in conjunction with the appropriate Directorate and reflected in any future capital plan reports.

### List of Appendices

1. Major Capital Projects Total Cost Monitor
2. Monitoring Report by Capital Theme

### Report Contact

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FIFE COUNCIL  
CAPITAL INVESTMENT PLAN 2021-31  
TOTAL COST MONITOR - MAJOR CAPITAL PROJECTS

Appendix 1

	Service	Original Approved Budget £m	Current Project Budget £m	Total Projected Outturn £m	Variance £m	Variance %	Current Project Status	Expected Project Completion Date
<b>Opportunities for All</b>								
Madras College - Langlands	E&CS	50.170	59.991	59.991	0.000	0.00%	Current Project	2021-22
Dunfermline Learning Campus	E&CS		111.000	122.100	11.100	10.00%	Current Project	2027-28
Extension Secondary School - Viewforth	E&CS	5.989	6.335	6.969	0.634	10.00%	Future Project	2025-26
New Secondary School - Glenrothes /Glenwood	E&CS	27.532	78.937	78.937	0.000	0.00%	Future Project	2028-29
Methil Care Home	H&SC	6.620	7.155	7.320	0.165	2.31%	Current Project	2022-23
Cupar Care Home	H&SC	5.580	6.600	7.879	1.279	19.38%	Current Project	2023-24
Anstruther Care Home	H&SC	6.145	6.595	7.879	1.284	19.47%	Feasibility	2024-25
		<b>102.036</b>	<b>276.613</b>	<b>291.074</b>	<b>14.462</b>	<b>5.23%</b>		
<b>Thriving Places</b>								
Glenrothes District Heat	ATE	10.320	9.449	9.449	0.000	0.00%	Current Project	2020-21
Northern Road Link East End	ATE		10.950	10.950	0.000	0.00%	Preparatory Works	2026-27
Western Distributer Road	ATE		10.326	10.326	0.000	0.00%	Future Project	2028-29
Northern Road A823	ATE		8.568	8.568	0.000	0.00%	Preparatory Works	2025-26
Abbeyview Integrated Hub	Communities	1.500	6.506	6.506	0.000	0.00%	Current Project	2023-24
Templehall Community Hub	Communities	1.500	9.004	9.004	0.000	0.00%	Current Project	2025-26
		<b>13.320</b>	<b>54.803</b>	<b>54.803</b>	<b>0.000</b>	<b>0.00%</b>		
<b>Inclusive Growth and Jobs</b>								
Fife Interchange Business Units - Phase 1 & 2	EPES	8.129	11.027	11.027	0.000	0.00%	Current Project	2024-25
John Smith Business Park Business Units	EPES	3.644	5.517	5.517	0.000	0.00%	Future Project	2026-27
		<b>11.773</b>	<b>16.544</b>	<b>16.544</b>	<b>0.000</b>	<b>0.00%</b>		
<b>Housing Revenue Account</b>								
Affordable Housing	Housing	281.869	331.879	331.879	0.000	0.00%	Current Project	2022-23
		<b>281.869</b>	<b>331.879</b>	<b>331.879</b>	<b>0.000</b>	<b>0.00%</b>		
<b>Maintaining Our Assets</b>								
West Fife Depot	ATE	4.525	8.157	8.511	0.353	4.33%	Current Project	2019-20
Local Area Network	BTS	7.200	7.200	7.200	0.000	0.00%	Current Project	2022-23
Balwearie High School	E&CS	8.300	8.300	8.300	0.000	0.00%	Future Project	2024-25
		<b>20.025</b>	<b>23.657</b>	<b>24.011</b>	<b>0.353</b>	<b>1.49%</b>		
<b>Grand Total</b>		<b>429.023</b>	<b>703.496</b>	<b>718.311</b>	<b>14.815</b>	<b>2.11%</b>		

**FIFE COUNCIL  
CAPITAL INVESTMENT PLAN 2021-22  
MONITORING REPORT**

Appendix 2

<b>Capital Theme</b>	<b>Approved Budget £m</b>	<b>Current Budget £m</b>	<b>Actual to Date £m</b>	<b>Projected Outturn £m</b>	<b>Projected Variance £m</b>	<b>Projected Outturn as % of Plan</b>
Opportunities for All	26.491	33.717	13.076	35.958	2.242	107%
Thriving Places	14.089	10.965	4.111	7.892	(3.073)	72%
Inclusive Growth and Jobs	10.536	5.920	1.420	5.230	(0.690)	88%
Maintaining Our Assets - Rolling Programmes	33.678	36.642	13.534	35.354	(1.288)	96%
Maintaining Our Assets - Specific Programmes	8.931	9.558	3.225	9.101	(0.457)	95%
Housing Revenue Account	74.780	82.517	21.955	79.097	(3.420)	96%
Corporate Items	0.200	0.200	0.000	0.200	0.000	100%
<b>TOTAL EXPENDITURE</b>	<b>168.705</b>	<b>179.519</b>	<b>57.321</b>	<b>172.833</b>	<b>(6.686)</b>	<b>96%</b>
Scottish Government Specific Capital Grants	(3.391)	(2.816)	(0.223)	(1.815)	1.001	64%
Other Grants and Contributions	(20.641)	(19.678)	(8.288)	(19.945)	(0.267)	101%
Capital Financed from Current Revenue (CFCR)	(42.009)	(42.982)	(1.309)	(43.893)	(0.911)	102%
<b>TOTAL INCOME</b>	<b>(66.041)</b>	<b>(65.476)</b>	<b>(9.820)</b>	<b>(65.653)</b>	<b>(0.177)</b>	<b>100%</b>
<b>TOTAL NET EXPENDITURE</b>	<b>102.664</b>	<b>114.043</b>	<b>47.500</b>	<b>107.179</b>	<b>(6.864)</b>	<b>94%</b>
Scottish Government General Capital Grant	(25.013)	(24.985)	(12.492)	(24.985)	0.000	100%
Capital Receipts	(1.473)	(10.323)	(0.641)	(3.313)	7.010	32%
NHT Loan Repayments	(1.963)	(0.187)	(0.187)	(0.187)	0.000	100%
Borrowing from Loans Fund - General Fund	(41.794)	(39.490)	0.000	(43.143)	(3.653)	109%
Borrowing from Loans Fund - HRA	(32.421)	(39.057)	0.000	(35.551)	3.507	91%
<b>TOTAL FUNDING</b>	<b>(102.664)</b>	<b>(114.043)</b>	<b>(13.320)</b>	<b>(107.179)</b>	<b>6.864</b>	<b>94%</b>

9th December, 2021.

Agenda Item No. 6

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## Annual Procurement Report

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Report by: Les Robertson, Head of Revenue and Commercial Services

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Wards Affected: All

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### Purpose

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The purpose of this report is to provide members with a summary of Procurement activity and its impact during the financial year 2020/21.

### Recommendation(s)

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Members are asked to note the content of the Annual Procurement Report (Appendix 1) which will be subsequently published and notified to Scottish Ministers.

### Resource Implications

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There are no resource implications resulting from this report.

### Legal & Risk Implications

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The Annual Procurement Report is a requirement of the Procurement Reform (Scotland) Act 2014 and is intended to support transparency and compliance with the Act.

### Impact Assessment

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Not required as part of this report.

### Consultation

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Consultation is not required as part of this report, but the draft was shared with relevant stakeholders for input and comment as appropriate.

## 1.0 Background

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- 1.1 The Procurement Reform (Scotland) Act 2014 forms part of the public procurement legislation that governs how Scottish public bodies buy their goods, works and services and allows us to maximise the economic benefit brought to Scotland from effective and efficient public procurement activity.
- 1.2 The Act requires public bodies to publish procurement strategies to set out how they intend to carry out their regulated procurements and publish Annual Procurement Reports. The Annual Procurement Report is attached in Appendix 1 and is required to be published on the internet with the link then sent on to Scottish Ministers.
- 1.3 The Annual Procurement Report requires set criteria to be included as a minimum and it should be enhanced to include any content in relation to the specific organisation's Procurement Strategy, areas such as Fair Work Practices and supporting the local economy are recognised priorities of Fife Council therefore these have been incorporated into the report.
- 1.4 It is acknowledged that the Annual Procurement Report is lengthy, with extensive data provided, including multiple line appendices. As noted in 1.3, much of the content is required to comply with Statutory Guidance.
- 1.5 The reporting period that the report addresses is the respective financial year 2020-2021, i.e. 1st April 2020 through to 31st March 2021.
- 1.6 Following the transition from Oracle ERP to Oracle Cloud on 1<sup>st</sup> July 2020 (delayed from 1<sup>st</sup> April due to COVID), a decision was taken to use a data set based on 1<sup>st</sup> July 2020 to 31<sup>st</sup> March 2021. This is noted in relevant areas in Appendix 1 and where deemed appropriate, a pro-rata figure has been provided to illustrate full year impact.

## 2.0 Reporting Period Highlights

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- 2.1 The Annual Procurement Report acknowledges that all regulated contracts are deemed to have been compliant over the reporting period. Reference to non-standard procurement activity as a direct result of the pandemic is detailed in Section 7, explaining how this activity remained compliant with altered governance established.
- 2.2 The council had circa. £477m of 'in-scope' third party spend over the reporting period.
- 2.3 Over and above the statutory reporting, further detail has been provided to provide some more qualitative and quantitative detail to report on specific commitments and objectives from the Procurement Strategy which came into effect in April 2019.
- 2.4 £10.018m of savings and benefits have been generated during the reporting period with £3.608m of these savings being cashable. This is a significant increase on the £3.633m reported for 2019/20 and £3.384m in 2018/9. £5.1m of the benefits reported were in relation to the COVID-19 pandemic. Further information is detailed in section 4.2 of Appendix 1.

2.5 In addition to the financial savings, other benefits from procurement activity have been reported, including: -

- Ensuring as much of Fife Council's procurement spend is spent with local Fife businesses as possible.
- Reduction of environmental impacts
- Community Benefits from suppliers
- Promoting Fair Work practices in procurement activity

## **2.6 Sustainable Procurement - spend with local Fife Businesses/SMEs**

2.6.1 As well as the statutory requirement to achieve best value in every contract issued by Fife Council, there is also a policy requirement to obtain the best outcomes for the wider Fife economy and this is done by ensuring as much of the attributable annual procurement spend as possible is spent with local Fife businesses, especially the small to medium enterprise (SME – under 250 employees) sector.

2.6.2 Fife Council attributed 39.7% of its third party spend to Fife businesses. This is an increase from 37.9% in 19/20 and 33% in 18/19.

2.6.3 47.4% of spend was with organisations categorised as being an SME, and 27.2% of the spend was with Fife based SMEs. These statistics have varied inconsistently year on year but data sources are becoming richer so it is anticipated that a more consistent reflective picture will be available as this progresses.

2.6.4 Fife Council remains an active participant in the Supplier Development Programme helping support local SMEs in their capability in participating in the tender process. The Annual Procurement Report provides detail of this involvement which again was impacted by the pandemic, but virtual activities were embraced and positive engagement continued.

2.6.5 Scotland Excel manage a portfolio of national frameworks for the local authority sector. Over the reporting period, there were 33 local suppliers on 24 Scotland Excel frameworks which also provides wider opportunity for these suppliers to supply out with Fife Boundaries. Collective spend with Fife suppliers through these frameworks was £25.38m. £6.54m of this spend was from Fife Council and represents 25.8% of Fife's spend via Scotland Excel frameworks.

## **2.7 Sustainable Procurement – climate/reduction of environmental impacts**

2.7.1 Sustainable procurement aspects are incorporated into tender processes and through ongoing contract management as applicable. Some examples of this activity as well as involvement in the elimination of single use plastics project have been included in section 8 of the Annual Procurement Report.

## **2.8 Sustainable Procurement - Community Benefits**

2.8.1 Community benefits are one of a range of social and environmental considerations that can be included in public contracts and frameworks.

2.8.2 Community benefits should always be relevant and proportionate to the contract in question and there is a statutory duty to consider inclusion of such criteria for all procurement exercises above £4m. It is Fife's policy to also consider at lower levels in a relevant and proportionate manner.

2.8.3 It is noted in the report that some committed benefits were unable to progress during the reporting period as a result of the pandemic. Any affected benefit will be tracked for delivery in the subsequent reporting period.



- 2.8.4 Fife Council contracts have generated significant and varied community benefits ranging from jobs, apprenticeships, work-placements and training to sub-contract/supply chain benefits, social value rebates and donations etc. Further detail on benefits delivered are provided in Section 9.2 of the report, and its associated Appendix (Appendix 1B).
- 2.8.5 The extent of benefits delivered in 2020/21 is significantly less than the previous financial year. This is not only due to the aforementioned impact of the pandemic, but also due to the completion of the Madras College project which had sizeable benefits committed to it. It is anticipated that benefits will increase again with projects such as the Dunfermline Learning Campus build.

## 2.9 Fair Work Practices

- 2.9.1 Fife Council remain committed to encouraging contractors to adopt fair work practices and attempt to ensure that payment of a fair wage is provided to relevant employees in its contractual activity.
- 2.9.2 There have been 80 regulated contracts that have been deemed in-scope for consideration of this criteria as a scored question and 104 suppliers have committed to pay the real living wage in the delivery of those contracts. 35 of these suppliers are accredited Living Wage employers.
- 2.9.3 Fife Council also promote fair work practices through seeking commitment to our Construction Charter and Ethical Care Charter where appropriate. As part of these commitments, the procurement teams have had no concern raised or any evidence of blacklisting occurring in their contracts.

## 2.10 Other notable milestones/achievements and improvement activity

- 2.10.1 The Annual Procurement Report provides a summary of many milestones, achievements and improvement activity which demonstrates the progressive journey of the procurement team and function. This includes closure of the Commercialisation Programme having exceeded its targets; the rapid response and pro-active activity as a result of the COVID-19 pandemic and a successful defence on court action on a significant tender exercise.
- 2.10.2 The report also provides a statement on internal audits and an investigation that were carried out in relation to procurement activity. Whilst some recommendations were made for improvements to processes, overall risk was determined as low, and in terms of the investigations, there was no evidence of impropriety found, but again, some recommendations were made for improvements to process.

## 2.11 Annual review of Procurement and Commercial Strategy and Moving Forward

- 2.11.1 The Procurement Reform (Scotland) Act 2014 requires contracting authorities to review its procurement strategy annually. This report provides a mechanism to report on its review which is conducted to assess whether the procurement activity and priorities remain in alignment to the council's broader priorities.
- 2.11.2 The review concluded that the commitments and priorities all remained relevant, albeit due to prevalent risks and impacts, there is acknowledgement that some areas will require increased focus to support the council's broader objectives as follows:
- EU-Exit/Pandemic Impacts (response and recovery)
  - Financial Savings/Benefits
  - Supporting Local Business, SMEs and Third Sector

## 2.12 Other Priorities Moving Forward

2.12.1 In acknowledgement of the above areas, and in recognition of the progressive journey of the procurement function, other priorities moving forward have been identified and detailed in the report. These include areas such as supporting the council's reform agenda with the 'Buy Local' agenda, Community Wealth Building approach; continuous improvement of the procurement function (in alignment with national 'Public Procurement Priorities'); resource planning; review of Scheme of Tender Procedures and maximising opportunities with technology.

## 3.0 Conclusions

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- 3.1 Procurement activity has delivered £10.018m in savings and benefits in the financial year of 2020-21.
- 3.2 In addition to the financial benefits listed, the function has also achieved non-financial benefits in the form of community benefits as detailed in the Annual Procurement Report (Appendix 1 (appendix 1B)) as well as committing to drive the fair work practices agenda and activity in relation to supporting sustainability related projects.
- 3.3 Fife Council has significant spend being retained within the local Fife Economy.
- 3.4 A number of milestones, achievements and improvement activity has occurred and reported on.
- 3.5 A reflection on current strategy and current risks, issues present, and areas of increased focus for the procurement function have been identified.
- 3.6 A number of priorities and improvement opportunities have been identified for progressing and status shall be reported in subsequent years' Annual Procurement Report as applicable.

### List of Appendices

Appendix 1 – Annual Procurement Report

### Background Papers

The following papers were relied on in the preparation of this report in terms of the Local Government (Scotland) Act, 1973:

- [Fife Council Procurement & Commercial Strategy 2019-2024](#)
- [Procurement Reform \(Scotland\) Act 2014: statutory guidance](#)
- Scottish Procurement Policy Note; [Annual procurement reports for 2020 - 2021: revised procurement strategies and notifying Scottish Ministers: SPPN 4/2021](#)
- Single Use Plastic – Update, Environment & Protective Service Sub-Committee 18<sup>th</sup> November 2021

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# Annual Procurement Report

## 1<sup>st</sup> April 2020 – 31<sup>st</sup> March 2021



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## Section 1 – Introduction and Purpose

Fife Council is the third largest local authority in Scotland, with an annual third party spend in excess of £477 million and is responsible for delivering all local government services in the Kingdom. It is acknowledged that we are living in very challenging times and we aim to ensure all procurement activity provides best value to the council. We recognise this is not just about cost and quality, but about the best balance of cost, quality and sustainability.

Fife Council is a public sector contracting authority and as such is required to produce an Annual Procurement Report detailing all of our regulated procurement activity. This report summarises the council's regulated procurement activity throughout 2020/2021. A regulated procurement is any procurement for public supplies or services with a value of over £50,000.00 and for public works with a value of over £2 million.

This report has been prepared as the Annual Procurement Report for the period of financial year 2020/21, to meet the requirements of the Procurement Reform (Scotland) Act 2014 whereby all councils who are required to prepare a procurement strategy must also prepare an annual report on the regulated procurements completed during that year.

## Section 2 – Context

### 2.1 Procurement & Commercial Strategy

In January 2019, Fife Council's Policy and Co-ordination Committee approved a five-year Procurement & Commercial Strategy for implementation in April 2019. This strategy is updated to reflect current legislation as well as committed policies of Fife Council, it also stretches the procurement function to help meet some wider aims and objectives of the Council.

The aspirations set out in the strategy are ambitious yet reflective of the journey that Fife Council and the procurement function has been (and is) on.

This Annual Procurement Report presents performance and progress against policy objectives as well as mandatory reporting elements as dictated by the Procurement Reform (Scotland) Act 2014. Last year's Annual Procurement Report reflected mandatory reporting elements as well as recognised Fife Council priorities.

Our **vision** for the Fife Council procurement team is as follows:

A professional procurement service providing an expert strategic and solution-based service which utilises a commercial focus by collaborating with stakeholders and markets, to achieve best value by improving delivery of services and contributing to the Fife economy.

## **2.2 Procurement in Fife Council**

The Procurement function is part of Revenue and Commercial Services and is an 'enabling' support service, within the Council's Finance and Corporate Services Directorate.

The operating model for Procurement is a part-centralised function with a strategic focus on the generation of financial and non-financial benefits, effective supplier management, robust demand challenge, compliance, fraud prevention, and continuous improvement.

The Procurement function utilises a category management approach with a structured sourcing programme, categories of spend have been segmented into the following areas:

- Construction Materials
- Construction Projects/Works\*
- Corporate & Facilities Management\*
- Fleet, Plant, Hire & Environmental; Transportation Works\*
- ICT – Hardware, Telecommunications & Software; Utilities and Security
- Social Care
- Transportation & Travel

\*Procurement activity is delegated to authorised individuals within the service area for construction works related activity and some Facilities Management services, however process guidance is provided by the central Procurement function and established governance is in place to aid consistency and compliance.

### **Section 3 – Format and Content**

The undernoted sections provide the quantitative detail required as part of the statutory reporting, and where appropriate some additional narrative and qualitative information to supplement the content. There are some additional sections to report on Fife Council policy commitments as set out in the Procurement and Commercial Strategy.

It is noted that the formal reporting requires information on regulated activity, however it is sometimes difficult to separate regulated from non-regulated, therefore some figures and content refer to all formal procurement activity but presenting the information in this way provides a more accurate reflection of actual activity across the board.

Following the transition from Oracle ERP to Oracle Cloud no 1<sup>st</sup> July 2020 (delayed from 1<sup>st</sup> April due to COVID), a decision was taken to use a data set based on 1<sup>st</sup> July 2020 to 31<sup>st</sup> March 2021. This is noted in relevant areas in this report and where deemed appropriate, a pro-rata figure has been provided to illustrate full year impact.

## Section 4 – Spend and Savings/Benefits Position

### 4.1 Snapshot – statutory reporting and context (Table 1)

<u>Spend and Savings Summary</u>	<u>Source/Note</u>	<u>2020/21 £m/%</u>
a) Total procurement spend for the period covered by the annual procurement report.	Oracle Accounts Payable Transactions Report (9 months)	354.70
	Pro-rata for 12-month total	472.93
	Purchase/Virtual Cards Report (12 months)	4.41
	<b>Total</b>	<b>477.34</b>
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	Oracle Accounts Payable Transactions Report (9 months)	167.61
	Pro-rata for 12-month total	223.48
	Virtual Cards (2 x suppliers)	2.55
	<b>Total (12 months)</b>	<b>226.03</b>
c) Total procurement spend with Third sector bodies during the period covered by the report	Oracle Accounts Payable Transactions Report (9 months)	43.09 (186 suppliers)
	Pro-rata for 12-month total	57.45
d) Percentage of total procurement spend through collaborative contracts	Spend - Category A (Scottish Procurement)	23.15
	Spend - Category B (Scotland Excel)	39.44
	Spend - Other national/regional collaborative*	115.63
	<b>Total</b>	<b>178.22</b>
	<b>Percentage</b>	<b>37%</b>

\*includes Dunfermline Learning Campus construction appointment (HUBCO) @£111m

## 4.2 – Savings and Benefits

4.2.1 Procurement captures savings and benefits in accordance with a defined Benefits Realisation Policy. This policy is then applied by procurement staff recording benefits achieved on the benefits tracker spreadsheet which is then in turn verified by Finance before any benefits are deemed as made.

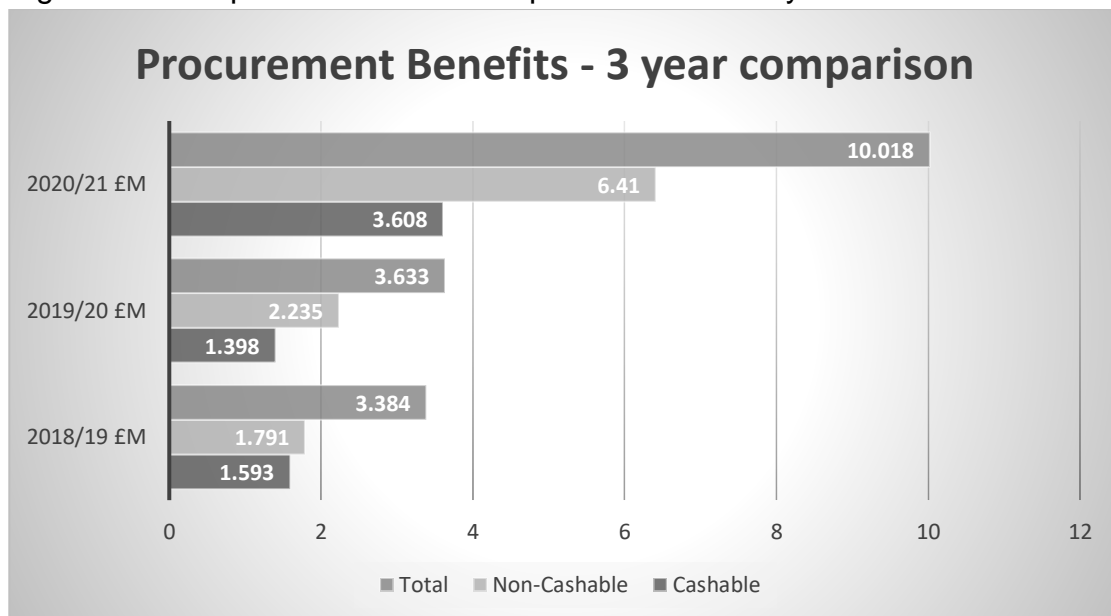
4.2.2 Procurement benefits for financial year 2020-2021 have been verified at £10.018m, as illustrated below (Figure 1):

**Procurement Benefits 2020-21, Qtrs 1 to 4**  
*Delivered Benefits, Pipeline (Delivery Plan) and Non Cashable*

Fife Council	Revenue £m	Capital £m	HRA £m	H&SC £m	ALEO £m	Total £m
Delivered	2.037	0.527	0.005	0.951	0.088	3.608
Delivered - Non Cashable	2.644	2.291	1.469	0.003	0.004	6.410
<b>TOTAL DELIVERED</b>	<b>4.681</b>	<b>2.818</b>	<b>1.474</b>	<b>0.954</b>	<b>0.092</b>	<b>10.018</b>

Note - £5.1m of the benefits were in relation to COVID pandemic, i.e. cost avoidance in the form of reduction of construction claims, suspension of services including supplier relief claims as well as benchmarking of pricing of PPE.

4.2.3 Figure 2 – Comparison of benefits reported over last 3 years





## Section 5 - Summary of Regulated Procurements Completed

Fife Council maintains a contract register which captures high level contract detail information in line with the requirements of procurement legislation, it also contains additional information that is captured to aid policy reporting.

The below table (Table 2) provides the statutory reporting detail on the procurement activity over the reporting period.

Total number of regulated contracts awarded within reporting period	78 regulated procurement exercises (601 contract awards (suppliers))
Total value of regulated contracts awarded within the report period	£471.28m*
Total number of 'contracts' awarded via PCS <i>N.B. each supplier awarded to a contract is considered a contract, hence the higher figures</i>	830

\*includes very large-scale contracts such as £180m Care at Home (4 years at £45m) and £111m Dunfermline Learning Campus.

[Appendix 1A](#) provides summary of regulated procurement activity as required for statutory reporting.

During the reporting period there were circa. 660 active contracts on the register – this does not include un-regulated one-off tender activity such as sub-contract packages. This figure is subject to change throughout the year but was representative of position at March 2021.

## Section 6 – Local Businesses & SMEs

### 6.1 – Context and Approach

In relation to Scottish and Fife Council policy, there is a strong desire to support Small to Medium Enterprises (SMEs), particularly local companies and/or those within the supply chain. Additionally, Fife Council is a Living Wage Accredited employer which comes with obligations around making effort to encourage relevant contractors to pay the Real Living Wage as a minimum. For this reason, activity in these areas are specifically reported on in addition to the minimum expected content.

Whilst locality of organisations is easily identified (assuming only focussing on organisations with head office based locally), businesses who are trading as SMEs are not always categorised as such in data sources. This therefore makes accurate capture of this information difficult but is improving year on year.

It is also acknowledged that local businesses may benefit from non-local procurement spend either through depots/employment within the local authority area, or through their onward supply chain. It is not currently feasible to quantify this.

## **6.2 – Local Contracts Awarded**

The below provides analysis of contracts awarded via Public Contracts Scotland (the national public sector procurement portal for advertising and awarding contracts). This portal is used for both regulated and unregulated procurement activity. The images below illustrate that 68% of contracts awarded are to businesses that are registered as trading from Fife.



Figure 3 – analysis of PCS contract award notices 1<sup>st</sup> April 2020-31<sup>st</sup> March 2021

In comparison to last year, contracts awarded to local businesses has increased by from 38% to 68% - however, this is largely due to a multi-supplier framework and Dynamic Purchasing System for transport (school taxis/minibuses) that has been let which is fulfilled by in large by local providers.

## **6.3 Small to Medium Enterprises (SMEs)**

The chart below illustrates the contract awards in terms of the size of the organisation. 92% of contracts have been awarded to organisations from micro size (1-9 employees), Small (10-49 employees) and Medium size (50-149 employees) Enterprises.

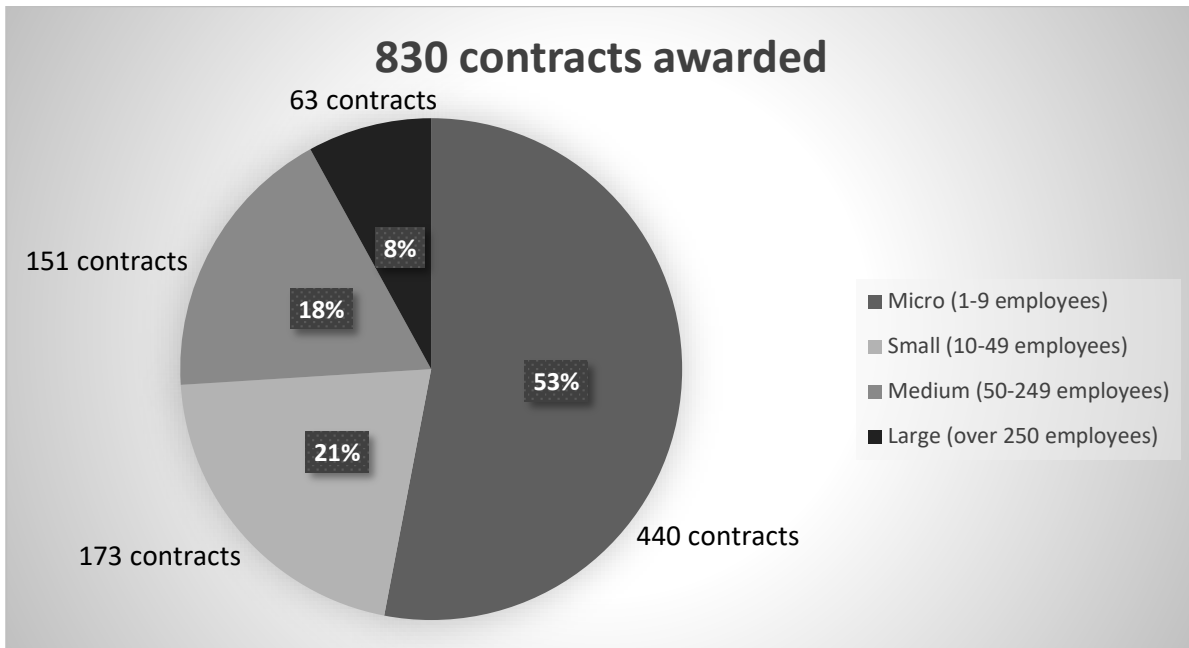


Figure 4 – SME Status per awarded contract, source PCS contract award notices 1<sup>st</sup> April 2020 - 31<sup>st</sup> March 2021

The percentage of contracts awarded to SMEs as reported in 2019-20 was 86%. Again, significant increase (in particular in relation to micro businesses) is due to the nature of the contracts awarded in this reporting period, i.e. transport providers.

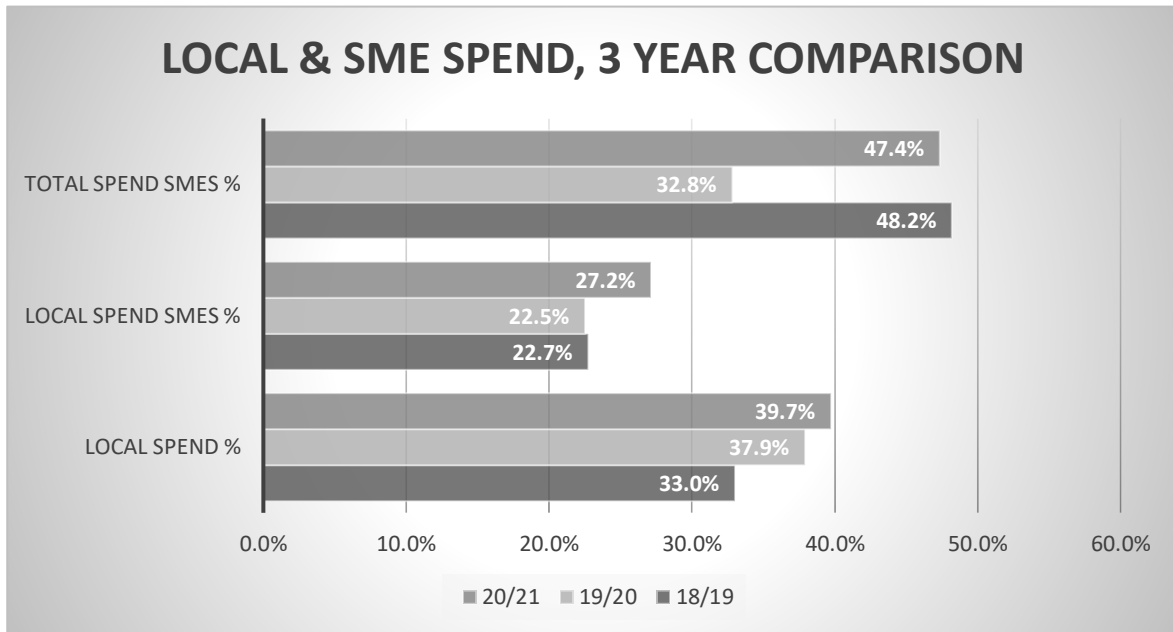
**6.4 Statutory Reporting (Table 3)**

<b>Regulated</b>	
Number of unique suppliers across (78) regulated contracts	401
Number of (unique) suppliers awarded with contracts during reporting period that are SMEs	381 (95%)
Number of (unique) suppliers awarded with contracts during reported period that are Third Sector bodies	8

## 6.5 Fife Council Spend – local and SME status (Table 4)

		2020-2021 £M	%
Total Fife Council Spend	Pro-rata for 12-month total	477.34	
Total spend with Fife Suppliers (KY postcode)	9 months AP data	140.53	<b>39.7</b>
	Pro-rata for 12-month total	187.37	
	Virtual Cards (1 local supplier)	2.25	
	<b>Total</b>	<b>189.62</b>	
Total spend with SMEs (where SME status is known - £308.93m)	9 months AP data	167.61	<b>47.4</b>
	Pro-rata for 12-month total	223.48	
	Virtual Cards (2 x SMEs)	2.55	
	<b>Total</b>	<b>226.03</b>	
Total spend with Fife SMEs (where SME status is known - £308.93m)	9 months AP data	95.52	<b>27.2</b>
	Pro-rata for 12-month total	127.36	
	Virtual Cards (1 local SME)	2.25	
	<b>Total</b>	<b>129.61</b>	
*National Reporting methodology – Spikes Cavell (national public sector procurement tool) presents percentage of spend with SMEs against total spend where supplier size is known rather than overall spend.			<b>54</b>
SME spend where size of organisation is known = 167.61 Total spend where size of organisation is known = 308.93			

6.5.1 Figure 5 - 3-year comparison



**6.6 Scotland Excel – Local Supplier Reporting**

Scotland Excel manage a portfolio of national frameworks for the local authority sector. Over the reporting period, there were 33 local suppliers on 24 Scotland Excel frameworks (increase from 27 suppliers on 23 frameworks 2019/20). This also provides wider opportunity for these suppliers to supply out with Fife Boundaries. Spend with Fife suppliers through these frameworks was £25.38m. £6.54m of this spend was from Fife Council.

**6.7 Supplier Development Programme**



Fife Council, in conjunction with colleagues in Economic Development have active participation with the Supplier Development Programme (SDP).

The Supplier Development Programme working together with Local Authorities and other public bodies to provide business support in all aspects of tendering. By assisting businesses to become tender ready for public procurement, all-round efficiency, sustainability, and market potential is improved.

Whilst Fife businesses can access this service and hopefully improve their chances of winning Fife Council business, this also enhances their opportunity to bid for business out with Fife to further strengthen their market position.

As a result of the pandemic, all activity was conducted in a virtual format.

The below table (Table 5) provides figures of registration with the Programme as well as participation in Meet the Buyer events:

Council Area	Companies Registered in 2020/21	Total Companies Registered
Fife	87	923
<b>Number of Businesses Participating in SDP Events &amp; Activities (2020/2021)</b>		
Council Area	Representation	
Fife	55 businesses attended the SDP Fife workshops 53 individual businesses attended the Meet the Buyer events: <ul style="list-style-type: none"> <li>- Meet the Buyer Fife (38)</li> <li>- Meet the Buyer North (24)</li> <li>- Meet the Buyer Ayrshire (1)</li> </ul>	
Over the reporting period, Procurement representatives supported the below events:		
Date	Event	
2 <sup>nd</sup> June 2020	<a href="#">SDP Twitter Takeover*</a>	
2 <sup>nd</sup> September 2020	Meet the Buyer North	
6 <sup>th</sup> October 2020	Talking Tenders with Fife & Tayside	
5 <sup>th</sup> November 2020	Fife Business Week, Meet the Buyer	

\*On 2<sup>nd</sup> June 2020, the Supplier Development Programme organised virtual activities to mark the occasion of what would have been the 12<sup>th</sup> annual Meet the Buyer event. While the face-to-face event was postponed, SDP carried out a “Twitter Takeover” of its account with buyers from Fife Council, East Renfrewshire Council, South Ayrshire Council and Scottish Government procurement. This social media activity was complemented by two free SDP tender training webinars.

All courses/training events that would normally be delivered in Fife have been made available to registered businesses via Webinar.

## Section 7 – Summary of Regulated Procurement Compliance

Table 6

Number of regulated contracts awarded within the period that complied with Procurement Strategy (and/or Scheme of Tender Procedures)	100%
Number of regulated contracts awarded within the period that did not comply with Procurement Strategy (and/or Scheme of Tender Procedures)	N/A*

*\*There were in excess of 22 direct awards (see note below) during the reporting period, but all were either compliant routes to market (i.e. direct call-off from existing arrangement) or approved exemptions (i.e. emergency situation) from our Scheme of Tender Procedures and Procurement legislation as appropriate.*

### 7.1 Purchases in connection with COVID-19

Note – in relation to essential supplies being purchased in response to the COVID-19 pandemic, such as personal protective equipment, cleaning items etc., these have been presented as a single line per supplier on the list of regulated procurements and have been reported when spend with that supplier exceeded £50,000 (regulated procurement value). Multiple purchases were made and some of these were considered direct purchases, i.e. no formal procurement process undertaken (some were via frameworks), the direct purchases made are still considered compliant as the emergency nature of the requirement qualified for an exemption to the Scheme of Tender Procedures, and is allowed for under Regulation 33(1)(c) of the Public Contracts (Scotland) Regulations 2016 – ‘for reasons of extreme urgency brought about by events unforeseeable by the contracting authority’. The direct purchasing activity took place between March and 31<sup>st</sup> October 2020. £2.4m was spend on Personal Protective Equipment (PPE) and sanitising/associated items, a retrospective report detailing procurement activity has been completed and contract award notices have been published as appropriate. During the summer of 2020, it was recognised that there was likely to be an ongoing need for some time to come, and Procurement established a Dynamic Purchasing System for future requirements to be called off from.

### 7.2 Supplier Relief/Construction Claims

COVID-19 has had a significant impact on businesses of all sizes, and due to restrictions imposed, many suppliers were unable to fulfil their contractual obligations. In many cases, the services were simply not required from the council due to the lockdown situation, therefore there was no impact in terms of service delivery, however, contractual payments therefore came into question. Whilst costs were already budgeted for, any such payments would be in breach of the Financial Regulations as would be payments for goods/services not received.

The Government recognised that suppliers' financial viability, ability to retain staff and their supply chain could be put at risk. A procurement policy note was issued (SPPN 05/2020 – Supplier Relief) requesting that public bodies should act to support their suppliers so that they are better able to cope with the crisis and resume normal service delivery and fulfil their contractual obligations when the outbreak is over. The note provided guidance on steps that could be taken to provide supplier relief under existing contracts.

Forms of supplier relief that can be considered/provided are as follows:

- Advance payment or advance interim payment for goods or services prior to delivery
- Amendment of contract deliverables such as performance/timescale etc.
- Continue payment notwithstanding reduced or non-performance
- Bring forward orders and associated payments

The scheme was administered by a sub-group of senior officers under delegated authority obtained from Policy and Coordination committee on 6<sup>th</sup> April 2020. The remit of the group was to identify and apply supplier relief in accordance with Scottish Government Guidance.

The following table (Table 7) summarises the payments of key supplier relief made over the reporting period (and up to 30<sup>th</sup> June 2021 (presenting beyond reporting period to be consistent with briefing update on this scheme)):

Sector/Provider	Type of Relief	Financial Value
Transport - including school transport; after-school; meals on wheels; apprenticeship and social work transport	Payment notwithstanding reduced/non-performance School Transport – 100% Other Transport – 50%	£5.010m
Early Learning & Childcare (ELC) Funded Providers	Payment notwithstanding reduced/non-performance	£1.543m
Business Support	Payment notwithstanding reduced/non-performance	£0.015m
Respite/Day Care Providers	Payment notwithstanding reduced/non-performance	£1.252m
In-college support services	Payment notwithstanding reduced/non-performance	£0.145m
Fife Resource Solutions	Amendment of contract deliverables such as performance/timescale etc.	£0.560m
Catering (Equipment Maintenance and Coffee Supplier)	Advance payment for machine maintenance.	£0.020m
<b>Total</b>		<b>£8.545m</b>



In addition to the supplier relief awarded, the sub-group worked with colleagues in Enterprise and Environment Directorate to monitor and oversee additional costs of construction contracts and ensuring that those were minimised through negotiation with suppliers. As at end of June 2021, suppliers had submitted construction contractual claims amounting to £6.025m, and through detailed negotiations, those were settled at £2.487m, thus generating a cost avoidance saving of over £3.538m.

## **Section 8 – Sustainable Procurement Duty, Climate Duties**

### **8.1 – Context (Public Sector Climate Change Duties)**

Fife Council recognises its responsibility to carry out its procurement activities in an economically, environmental and socially responsible manner. Fife Council’s Procurement Strategy includes a commitment to purchase goods, materials and services that minimise or reduce the impacts of its activities on the local and global environment, including whole life costing, energy efficiency, supply chain management and sustainably sourced products.

As part of fulfilment of the ‘Public Sector Climate Change Duties’, the Council has a duty to provide a return for its ‘Public Bodies Duties Report’ (PBDR). Procurement feed into this with responses to specific questions (Part 5 of the return), and the content is replicated in the below table (Table 8):

<b>How have procurement policies contributed to compliance with climate change duties?</b>
<p>Fife Council is a major procurer of goods and services within Fife. The embodied carbon of our up and downstream supply chain is likely to be a significant contributor to Fife-wide carbon emissions and to emissions further afield.</p> <p>The Council aims to reduce the environmental impacts of our procurement activities, and to use procurement to assist with compliance with our duties under the Climate Change (Scotland) Act and is seeking to do this via a number of activities. The Procurement service works with other services to develop contract terms and procurement award criteria. Procurement weightings are developed in collaboration with the service area. If any barriers are identified in such discussion, effort is made to overcome these barriers.</p> <p>We utilise the Scottish Government’s ‘Procurement Journey’ guidance in terms of best practice. This includes considerations such as sustainability and climate change mitigation and tools are provided to be utilised with the goods/services that are intended to be procured in mind. Mainstreaming these best practice principles to our procurement activities will contribute to our compliance with climate change duties.</p>

Fife Council's Procurement Strategy acknowledges the national legislative framework for sustainable public procurement in Scotland. To aid the Council achieving its aim of 'Inclusive Growth' (Fife's Economic Strategy 2017-2027), the Council, through its procurement activities will incorporate the Sustainable Procurement Duty into its processes and consider prior to defining procurement requirements.

Procurement is embedded within the Climate Fife Sustainable Energy and Climate Action Plan (2020–2030) and are represented across the eight key areas.

Fife Council shall consider/support:

- the use of whole life cost where appropriate.
- the use of Sustainable Procurement Duty Tools that aid the prioritisation of sustainability to achieve maximum benefits within all regulated procurements and also to prioritise and focus on those categories of spend that offer the greatest potential sustainable outcomes.
- the use of the Scottish Government Flexible Framework Self-Assessment Tool (FFSAT) to ascertain the level of performance of sustainable procurement across the Council. This tool will provide a clear action plan that will set out how, and by when, improvements in sustainable procurement will be made.
- The environmental impact of construction projects as appropriate, including a sustainability policy for design and construction.
- Encourage recycling and reuse of materials through waste management plans in order to minimise waste to landfill.
- The use of low energy equipment and environmentally friendly chemicals,
- Maximise use of materials from sustainable sources in accordance with government buying standards; and
- Support corporate initiatives/working groups in relation to the sustainability agenda where supplies/services are relevant and undertake any associated procurement activity, e.g. Food4Fife Partnership, Local Procurement Group and elimination of single use plastics.
- Continue to feed into and work with colleagues in the development of Climate Fife Sustainable Energy and Climate Action Plan (2020 – 2030) and in particular the areas directly affected by Procurement.

The procurement function has established a workstream to support Sustainable Procurement activity with scope and actions to formalise and embed the above throughout the Council. This includes closer working with colleagues within the Council's Sustainability Teams.

## How has procurement activity contributed to compliance with climate change duties?

Regulated procurement requires the consideration and application, where applicable and appropriate, of the Sustainable Procurement Duty in all procurements as per the Procurement Reform (Scotland) Regulations 2016 and the Public Contracts (Scotland) Regulations 2015. The Procurement Service works with Fife Council services to develop contract terms and procurement criteria. Procurement weightings are developed in negotiation between the procurement team and client services.

Client services can and do, consider direct and indirect carbon emissions (i.e., supply chain emissions, provenance, and manufacturing methods) within their procurement specifications, but these must be balanced against other procurement criteria so that the requirements are proportional and are not so specific as to effectively reduce options down to only one supplier as this could be seen as raising barriers to business.

Examples of procurement activities which have contributed to our compliance with climate change duties in the reporting year include:

Description/Commitment	Examples/confirmation of compliance
Alternative Fuelled vehicles including Electric Vans and Pool Cars as part of the Council's Fleet Replacement Programme	Fife Council's fleet currently has 72 electric vehicles (53 are full electric and 19 hybrids).
Continued use of a collaborative framework to support the increase of the number of charge points allowing wider use of electric vehicles and positively contributing to our climate change commitment.	91 units currently in place (public and fleet) 2020 – 2021 15 new units were installed and to date (2021 – 2022) there are 7 new units installed. A further 20 new units are scheduled for completion in 2021 -22.
Heavy Goods Vehicles generally contain in excess of 90% recyclable materials which can be reclaimed at the end of the vehicle's life and the primary goal of the Euro VI (or latest Euro Engine) emissions standards is to reduce harmful emissions from vehicles	EURO 6 is the current standard and vehicles purchased must adhere to this. Scotland Excel Framework includes sustainable procurement within the technical section of the tender and a range of sustainable measures were outlined by suppliers including Fleet/environmental Standards Reducing carbon footprint Waste reduction Vehicle and waste prevention

<p>LED lighting, LED street lighting and luminaires programmes have resulted in carbon and CO2 reductions.</p>	<p>Fife Council currently has 34,969 LED street lighting lanterns (approx. 51.6% of the network) and this is an increase of 971 since 2019-20.  Energy consumption for unmetered street lighting including lit signs, bollards and traffic signals was: -  2019 – 20 = 9,889,424 kwh  2020 – 21 = 9,207,443 kwh  This is a reduction of 681,981 kwh and approximately 411 tonnes of CO2.</p>
<p>Use of carbon based whole-life costing (WLC) tools in appropriate procurements.</p>	<p>Procurement of heavy-duty laundry contract</p>
<p>Construction projects to be designed and constructed to be 'Net Zero' which will incorporate sustainable features which will reduce energy consumption and carbon emissions.</p>	<p>Current project where this is being utilised is the Dunfermline Learning Campus.</p>
<p>All vehicles used on bus contracts must not be older than 20 years and must be manufactured on or after 1 October 2000. All taxi contracts use vehicles in line with the Council's Licensing requirements (no older than 10-12 years old). Minibuses must be no older than 15 years old.</p>	<p>Transport contracts (160 + Taxis, Bus and Coach) require membership of the ECO Stars Fleet Recognition Scheme.  Ongoing discussions with Contractors, the Climate Change Team and ECO Stars to seek ways in which Fife Council can strengthen the Council's commitments in future tender requirements. Focus will be mainly on minimum Euro emission standards, increased percentage of quality scoring devoted to environmental aspects and the use of Eco Star ratings as a scored quality criterion.</p>
<p>Contracts must provide Fife Council with copies of declarations of conformity or conformity certificates.</p>	<p>Timber contracts requirements - Ability to provide detail for chain of custody and certification on advice notes and invoices for materials.</p>

Note - this list presents an illustrative sample of Fife Council contracts where procurement activity sought to reduce emissions as part of the procurement criteria and is not necessarily exhaustive.

Other examples of corporate Sustainable Procurement support and ongoing work includes: -

- Establishment and defining scope of Sustainable Procurement Workstream and creation of an Action Plan.
- Ongoing continuous improvement championed by Sustainable Procurement workstream, reviewing and enhancing activity such as general policy, community benefits, modern slavery, whole life costing, supported businesses and innovation challenge fund.
- Continuing the promotion of the Sustainable Procurement Toolkit within all Fife Council procuring areas.
- Promotion of Sustainable Procurement E Learning modules within Corporate Procurement and other Fife Council Procuring Areas (DPA) and continuing to explore options with the Sustainability Team colleagues in relation to combining the Sustainable Procurement e-learning and Climate Literacy e-learning.
- Focus on payment of Real Living Wage and Fair Work Practices.

## **8.2 Single Use Plastics**

8.2.1 The commitment to support the elimination of single use plastics within Fife Council has continued, albeit there have been challenges resulting from the pandemic impacting on the programme.

8.2.2 The programme is currently in Phase 3 and whilst not all aims for this phase have been fully realised, some positive changes have included reductions in the following items:

- Food packaging (water/juice bottles)
- Sanitary products
- Cable ties
- Straws
- Swabs
- Plastic plates
- Overalls

8.2.3 However, for those products related to health and hygiene, catering within schools, care homes and meals on wheels, e.g. gloves, wet wipes, aprons, masks, sticky tape and plastic bags, numbers have increased sometimes by four-fold. This was as a direct result of the pandemic.

8.2.4 Procurement provides the management information to maintain the [Single Use Plastics Register](#) which outlines a significant increase in the amount of Single Use Plastic used within Fife Council, this has been the result of three broad impacts from Covid:

- The need to use single use plastics for health and safety reasons to manage the spread of Covid.
- The impact of Covid on the supply chain and therefore ability to purchase alternatives.
- The impact on staffing priorities during the early stages of the pandemic.

8.2.5 The programme now has a revised timetable for Phase 3 and Phase 4 and the project team will focus on monitoring Covid restrictions and continue to remove plastics as restrictions and guidance allows. The project team will target further reductions from non-Covid related items, work with schools and research markets for alternate materials.

## **Section 9 – Community Benefits**

### **9.1 – Context and Approach**

Fife Council believes that public procurement contracts can help realise a wide range of social and environmental benefits, including more and better employment opportunities.

Community benefits can help contribute to local and national outcomes relating to employability, skills and the reduction of inequality.

In the context of the Procurement Reform (Scotland) Act 2014, a community benefit requirement is a contractual requirement imposed by a contracting authority –

- (a) Relating to:
  - (i) Training and recruitment
  - (ii) The availability of sub-contract opportunities, or
- (b) Which is otherwise intended to improve the economic, social or environmental wellbeing of the authority's area in a way additional to the main purpose of the contract in which the requirement is included.

Community Benefit Clauses (CBCs) are essentially clauses within contracts requiring tenderers to commit to undertaking some form of social benefit as part of the contract. These clauses are aimed at tackling issues in training, employment, economic regeneration and the environment through investment in local communities.

For major works projects, Fife Council committed to:

- Due consideration of whether to impose community benefit requirements as part of the procurement and if so, provide a summary of what it intends to include, and if not, provide a justification of why not deemed appropriate. Where included, Fife Council will include in the award notice a statement of the benefits it considers will be derived from those requirements.

The above is a mandatory requirement in accordance with the Procurement Reform (Scotland) Act 2014, however Fife Council's policy goes beyond the minimum requirement and gives consideration of community benefits for goods/services contracts as well as major works projects, where deemed proportionate and relevant to do so.

## **9.2 Statutory Reporting**

9.2.1 Table 9 Total number of regulated contracts awarded with a value of £4m or greater		13
Total number of regulated contracts awarded with a value of £4m or greater that contain Community Benefit requirements		3
Total number of regulated contracts awarded with a value of less than £4m that contain Community Benefit requirements		13
<b>Community Benefit Type</b>	<b>No.</b>	<b>£ value (where quantified)</b>
Number of jobs	519.25	£257,808
Number of apprenticeships	136	£41,777
Number of work placements	44	£11,183
Number of qualifications achieved through training	146	£15,074
Other community benefit(s) fulfilled such as:		
• SME and third sector spend (sub-contract/supply chain)	N/A	£6,691,444
• Social Value Rebate (including donations, charitable work etc.)	N/A	£87,626
• Environmental & Ethical	N/A	£107,076
• Skills and Training (Workshops, Careers advice etc.)	N/A	£4,622
<b>Total</b>	<b>699.25</b>	<b>£7,216,610</b>
<b>In some cases, in the above and in the Appendix 1B some entries do not contain either individual details (people) or financial values (£s). Some entries are valued in weeks i.e. Skill and Training</b>		

9.2.2 Appendix 1B provides summary detail of community benefits recorded as delivered over the reporting period.



9.2.3 Some committed benefits were unable to be progressed during the reported period as a direct result of COVID-19. These have been subsequently moved to the period 2021-22 for delivery.

9.2.4 It is acknowledged that there is a noticeable reduction in benefits from those reported last financial year. This is due to the completion of the Madras College project. It is anticipated that benefits will increase from next financial year and beyond as the Dunfermline Learning Campus project progresses.

## **Section 10 – Fair Work and Real Living Wage**

### **10.1 – Context and Approach**

With a view to supporting the strategic aim of providing **Opportunities for all**, Fife Council considers payment of the Real Living Wage to be a significant indicator of an employer’s commitment to fair work practices and that payment of the Real Living Wage is one of the clearest ways that an employer can demonstrate that it takes a positive approach to its workforce.

The Council considers ‘workforce matters’ in connection with their contracts if the services provided have the effect of employees being considered an in-direct employee of Fife Council and/or if there is known or perceived history of unfair work practices.

### **10.2 – Position/Statutory Reporting (Table 10)**

Number of regulated contracts awarded during the period that have included a scored Fair Work criterion.	80
Number of unique suppliers who have committed to pay the Real Living Wage in the delivery of a regulated contract awarded during the period.	104
Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	35
Number of unique suppliers who have signed up to the <a href="#">Scottish Business Pledge</a> and were awarded a regulated contract during the period	5

### **10.4 – Other Council Commitments**

As part of the Procurement & Commercial Strategy, Fair Work is further promoted within procurement activity by seeking commitment to our Construction Charter and Ethical Care Charter where applicable.



The Construction Charter is included in relevant construction related contracts to acknowledge the council aspiration and expectations for them to practice in their organisation also. The strategy also acknowledges that the council is opposed to blacklisting, and there is no evidence that any of our contractors practice blacklisting.

Similarly, the Ethical Care Charter is incorporated into relevant procurement exercises for homecare related services.

## Section 11 – Invoice Payment Performance

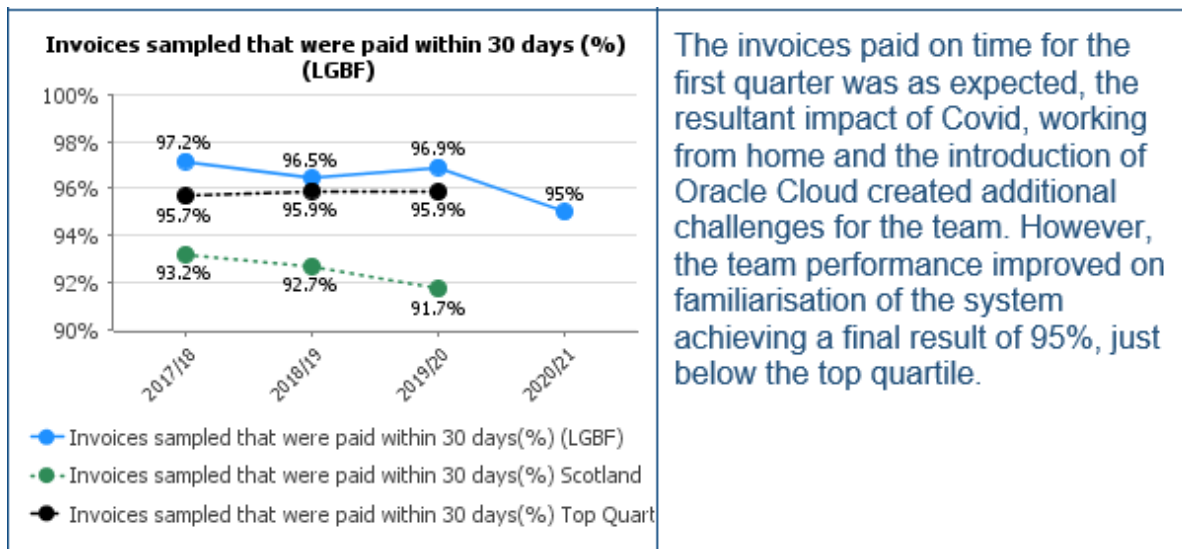
### 11.1 – Context

Fife Council is committed to ensuring that businesses are paid on time because we understand how important it is to pay businesses promptly once a service has been performed or goods delivered. Late payment is particularly detrimental to SMEs, third sector bodies and supported businesses. Fife Council also mandates via contract conditions that main contractors must pay their sub-contractors and suppliers promptly in an effort to ensure cashflow is positive throughout the supply chain.

Late payment legislation places a statutory duty on all public bodies to pay commercial debt within 30 days. Legislation also allows businesses to claim interest and recovery costs if goods and services are not paid for on time.

### 11.2 – Position

As detailed in the [2020-21 Performance Report - Finance & Corporate Services](#), Fife Council performance statistics are presented below (Figure 6) :



### **11.3 – Supplier Portal**

The Fife Council Oracle system has a Supplier Portal (known as iSupplier in ERP). This functionality allows suppliers to have their own unique login to their account details within the Council's system and the ability to review order, payment and catalogue status/details. Some suppliers use this functionality to create their own invoices via the system, which when matched to an existing order and matched receipt, will automatically pay. This creates efficiency for the council as the invoice does not need to be handled in any manner by council personnel (unless there is a mismatch).

From 1<sup>st</sup> July 2020, 14,148 invoices were processed via this method.

## **Section 12 – Supported Businesses**

### **12.1 – Context and Approach**

Before carrying out a regulated procurement, Fife Council includes consideration of how the process can facilitate the involvement of Supported Businesses. The involvement of Supported Businesses is considered at strategy stage. Completion of contract strategies are mandatory for all regulated procurement exercises; therefore, effort is made to consider supported businesses in all regulated procurements.

### **12.2 – Spend with Supported Businesses**

Service requirement for many of the services provided by Supported Businesses was significantly reduced during the height of the pandemic and many of these organisations furloughed staff as a result. Spend is therefore less than usual over the reporting period.

Table 11

<b>Supported Business</b>	<b>2020/21</b>
Dovetail Enterprises	£87,689
Matrix Fife	£85,222
The Lady Haig's Poppy Factory	£3,545
<b>Total spend with Supported Businesses</b>	<b>£176,456</b>

## **Section 13 - Pipeline**

Table 12

Total number of regulated procurements expected to commence in the next two financial years	212
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\*(as of November 2021) NB, this is subject to change and refreshed 'Pipeline' is published on fife.gov website regularly.

[Appendix 1C](#) provides the Pipeline of procurements expected to commence in the next two financial years. Note this is continually updated and available publicly on the Fife Council website.

## **Section 14 – Milestones/Achievements and Improvement Activity**

### **14.1 Context**

Over the reporting period there has been a number of milestones and improvements including the following:

14.1.2 Continued progress with the Commercialisation Programme in conjunction with Scotland Excel designed to upskill the procurement function and pursue strategic procurement opportunities – all governed via Commercialisation Board reporting in to Changing to Deliver Programme/Change Board. (This project is now closed but was live during reporting period)

14.1.3 Significant increase in procurement financial benefits reported.

14.1.4 Immediate and ongoing response in connection with the COVID-19 pandemic such as the following:

- Membership on the Council’s Incident Management Team.
- Rapid response to source and secure PPE and associated items in an extremely volatile market – right quality, right price, right time etc. followed up with a longer-term continued procurement of such items.
- Establish governance and process to facilitate supplier relief and construction claims in line with national policy.
- De-mobilise and re-mobilise transport provision for schools/local bus network and social work.
- Procure provisions of food and toiletry items to enable activity within the food resilience programme. The planned purchase activity has been supplemented by donations to support the council’s response.
- Input to Education & Social Work mobilisation plans.
- Supplier engagement in an alternate, virtual format for Meet the Buyer events and SDP training sessions.
- Implementation and process for approving supplier relief and construction claims due to pandemic.

Whilst not specifically procurement activity, it is also worth noting that some of the team were re-purposed to create businesses as ‘suppliers’ on Oracle ERP to allow Business Grants to be paid to eligible businesses.

14.1.5 The procurement team were shortlisted and received finalist status for the Go Awards Scotland 2020 for ‘COVID-19 Outstanding Response Award – Public Sector Organisations’.

- 14.1.6 Whilst the pandemic has caused disruption in supply chains, the EU Exit has also created challenge. In conjunction with services and suppliers, the team aim to ensure that the council has appropriate strategic and operational contingency plans to ensure supplies, services and works can continue as effectively as possible in the event of further impacts resulting from this pandemic.
- 14.1.7 Successful transition from Oracle ERP to Oracle Cloud (Procure to Pay).
- 14.1.8 Successful defence of court action on significant tender exercise for Social Care Case Management system. Whilst this created additional unplanned work, the case was worth pursuing as all grounds of challenge were rejected in no uncertain terms.
- 14.1.9 Launch of use of Cenefits which is a piece of software utilised to track commitments of community benefits which will aid ability to track delivery and effective reporting.
- 14.1.10 Onboarded Delegated Procuring Areas to the standard governance of the Procurement Review Board for peer review and management approval of contract strategies and awards.
- 14.1.11 Launch of First Contact offering for internal requests for procurement activity.

## **14.2 – Internal Audits on Procurement Activity**

Over the reporting period, there was one investigation report involving procurement practices. No evidence to suggest evidence of impropriety was found, but there were some recommendations made for improvements to processes.

It is also noted that the 2020-21 'Audit Year' was extended to 31<sup>st</sup> May 2021, due to the ability to audit as a result of the pandemic – therefore two procurement audits were issued during this extended period and are therefore reported in this Annual Procurement Report also for consistency in reporting. One was a routine follow up to a prior audit which included some recommendations for improvements to process. The other was a Governance Review of the Procurement Contract with Scotland Excel (as part of the Commercialisation Programme). This was at the request of Standards and Audit Committee on 20<sup>th</sup> February 2020.

The above audit concluded an overall risk as low with two recommendations for onward action. As the Programme has concluded, these actions ultimately transferred to lessons learned for future programme activity.

## **Section 15 – Annual Review of Procurement & Commercial Strategy/Moving Forward**

### **15.1 Annual Review of Procurement and Commercial Strategy**

The Procurement Reform (Scotland) Act 2014 requires contracting authorities to review its procurement strategy annually. This report provides a mechanism to report on its review which is conducted to assess whether the procurement activity and priorities remain in alignment to the council's broader priorities.

The review concluded that the commitments and priorities all remained relevant, however due to prevalent risks and impacts, there is acknowledgement that some areas will require increased focus to support the council (and Scotland)'s broader objectives as follows:

#### **15.1.1 EU-Exit/Pandemic Impacts**

Continued monitoring and proactive activity to manage emerging/known impacts of EU Exit and COVID-19 pandemic.

#### **15.1.2 Financial Savings/Benefits**

Budget pressures remain a significant challenge for Fife Council. Any identified opportunities around efficiencies relating to third party spend will continue to be explored and realised.

An 'Opportunities Pipeline' is maintained within the Procurement team, where potential opportunities are logged and progressed accordingly. There is currently £9.326m of potential opportunities identified on this pipeline. All entries are categorised as one of the following stages:

<b>Pipeline Stage</b>	<b>Comments</b>
1. Identification	A potential opportunity has been identified
2. Declined	Service team or Procurement team declined the opportunity. However, considered as holding value and possibly viable to take forward in future but will not be getting taken forward at this time.
3. Opportunity Briefing - First Draft	First draft complete containing initial spend value and potential benefit suggested
4. Opportunity Briefing - Second Draft	Second draft complete containing confirmed spend value and market/finance/team tested potential benefit
5. Opportunity Briefing - Finalised	Finalised briefing note with spend, benefit and achievability tested and agreed with supporting high level delivery plan
6. Opportunity Underway	Opportunity underway

7. Opportunity Delivered	Opportunity successfully delivered and result captured on the benefits tracker as per Benefits Realisation Policy
8. Removed	Service team or Procurement team declined the opportunity as considered and evidenced as not holding the necessary value or merit to proceed

Note – any entry categorised at pipeline stage 2, 7 or 8 do not feature in the £9.326m figure quoted above.

### **15.1.3 Supporting Local Businesses, SMEs and Third Sector**

Due to the local economic impact of the COVID-19 pandemic, it is recognised that procurement has a part to play in supporting economic recovery. This is addressed further in ‘Priorities moving forward’ section below.

## **15.2 Other Priorities Moving Forward**

### **15.2.1 ‘Buy Local’, Community Wealth Building**

The council has committed to developing a community wealth building agenda in Fife with a focus on strategies in relation to an inclusive growth economy and community-led delivery.

Procurement features as one of the five main strands of this work, termed ‘Progressive Procurement’

Progressive procurement of goods and services is a means through which benefits can be achieved for local people and place.

1. Identify opportunities to increase the supply chain of local enterprises to enable increased local spend to create jobs, contributing to a multiplier effect which in turn creates additional jobs via increased demand for local goods and services.
2. Review the Fife elements of the national Supplier Development Programme to support increased capacity for delivery of local supply chain opportunities.

The second strand ‘Fair Employment and Just Labour Markets’ is also relevant in procurement activity in relation to our approach with Fair Work in relevant tender exercises. Following updated guidance from Scottish Government, mandating of payment of the Real Living Wage will be incorporated into procurement activity.

The ultimate aim is to ensure that Community Wealth Building is embedded into procurement process as a key driver of purchasing decisions, within a legal framework.

Procurement is committed to support this work and is actively involved in the applicable reform groups and Boards as appropriate. This is likely to include the creation of a Community Benefit Policy which will be presented to Policy & Coordination Committee during the next reporting period.

As part of the Progressive Procurement strand, we are continuing to develop the Councils approach to the consideration of Community Benefits within both regulated and non-regulated procurement activity and this includes: -

- The preparation of a Community Benefits Policy and supporting Buyers Guide to include Council priorities areas
- Corporate Procurement representation on Local Procurement Group and formal governance groups for the reform work.
- Corporate Procurement representation on Food4Fife Partnership and the Fife Food Procurement Working Groups. The Food4Fife Partnership will progress Fife's food vision, food partnership, and food strategy.
- Continuing engagement with Economic Development and support of national, regional and local Meet the Buyer Events
- Continuing the pilot of a Community Benefits recording system (Cenefits)
- Representation on the Dunfermline Learning Campus project's Community Benefits Working Group
- Consideration of training and development needs in relation to Sustainable Procurement.

### **15.2.2 Continuous Improvement/Team Development**

Now that Scotland Excel have concluded their on-site work on our Transformation Programme, it is essential that follow-on actions are progressed to embed practices that were introduced to ensure continuous improvement is a focus and that savings and benefits are maximised. This will include ongoing dialogue and joint working with services with Delegated Procurement Authority.

It is also our intention to continue the development of the procurement team, through formal training/development such as use of Scotland Excel's Academy (individual workshops and/or CIPS) and continued knowledge transfer efforts. This will be structured through a competency review framework (national Procurement Development Framework) as well as use of the corporate Talking Points approach.

The Public Procurement Group has agreed a set of priorities, high level aims and aspiration delivery statements for all public procurement leaders in Scotland – the 'Public Procurement Priorities'. These demonstrate commitment to using the power of procurement to deliver and influence outcomes that are good for the people of Scotland. They also support the commitments set out in the government's National Performance Framework, the Programme for Scotland and the national Economic Recovery Implementation Plan.

The Public Procurement Priorities are as follows:

- Leadership and Visibility
- Sustainable Economic Recovery
- Supply Chain Resilience (Public Sector)
- Maximise the Impact of the Sustainable Procurement Duty
- Climate Emergency



- Achieving Professional Excellence
- Using Systems to Drive Sustainable Outcomes and Support Reporting

Whilst the principles of these priorities by in large already feature in the Procurement and Commercial Strategy, these are not articulated explicitly as such. It is presumed that progress against these priorities will be expected to be reported in future years, therefore it is intended to create an action plan to supplement the strategy, incorporating these priorities so that progress can be monitored and reported.

### **15.2.3 Procurement Structure/Delegated Procurement Authority**

A review of the Procurement team structure is required to ensure it remains fit for purpose to deliver its strategic objectives and operational statutory requirements. It is aimed to have this reviewed for implementation in the next financial year. Consideration of succession planning and talent growth will form part of these plans.

### **15.2.4 Review/Update Scheme of Tender Procedures**

The Scheme of Tender Procedures are subject to a review every 3 years. Whilst reviews have been undertaken routinely throughout the last 3 years, there will be a formal review of the content and any revision will be presented to Fife Council for consideration in accordance with the Council Standing Orders.

### **15.2.5 Technology in Procurement**

#### **Oracle Cloud/Procure to Pay (P2P) Processes**

Given the investment in the Oracle Cloud system, it is important to ensure that the functionality is used to its full potential and that efficiencies are maximised. Focused effort will be made in conjunction with the Business Management Innovation Unit to continue this work.

In addition to efficiencies, any risk management capabilities using technology will be explored in an effort to combat any opportunity for procurement related fraud activity.

#### **Power BI/other solutions**

Despite the Oracle Cloud system providing strong data in terms of spend activity, due to the qualitative aspects of reporting in procurement activity, many spreadsheets require to be maintained – Contract Register, Pipeline, Benefits Tracker to name a few. This is not as efficient as it could be and requires manual effort to update and create dashboards etc. Now that Power BI is available in the Council, it is our intention to investigate how this could help and enhance the data information that we need to report on.

Similarly, now that the Cenefits system is in place, there is potential opportunity to extend its use to capture other data and could perhaps provide a more effective solution for our Contracts Register.



## **List of Appendices**

[Appendix 1A - Summary of Regulated Procurement Activity](#)

[Appendix 1B - Community Benefits](#)

[Appendix 1C - Future Regulated Procurements \(Pipeline\)](#)

[Annex A - Scottish Government Statutory Return](#)

Report Contact:

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Contract Title	Procedure	Initiating Contract Owner	Contract Value (inc. possible extensions)	Contractor Name(s)	Contractor Size (note 1)	Locality of Contractor (note 2)
Supply and purchase of Refuse Collection Vehicles (award)	Direct Call-off	Scotland Excel	£ 1,199,401	Farid Hillend Engineering Ltd	Medium	Local
Provision of auction services (award)	Open	Fife	income	BCA	Large	Outwith Fife
				Wilsons Auctions	Large	Outwith Fife
				Morris Leslie	Medium	Outwith Fife
				Manheim	Large	Outwith Fife
				John Pye & Sons	Large	Outwith Fife
				GPSV	Small	Outwith Fife
				Sweeney Kincaid	Small	Outwith Fife
Supply of Food Waste Bags for 2020 (award)	Call Off-Mini Comp	Scotland Excel	£ 80,000	Cromwell Polythene Ltd	Small	Outwith Fife
Intensive Family Support Service (extension)	Open	Fife	£ 1,699,857	Includem	Medium	Part Local
Labour Market Services (Signed up) (award)	Direct Call-off	CCS	£ 270,000	PDMS Ltd	Medium	Outwith Fife
Provision Of Specialist Employability Training (extension)	Open	Fife	£ 220,000	Employment Enterprise	Micro	Part Local
				Innov8 Fife	Micro	Part Local
				Mark Brown	Micro	Part Local
				RAISse	Micro	Part Local
				Tree of Knowledge	Micro	Part Local
Provision of Removals & Storage (extension)	Open	Fife Council	£ 450,000	AMC Removals UK	Small	Local
Electoral Management System (award)	Restricted	CCS	£ 525,000	Democracy Counts	Large	Outwith Fife
Stratheden Re-design, Mini Comp under 10261 (extension)	Call Off-Mini Comp	Fife Council	£ 1,000,692	Kingdom Support and Care CIC	Large	Local

Contract Title	Procedure	Initiating Contract Owner	Contract Value (inc. possible extensions)	Contractor Name(s)	Contractor Size (note 1)	Locality of Contractor (note 2)
Care and Support at Home for Adults and Older People (extension)	Open	Fife	£ 180,000,000	Various	Various	Local/Part-Local
Supply of Multi-Functional Devices (award)	Direct Call-off	Scottish Procurement	£ 5,201,971	Canon UK Ltd	Large	Outwith Fife
Prepaid Payment Solution (award)	Direct Call-off	CCS	£ 360,000	Allpay Ltd	Large	Outwith Fife
Repair & Maintenance of Swimming Pool Equipment (extension)	Open	Fife	£ 750,000	CMM Pools	Small	Outwith Fife
Hire of Equipment, Plant and Vehicles (extension)	Open	Fife	£ 4,640,000	Speedy Asset Services; Gap Group Ltd	Large	Part Local
				Nixon Hire	Large	Outwith Fife
				Double A Trading Company; Robert Purvis Plant Hire Ltd; Sandy Allan Blacksmiths Ltd; E & J Douglas; James Penman Plant Hire; Robertson Houston & Sons	Small	Local
				Jarvie Plant Ltd	Medium	Part Local
				Vale Engineering York Ltd	Small	Outwith Fife
				Strathore Plant Hire	Medium	Local
				Willsweep Limited; Murdo Mackenzie Construction; Tayforth Machinery Ring	Small	Outwith Fife
Clearswift Email Gateway (award)	Direct Call-off	CCS	£ 150,000	Softbox Ltd	Large	Outwith Fife
Carnegie Leisure Centre Training Pool Refurbishment (award)	Direct Award	Fife	£ 590,000	Hatrick Bruce	Large	Local

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Stairlifts Framework Agreement (award)	Open	Fife	£ 1,000,000	Advanced Stairlifts	Micro	Local
Purchase of 2 x 18 Tonne Gritters (award)	Direct Call-off	Scotland Excel	£ 231,939	Western Commercial	Medium	Outwith Fife
Microsoft Software Licence (Education) (award)	Open	CCS	£ 809,064	Pheonix Software Ltd	Medium	Outwith Fife
Foundation Apprenticeships (extension)	Open	Fife	£ 240,000	Fife College	Large	Local
Vehicle Conversions (extension)	Open	Fife	£ 800,000	Bott Ltd	Large	Outwith Fife
Social Care Case Management System (Swift Replacement) (award)	Restricted	Fife	£ 3,200,000	Liquid Logic	Large	Outwith Fife
Employee Benefits Package Cycle-to-Work Scheme/Employee Discount/childcare Voucher Scheme/Car lease (extension)	Open	Fife	£ 30,000	Sodexo Motivation Solution UK Ltd	Large	Outwith Fife
Supply of Building Materials Lot 8 SE 0318 Building & Timber Framework) (award)	Call Off-Mini Comp	Scotland Excel	£ 549,162	Jewson Ltd Kirkcaldy	Large	Part Local
Supply, Installation & Maintenance of UPVC Windows and Doors (extension)	Open	Fife	£ 24,000,000	CMS Enviro Systems	Medium	Part Local
Internal & External Painterwork, Decoration and Plasterwork (Domestic & Commercial) Framework (award)	Restricted	Fife	£ 14,000,000	Bell Group	Large	Part Local
Installation of cremators (award)	Call Off-Mini Comp	YPO	£ 1,733,636	Facultatieve Technologies Ltd	Medium	Part Local
Hybrid Mail (award)	Direct Call-off	CCS	£ 671,000	Critiqom	Large	Outwith Fife

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Maintenance and Repair of Stage Lighting (award)	Open	Fife	£ 574,600	Adlib Audio Ltd	Small	Part Local
				Black Light Limited	Small	Outwith Fife
				Northern Light Stage and Technical Services Limited	Medium	Outwith Fife
Underground Drainage Provision including CCTV (award)	Open	Fife	£ 1,000,000	Braehead Engineering Ltd	Micro	Part Local
				Enviro-Clean (Scotland) Ltd	Medium	Part Local
				Lanes Group Plc	Large	Part Local
Supply, Installation, Repair & Alteration of Window Blinds (award)	Open	Fife	£ 420,230	Val-U-Blinds	Small	Local
				Bell Group	Small	Outwith Fife
				Stewarts Blinds	Micro	Outwith Fife
Repairs of Block Storage & Various Other types of Heaters (award)	Open	Fife	£ 200,000	JD & W Hamilton Ltd	Micro	Local
				Lovat's Catering Engineering Services Ltd, T/A Lovat's Group	Small	Local
				RB Grant Ltd	Small	Local
Supply of a Wheeled Paver (award)	Open	Fife	£ 190,000	Wirtgen Ltd	Small	Outwith Fife
Chipping Spreader (award)	Open	Fife	£ 76,412	Tex Engineering Ltd	Small	Outwith Fife
Provision of Medical Aids for delivery to Fife Community Equipment Stores (award)	Open	Fife	£ 660,000	Arjo; Care & Independence; Care Ability; Careflex; Drive Devilbiss; Frontier; Fast Aid Products; Helping Hand; Jenx; James Lecky Design Ltd; Langham; Lisclare Ltd; NRS; Katnic; Moorings; R82 UK Ltd; Safe and Sound Products; Truelife; W. Munro Rehab Ltd.	Large	Outwith Fife
River Leven Restoration (award)	Open	Fife	£ 53,602	CBEC	Medium	Part Local
Income Management (award)	Direct Call-off	CCS	£ 136,600	Bramble Hub Limited	Medium	Outwith Fife

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Air Quality Management Provision (award)	Open	Fife	£ 70,000	Enviro Technology	Small	Outwith Fife
			£ 110,000	Ricardo Energy & Environment	Large	Outwith Fife
Supply of Heating Kits (Mini comp from SE 23-18) (award)	Open	Scotland Excel	£ 550,000	Wolseley UK Ltd	Large	Part Local
Traffic Management - Sub-Contractors (award)	Open	Fife	£ 800,000	Glenmavis	Small	Outwith Fife
				Highway Barrier Solutions	Medium	Outwith Fife
				Contraflow Ltd	Medium	Outwith Fife
				Central Traffic Management	Medium	Outwith Fife
Provision of Exhibition Services (award)	Open	Fife	£ 160,000	JNM Exhibition Services	Micro	Outwith Fife
				Display Wizard	Small	Outwith Fife
Purchase and Supply of 2 Refuse Collection Vehicles (award)	Direct Call-off	Scotland Excel	£ 348,594	Farid Hillend Engineering Ltd	Medium	Local
CDMS Gas and Elec Inspection Certs (award)	Open	Fife	£ 51,881	Corgi Technical Services Ltd	Medium	Outwith Fife
Cashless Parking (award)	Direct Call-off	CCS	£ 256,976	Park Now	Large	Outwith Fife
Supply of First Aid Products (award)	Open	Fife	£ 305,636	Crest Medical Ltd T/A Wallace Cameron International	Large	Outwith Fife
Supply of General Office Stationery (extension)	Direct Call-off	Scottish Procurement	£ 1,200,000	Lyreco	Large	Part Local
Supply of Summer Bedding Plants (award)	Open	Fife	£ 42,000	Pentland Plants	Small	Outwith Fife
Provision of an Occupational Health Service (extension)	Direct Call-off	ESPO	£ 260,000	People Asset Management	Medium	Part Local
HRA & GFHA Business Plans 2021 (award)	Direct Award	Fife	£ 19,150	Arneil Johnston	Small	Outwith Fife
Minto Woodland Creation (award)	Open	Fife	£ 210,137	Scottish Woodlands Ltd	Medium	Part Local

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Provision of a Counselling & Physiotherapy Service (extension)	Direct Call-off	Fife	£ 40,000	PAM	Medium	Part Local
			£ 40,000	Therapeutic Counselling Services	Micro	Part Local
Elections Management (award)	Direct Call-off	CCS	£ 749,600	Idox	Large	Outwith Fife
Business Support for Fife Renewables Innovation Centre (award)	Open	Fife	£ 111,600	Balcombe Business Services	Micro	Local
Business Support for Kirkcaldy Business Incubator and Dunfermline Business Centre (award)	Open	Fife	£ 127,500	Flexi Business Support	Micro	Local
Agency Staff - Social Care/professional/Manual (award)	Direct Call-off	Scotland Excel	£ 6,000,000	ASA International Ltd; Ailsa Care Services Ltd; TCCPS; Randstad; Service Care Solutions	Medium	Part Local
North Fife School Bus Contracts (extension)	Open	Fife	£ 19,800,000	Moffat & Williamson Ltd	Medium	Local
				Stagecoach	Large	Local
				Xplore Dundee	Large	Outwith Fife
				A1 Minibus & Coach Services Ltd	Small	Local
				Festival Travel (Scotland) Ltd	Micro	Outwith Fife
North Fife Local Bus Framework (extension)	Open	Fife	£ 7,659,940	A1 Minibus & Coach Services Ltd	Small	Local
				Moffat & Williamson Ltd	Medium	Local
				Xplore Dundee	Large	Outwith Fife
				Stagecoach	Large	Local
				Teejay Travel	Micro	Outwith Fife
Replacement Blue Badge System (extension)	Direct Call-off	CCS	£ 18,000	NOW NEC Software Solutions UK Ltd (was previously Northgate Public Services (UK) Ltd)	Medium	Outwith Fife

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Street Lighting LED Lanterns (award)	Direct Call-off	Scotland Excel	£ 285,074	Orangetek	Large	Outwith Fife
Specialised Paper (extension)	Open	Fife	£ 680,000	Clyde Paper and Print	Small	Outwith Fife
				Antalis	Large	Outwith Fife
Advocacy Services (extension)	Open	Fife	£ 1,377,487	Circles Network	Medium	Part Local
Cisco Support and Maintenance (extension)	Direct Call-off	CCS	£ 1,614,289	Capita IT Services	Large	Outwith Fife
Provision of Swimming Pool Chemical to FC & FSLT Establishments (award)	Direct call-off	Scotland Excel	£ 312,000	Brenntag	Large	Outwith Fife
Collaborative Assessors Solution (award)	Direct call-off	Scottish Procurement	£ 1,000,000	Softcat Plc	Large	Outwith Fife
Dunfermline Learning Campus - Appointment of Tier 1 Contractor (award)	Direct Call-off	HUBCO	£ 111,000,000	BAM Construction	Large	Part Local
Supply, install and maintenance of sensors on watercourse (award)	Open	Fife	£ 109,720	Hydro-logic Services	Small	Outwith Fife
Scaffolding requirements incl reactive maintenance and fixed price works	Restricted	Fife	£ 3,000,000	Mar Scaffolding	Small	Local
				Form Access	Small	Outwith Fife
Timber Preservation & Woodrot Framework Agreement (extension)	Open	Fife	£ 4,000,000	The Preservation Company (of Scotland) Ltd	Small	Local
				Richardson & Starling	Medium	Local
Gas Delivery Programme (Commercial) (award)	Open	Fife	£ 200,000	Livingston Mechanical	Medium	Outwith Fife
Purchase of 4 Gritters (award)	Direct call-off	Scotland Excel	£ 478,278	Western Commercial	Medium	Outwith Fife
Firewall Upgrade (award)	Direct Call-off	CCS (KCS)	£ 532,091	Boxxe Ltd	Large	Outwith Fife



Contract Title	Procedure	Initiating Contract Owner	Contract Value (inc. possible extensions)	Contractor Name(s)	Contractor Size (note 1)	Locality of Contractor (note 2)
Provision of a coachwork service to repair accident damaged vehicles (extension)	Open	Fife	£ 840,000	Kingdom Accident Repair Centre	Micro	Local
				Elder & Paton	Small	Part Local
				Jacksons Accident Repair Centre	Small	Local
				Bustec	Small	Outwith Fife
				Drummond Motor Company	Small	Local
COVID PPE (pre-DPS) (award)	Direct Awards	Fife	£ 2,400,468	Aero Healthcare; Clyde Paper and Print; Fast Aid Products; Lion Safety; Primo IT; Streamline Corporate; Crest Medical T/A Wallace Cameron	Small	Outwith Fife
				Alexandra (MWUK); Alliance Disposables	Medium	Outwith Fife
				AST Global Sourcing; SIIS	Small	Local
				Bunzl Cleaning & Hygiene Supplies; Bunzle Greenham; Scott Direct; SMI Group; Unico	Medium	Outwith Fife
				Corston Sinclair	Medium	Outwith Fife
				White, Milne (Decco)	Large	Part Local
				George Boyd	Medium	Local
				Highland Industrial Supplies; Instock Disposables; Scott Direct	Medium	Outwith Fife
				DPS - Supply of PPE and Cleaning/sanitising products during COVID-19 pandemic only (award)	Open	Fife

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School Taxi/Minibus Dynamic Purchasing System (DPS)	Restricted	Fife	£ 39,650,000	Various	Various	Various
School Taxi/Minibus Framework	Open	Fife	£ 5,000,000	Various	Various	Various
Insurance - Property Insurance (extension)	Modification	Fife	£ 4,167,078	Zurich Municipal	Large	Outwith Fife
Insurance - Motor Insurance, Airside, PA & Travel and Engineering Inspection (extension)			£ 2,283,705	Risk Management Partners	Medium	Outwith Fife
Insurance - Fine Art Insurance (extension)			£ 60,072	Axa Art	Medium	Outwith Fife
Liabilities and Miscellaneous Insurance (extension)	Open	Fife	£ 4,558,950	Risk Management Partners Ltd	Medium	Outwith Fife
			£ 83,111	Zurich Municipal	Large	Outwith Fife

Note 1 - Size Definitions: Sole Trader (self-employed individual); Micro (<10 employees); Small (10-49 employees); Medium (50-249 employees);

Note 2 - Locality Definitions: Local - Fife Supplier (base within Fife); Part Local (have depot/staff within Fife but organisation not based within Fife); outwith Fife (all business activity outwith Fife)

APR Reporting Category	Contract Description	Benefit Description	Committed Units (where provided)	Committed Value (where provided)
Jobs (Priority Groups)	South Fife Local Bus Framework	New driver	2	£ -
	Affordable Housing, Monksmoss, Ladybank	Jobs created on Construction Sites - 6	6	£ -
	Levenmouth Contract (AMEY) in 2019 via 0616 Engineering Consultancy	New F/T Employees	0.25	£ -
	Pitched Roof Repairs Framework/Minor Builders Framework	Local Staff Employment (continued)	34	£ -
	Children's Residential Care and Education	New part-time employee	384	£ 1,318
	Fostering & Continuing Care	Approved 7 new carer households in Fife	7	£ -
	Groceries and Provisions	Maintained F/T employees		£ -
	Frozen Foods	Maintained F/T employees		£ -
	0815 Domestic Furniture and Furnishings	New F/T employees	3	£ 82,992
	Madras College Project	SFT1/2/3 %/No of Local Direct Employees (FTE) employed/hired or retained and local jobs advertised	73	£ 85,098
	Early Years Nursery Project (Rosyth, Lochgelly, Halbeath, Pitcorthie)	Jobs created - New Entrants	10	£ -
	Scotland Excel Domestic Furniture and Furnishings	Employment		£ 88,400
Appreticeships (Priority Groups)	Affordable Housing, Monksmoss, Ladybank	Apprenticeship Starts and Existing Apprenticeship - 4	4	£ -
	Scotland Excel Grounds Maintenance Equipment	New apprentices		£ -
	Glazing Works Framework	Ongoing Apprenticeship Training (1 staff member)		£ -
	Electrical Rewires Framework	Electrical Apprenticeships	1	£ 20,000

APR Reporting Category	Contract Description	Benefit Description	Committed Units (where provided)	Committed Value (where provided)
Appreticeships (Priority Groups)	Madras College Project	SFT20 No of weeks of appreticeships on contract that have either been completed	105	£ 21,777
Appreticeships (Priority Groups)	Alan McLure Care Home (Balbirnie Road, Glenrothes)	Appreticeship Starts and Exiting Appreticeship - 3	3	£ -
	Affordable Housing - Cullen Drive, Glenrothes	Appreticeship Starts and Exiting Appreticeship - 15	15	£ -
	North Fife Local Bus Framework	Appreticeship	6	£ -
	Pitched Roof Repairs Framework/Minor Builders Framework	Enrolled a member of staff in Modern Appreticeship for Business Management and Continued support for apprentice Joiner from 3rd to 4 year (No cost for the course - salary only)	2	£ -
Work Placements (Priority Groups)	Children's Residential Care and Education	2 x Student Placements	2	£ -
	Madras College Project	SFT13 N0. of weeks spent on meaningful work placements or pre - employment courses	21	£ 3,639
	Early Years Nursery Project (Rosyth, Lochgelly, Halbeath, Pitcorthie)	Work Placements in Education and Non Education - Persons	8	£ -
	Alan McLure Care Home (Balbirnie Road, Glenrothes)	Work Placement (16 years plus) - 3	3	£ -
	Affordable Housing - Cullen Drive, Glenrothes	Work Placement (16 years plus) - 10	10	£ -
	Scotland Excel Domestic Furniture and Furnishings	School placements	Hours	£ 7,544

APR Reporting Category	Contract Description	Benefit Description	Committed Units (where provided)	Committed Value (where provided)
Qualifications Achieved through Training (Priority Groups)	Affordable Housing, Monskmoss, Ladybank and Cullen Drive, Glenrothes	Construction Curriculum Support activities	9	£ -
	Supply and Installation of UPVC Windows and Doors	SVQ LEVEL 3 - Production of glass and supporting fabrication		£ -
	Groceries and Provisions	Accredited training to employees (including new-starts)		£ -
	Madras College Project	SFT10/11 No. of hours dedicated to support young people into work and No of Graduate Employment opportunities on contract	134	£ 15,074
	Alan McLure Care Home (Balbirnie Road, Glenrothes)	Construction Curriculum Support activities - 3	3	£ -
Other - Skills and Training	Provision of Exhibition Services	Short term work placement		£ -
Other - Social Value Rebate	North Fife Local Bus Framework	Fares Freeze, Free Travel for Young Carers, Back on Board Scheme - 50% discount on tickets for job seekers		£ 7,000
Other - Social Value Rebate	Uplift and Disposal of IT Equipment	Cheque to a local Fife Charity (Dunfermline Foodbank)		£ 1,350
Other - Social Value Rebate	Replacement Library Buses	Donation to Fife Gingerbread		£ 300
Other - Social Value Rebate	Purchase and Supply of Wheelchair Accessible Minibuses	Donation to The Cottage Family Centre		£ 300
Other - Social Value Rebate	North Fife Local Bus Framework	Free travel for NHS Staff, Introduction of family tickets at weekends and school holidays - 2 children travel free with one adult, Free travel for school trips along the 64 service route		£ -

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Other - Social Value Rebate	Accredited Qualification for Health & Social Care	<ul style="list-style-type: none"> <li>◦Ongoing guidance and support to employers in understanding how they could support their apprentices and use furlough scheme effectively</li> <li>◦The College delivered nearly 300 devices to students in order to support remote learning during the pandemic</li> <li>◦Fife College donated thousands of Personal Protective Equipment items to local health and social care providers to support efforts against the pandemic</li> <li>◦The College modified engineering labs at its Glenrothes Campus to manufacture over 1,000 safety visors to support the fight against COVID-19</li> <li>◦Visors, created using 3D printers, were donated to organisations including the NHS, Fife Council, Forth View Practice in Bo'ness and the St. Clair Veterinary Group in Kirkcaldy.</li> <li>◦Access to communal space for local community to meet (pre-COVID)</li> <li>◦Subsidised evening meals provided in training restaurants on weekly basis.</li> </ul>		£ 3,000
Other - Social Value Rebate	Supply & Delivery of Medical Aids	Cheque to local Fife charity (Glenrothes Foodbank) and Donation to the Friends of Pittencreeff Park, Dunfermline towards replacing timber play furniture that was vandalised recently.	750.00	£ 500
Other - Social Value Rebate	Uplift and Disposal of IT Equipment	Cheque to local Fife Charity (Leslie Community Pantry/Youth 1st)		£ 510
Other - Social Value Rebate	Supply & Delivery of Medical Aids	BACS Transfer to Glenrothes Foodbank		£ 100

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Other - Social Value Rebate	Scotland Excel Grounds Maintenance Equipment	Donation to local YMCA, local hospital charity, local round table organisation, Loan of tractor to local junior club for 2 months		£ 932
Other - Social Value Rebate	Hire of mobile plant and development works at Lochhead Landfill Site	Sponsorship of Howe of Fife rugby team, Fife Elite, Spartans gymnastics and Annual donation to Circus Starr who provide show tickets to kids local to where the donation comes from. Last year Fife Young Carers		£ 5,750
Other - Social Value Rebate	Hire of Equipment, Plant & Vehicles	Loan of scaffolding at Erskine Building in Dunfermline for Andy's man club		£ -
Other - Social Value Rebate	Glazing Works Framework	Donation of Portals to Leven Social Work Dept (June 2020)		£ -
Other - Social Value Rebate	Pitched Roof Repairs Framework/Minor Builders Framework	Sponsorship of Kennoway Star of Hearts Football Team		£ 790
Other - Social Value Rebate	Pitched Roof Repairs Framework/Minor Builders Framework	Carried out fundraising and made donation to Cottage Centre and Levenmouth Foodbank		£ 1,980
Other - Social Value Rebate	Glazing Works Framework	Staff Volunteer for Kirkclady Air Cadets, Monthly £100 cash donation to Kirkcaldy Foodbank, Labour charge donated FOC to Levenmouth Clinic during Lockdown re installation of COVID screens (staff worked in own time)	12	£ 1,200
Other - Social Value Rebate	Fostering & Continuing Care	Defib machine installed in our Glenelvan House office, Dunfermline available to the local community for use and Staff knitted 50 squares and donated these to the East Fife Pod to make blankets for homeless people.	1	£ -

APR Reporting Category	Contract Description	Benefit Description	Committed Units (where provided)	Committed Value (where provided)
Other - Social Value Rebate	Electrical Rewires Framework	Supply of Material and Labour Marwood House upgrade, Easter Donation, Gardening Awards, Kennoway Star Hearts sponsorship, Kirkcaldy Golf Club - Restoration works, Fife Business Awards support/backing, Electrical Works and Materials	7	£ 9,750
Other - Social Value Rebate	Supply and Installation of UPVC Windows and Doors	Christmas hampers to over 600 families in the Fife are via The Cottage Foundation, 1400 childrens shristmas gifts distributed througout the Fife community. Use of vans for distributing hampers and gifts		£ -
Other - Social Value Rebate	1219 Groceries & Provisions	Charity donations/initiatives - Frontline Fife - homelessness services via Just Giving, Charity donations/initiatives - Frontline Fife - homelessness services via Bank Transfer, Charity donations/initiatives - Donation of Snacks, drinks, Toilet Tissue to SHIELD. (SHIELD are a self funded group relying on food and financial donations from the public), Charity donations/initiatives - Donation of Snacks, drinks, Toilet Tissue to SHIELD. (SHIELD are a self funded group relying on food and financial donations from the public) Donation of Snacks		£ 904
Other - Social Value Rebate	0916 Education Materials	Equipment/Product Donations: stationery and curriculum resources following school fire and working with bodies such as the Youth Music Initive, Scottish Band Association, Pipe band Groups, Traditional Scottish music societies, Rock and Pop "Battle of The Bands", local music societies and the "Big Noise" projects.		£ 2,050
Other - Social Value Rebate	1218 Janitorial Products	Sponsorship		£ 3,000



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Other - Social Value Rebate	Internal & External Painting and Plastering	The Cottage Family Centre - Christmas Appeal - Volunteers (7), Loan of vans (4), Financial Donation, Mural painted on the Nursery wall £360 Labour, £180 paint, £30 materials, Community food parcels. We helped the charity shop for food, pack the parcel and supported their deliveries.		£ 3,710
Other - Social Value Rebate	Early Years Nursery Project (Rosyth, Lochgelly, Halbeath, Pitcorthie)	Donation of a Community Project (Helping Hands) garden at Lochgelly Town Hall	1	£ 8,000
Other - Social Value Rebate	North Fife Local Bus Framework	Student ticket introduced - third off all fares		£ -
Other - Social Value Rebate	Electrical Testing - Public Buildings (PA Testing)	Electrical Works minus material costs (Materials provided FOC) and Donation of Selection Boxes to Fife Foodbank		£ -
Other - Social Value Rebate	Donation from Amazon	Donation of goods		£ 30,000
Other - Social Value Rebate	Children's Residential Care and Education	Community Project - tidy up of an area of the station and sensory garden.	6	£ -
Other - Social Value Rebate	Pitteuchar East Nursery Extension	Purchase of Sanitaryware through Local Supply Chain (Grahams)		£ 6,500
Other - SME and Third Sector	Electrical Rewires Framework	Local Procurement (various Fife based suppliers)	1	£ 3,500,000
Other - SME and Third Sector	Groceries and Provisions	Provision/ Facilitation of supply chain development activities		£ -

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Other - SME and Third Sector	Early Years Nursery Project (Rosyth, Lochgelly, Halbeath, Pitcorthie)	Proportion of total new project work delivered by local residents - Number of the total workforce for all TIER 1 construction partners employed in the delivery of the project that reside within the participants area (Total Employed - 518, Total Employed Locally - 263) - Number of Workpackages with at least one Territory based SME (Small and Medium Enterprise - Org with less than 250 employees, Local is based within the East Central Hub Territory) No of workpackages issued - 38, number of work packages with at least 1 territory based SME - 30 - Proportion of Project work delivered by SMEs (total value of work awarded - £7,736,028, based in Hub Territory - £3,029,162, based in Scotland - £1,673,235	294	£ 3,034,563
Other - SME and Third Sector	Madras College Project	SFT30/31 Value of work awarded to Local MSMEs,% of contracts awarded to MSMEs (Scottish and Territory),	41.00	£ 156,881
Other - Skills and Training	Madras College Project	SFT32 No of employees on the contract that have been provided wellbeing programmes	3	£ 373
Other - Skills and Training	Provision of Banking Services	Two School or College site visits per year or participating in Schools or College career days, Carry out a workshop in a School or Community Centre in Fife linked to curriculum for excellence, Working with external training providers to highlight career opportunities and run training and skills courses.		£ 50

APR Reporting Category	Contract Description	Benefit Description	Committed Units (where provided)	Committed Value (where provided)
Other - Skills and Training	Accredited Qualification for Health & Social Care	<p>We deliver SVQs across Fife and have included developing digital literacy at no additional cost, boosting their digital skills for use across a range of life tasks.</p> <p>We have created an upskilling 2020 pathway enabling SVQ care candidates the opportunity to progress by using funding at no cost to the learner. Some learners in Fife have taken advantage of this opportunity.</p> <p>We train and support 2500 Children's Panel members across Scotland including Fife. These volunteers give back to their community by helping and supporting young people through challenging times and situations, enabling them to make choices which support them towards positive destinations.</p>		
Other - Skills and Training	Madras College Project	SFT17/18 No. of Site Visits and training opportunities (no of weeks) created on contract for School Children, colleges or local residents	17	£ 4,199
Other - Skills and Training	Early Years Nursery Project (Rosyth, Lochgelly, Halbeath, Pitcorthie)	CCIAG Events, Training Weeks on Site - Apprenticeships, New Entrants, Industry Certification Gained - Main Contractor, Sub Contractor	1593	£ -
Other - Environmental & Ethical	Supply and Installation of UPVC Windows and Doors	100% of waste produced at Hayfield is diverted from Landfill, Diversion of waste from landfill provides a benefit of £107,076 (Figure developed using disposal costs and landfill tax cost from April 2020), Diversion of waste from landfill prevents 62,400kg of CO2e being created, with only 2500kg of CO2e produced when recycled		£ 107,076

Description	Anticipated Type of Procurement	Anticipated Commencement of Procurement Activity	Anticipated Total Value (where known)
Supply of Roadstone Materials	Fife Council tender	early 22	£ 3,000,000
Supply of Glass	Fife Council tender	Early 22	£ 143,400
Supply of Plumbing Materials	Scotland Excel - call-off	2021	£ 1,642,260
Supply of Gas Spares	Scotland Excel - call-off	2021	£ 894,933
Servicing of Asbestos Team Vacuums	Fife Council tender	TBC	£ 40,000
Supply of Timber Fencing	Scotland Excel - call-off	2022	£ 40,000
Fire Protection Equipment	Scotland Excel - call-off	2022	£ 200,000
Bathroom Component Replacement	Scotland Excel - call-off	early 22	£ 200,000
Tourism Signage - Forth Bridges Area	Fife Council tender	late 21	£ 295,000
Supply of Electrical Materials	Scotland Excel - call-off	late 21	£ 9,000,000
Supply of Paint and Paint Sundries	Scotland Excel - call-off	late 22	£ 261,664
Supply of Ironmongery	Scotland Excel - call-off	late 22	£ 2,000,000
Supply of Road Maintenance Materials	Scotland Excel - call-off	late 22	£ 290,000
Supply & Delivery of Bagged Salt	Scotland Excel - call-off	early 22	£ 91,000
Supply & Delivery of Unbagged Salt	Scotland Excel - call-off	early 22	£ 3,100,000
Supply of Kitchens	Scotland Excel - call-off	early 22	£ 3,160,000
Supply of Street Lighting Materials	Scotland Excel - call-off	early 22	£ 1,026,816
Decorators Vouchers	Scotland Excel - call-off	early 22	£ 300,000
Supply of Roofing Materials	Scotland Excel - call-off	early 23	£ 2,000,000
Supply of Building Materials	Scotland Excel - call-off	early 23	£ 700,000
Supply of Timber & Sheet Materials	Scotland Excel - call-off	early 23	£ 697,000
Supply of Timber Doors	Scotland Excel - call-off	early 23	£ 230,000
Supply of Wet Wall Panels	Scotland Excel - call-off	early 23	£ 205,296
Security Screen and Remote Alarm Service	Fife Council tender	early 22	£ 225,000
Timber Preservation & Woodrot Framework	Fife Council tender	early 22	£ 4,000,000
Artificial Pitches Education & Leisure Centres	Fife Council tender	Early 22	£ 400,000
Timber Panel Framework	Fife Council tender	late 21	£ 4,500,000
Grass Sports Pitch Maintenance	Fife Council tender	2022	£ 240,000
Civil & Structural Engineering Framework	Fife Council tender	2022	£ 420,000
Employers Agent Affordable Housing	To be determined	late 21	£ 1,200,000
MUGA Line Painting across Fife	Scotland Excel - call-off	late 21	£ 50,000
Playpark Inspections - Fife wide	Scotland Excel - call-off	Late 21	£ 90,000
Servicing of Heat Recovery Units	Fife Council tender	Late 21	£ 160,000
Replacement Bathrooms & Showers to Domestic Properties	Fife Council tender	Early 22	£ 5,600,000
Civil and Structural Engineering Consultancy	Fife Council tender		£ 600,000
Flooring Framework	Fife Council tender	late 21	£ 3,440,000
Adam Smith Refurb Phase 3 - Joinery Works	Fife Council tender	Nov-21	£ 650,000
Adam Smith Refurb Phase 3 - Mechanical & Heating Works	Fife Council tender	Nov-21	£ 650,000
Glenrothes Golf Course - Create New Hub (mixed new build/refurb)	To be determined	Mar-22	£ 650,000
Lochore Meadows - Play Park Experience Project (CS7601828)	Fife Council tender	Nov-21	£ 900,000

Description	Anticipated Type of Procurement	Anticipated Commencement of Procurement Activity	Anticipated Total Value (where known)
Internal Wall Insulation to properties in Levenmouth	Scotland Excel - call-off	Early 22	£ 348,000
Air Source Heat Pumps	Scotland Excel - call-off	Early 22	£ 330,000
PV and Battery Storage	Scotland Excel - call-off	Early 22	£ 400,000
External Wall Insulation to properties in Glenrothes	Scotland Excel - call-off	Early 22	£ 500,000
Fire Suppression framework	Fife Council tender	Mid 22	£ 1,000,000
Milk Bar Fridge Hire and Accessories	Fife Council tender	Early 22	£ 66,000
Transcription/Translation/Interpretation	Collaborative with CEC/Fife Council Tender	late 21	£ 640,000
Provision of Frozen Foods	Scotland Excel - call-off	Early 22	£ 7,200,000
Provision of pre-packed Cakes and Biscuit products at coffee Kiosks	Fife Council tender	late 21	£ 700,000
Cleaning Equipment	Scotland Excel - call-off	Early 22	
Provision of Treasury Support	CCS Call off	01/01/2022	£ 158,000
Provision of a funeral and undertaking service	Fife Council tender	01/01/2022	£ 428,000
Cash in Transit Services	Scotland Excel - call-off	Early 22	£ 64,000
General Office Stationery and Equipment	Scottish Procurement - call-off	Early 22	£ 1,200,000
Refurbishment, maintenance and hygienic cleaning of medical aids	Fife Council tender	01/04/2022	£ 1,400,000
Agency Staff - Social Care/professional/Manual	Scotland Excel - call-off	late 22	£ 6,800,000
Library books & Text Books	Scotland Excel - call-off	01/02/2022	£ 480,000
Repair & Maintenance of Swimming Pool Equipment	Fife Council tender	01/07/2022	£ 1,300,000
Digital Publications and Services	Scottish Government	Early 22	£ 80,000
Provision of Business Travel Services	Fife Council tender/CCS Call off	20/08/2022	£ 10,000
Fresh Meats, Cooked Meats and Fresh Fish	Scotland Excel - call-off	01/04/2022	£ 2,000,000
Supply of Fresh fish to group homes and Commercial premises	Fife Council tender	01/01/2022	£ 170,000
Provision of domestic whitegoods for commercial premises	Scotland Excel - call-off	01/04/2022	£ 200,000
Fruit and vegetables	Scotland Excel - call-off	01/04/2022	£ 1,500,000
Community Meals	Scotland Excel - call-off	01/09/2022	£ 1,300,000
Pre Loaded financial cards	Crown Commercial Services - call-off	01/06/2023	£ 32,640,000
Provision of Window Cleaning Services	Fife Council tender	01/04/2022	£ 60,000
The Purchase, Supply & Installation of Bed Pan Washers with 3 year Fully Inclusive Maintenance	Fife Council tender	30/09/2022	£ 26,000
Promotional Items	Fife Council tender	01/04/2022	
Framework agreement for consultancy	Fife Council tender	Late 21	£ 3,500,000
Vehicle Steam Cleaning	Fife Council tender	Early 22	£ 500,000
Janitorial Products	Scotland Excel - call-off	Early 22	£ 1,000,000

Description	Anticipated Type of Procurement	Anticipated Commencement of Procurement Activity	Anticipated Total Value (where known)
Vending Services (Fife Sports & Leisure Trust)	Fife Council tender/Scotland Excel Call off	Mid 22	
Payment Services	Procurement For Housing call off	01/12/2022	£ 500,000
Supply of coffee and coffee related products	Scotland Excel - call-off	01/10/2022	£ 880,000
Cleaning of bins, bin chutes and bin storage areas	Fife Council tender	01/08/2023	£ 320,000
Cash collection from car parks	Scotland Excel - call-off	Early 22	£ 50,000
Liabilities and Miscellaneous Insurance	Fife Council tender	01/04/2024	£ 6,000,000
Insurance Contracts	Fife Council tender	01/04/2023	£ 10,000,000
Insurance and Risk Management Advisory Services	Fife Council tender	01/10/2022	£ 55,000
Fife Cultural Trust Insurances	Fife Council tender	01/10/2022	
Merchant Services	CCS Call off	01/05/2022	£ 120,000
Water Quality Testing	Fife Council tender	01/04/2023	£ 64,000
Provision of Operating System 4DX	Fife Council call off DPS	Mid 22	£ 360,000
Security Shredding Service	Fife Council tender	Mid 22	£ 50,000
Medicals for Taxi Drivers	Fife Council tender	01/01/2022	£ 36,000
Health & Safety Compliance Service	Fife Council tender	Early 22	£ 112,000
Improving the Cancer Journey	Fife Council tender	01/05/2022	£ 77,000
Heavy Duty Laundry Equipment inc. R&M	Fife Council tender	01/02/2023	£ 540,000
CEC Management qualification (ILM)	Fife Council call off DPS	01/11/2022	£ 80,000
Washroom Solutions	Scotland Excel - call-off	01/10/2022	£ 360,000
Housing Customer Satisfaction Survey	Fife Council tender	01/10/2022	£ 50,000
Specialised Paper	Fife Council tender	01/02/2022	£ 680,000
Supply of Memorial Plaques and Path Kerbers	Fife Council tender	07/06/2022	£ 88,000
Supply of Children's clothing	Fife Council tender	New	
Resale of Sporting Goods for Fife Sports Leisure Facilities	Fife Council tender	01/08/2022	£ 290,000
Provision of a Removals and Storage Service	Fife Council tender	01/06/2022	£ 450,000
Swimming Pool Chemicals	Scotland Excel - call-off	01/02/2023	£ 312,000
Care Home Furniture and furnishings	Fife Council tender	01/03/2022	
Custodian /performance	City of Edinburgh Council - call-off	01/03/2022	
Insurance for unoccupied buildings and FRS landfill sites	Fife Council tender	01/03/2022	£ 1,095,319
Actuarial Service	Fife Council tender	01/04/2022	£ 300,000
Supply of Medical Aids for health professionals to Fife Council Community Equipment Stores	Fife Council tender	01/10/2022	£ 6,600,000
Supply and installation of blinds	Fife Council tender	01/02/2022	£ 420,000
Rating and Valuations	Fife Council tender	01/04/2022	£ 158,000
Single person discount	Fife Council tender	01/11/2024	£ 106,000
Provision of PPE and Workwear	Scotland Excel - call-off	01/07/2022	£ 250,000
Purchasing Cards	CCS Call off	01/02/2023	

Description	Anticipated Type of Procurement	Anticipated Commencement of Procurement Activity	Anticipated Total Value (where known)
Provision of Social Workers	Scotland Excel - call-off	01/04/2022	£ 1,200,000
Supply and Maintenance of Roller Boards, Dry Wipe Boards and Notice Boards	Fife Council tender	01/11/2023	£ 150,000
Temporary & Interim Staff Services	Scottish Procurement - call-off	05/12/2023	£ 1,100,000
Provision of Tipping Service	Fife Council tender	Early 2022	£ 130,000
Transportation of Leachate	Fife Council tender	TBC	
Supply of Trees, Plants and Shrubs	Fife Council tender	Early 2022	£ 755,856
Supply of Horticultural Materials	Fife Council tender	Late 2021	£ 267,004
Recycle and Refuse Containers	Scotland Excel - call-off	Early 2022	
Glass Waste Recycling Provision	Fife Council tender	Late 2022	
Fuel Cards	Crown Commercial Services - call-off	Early 2022	£ 360,000
Vehicle Recovery Service	Fife Council tender	TBC	£ 185,000
Electric Vehicle Charging Infrastructure	Scotland Excel - call-off	Late 2021	
Vehicle and Plant Hire	Scotland Excel - call-off	Late 2021	
Supply of Tyres	Scotland Excel - call-off	Late 2021	£ 1,500,000
Supply of Heavy Vehicles and Plant	Scotland Excel - call-off	Late 2021	
Vehicles Conversions	Fife Council tender	Early 2022	£ 1,200,000
Hire of equipment, plant and vehicles	Fife Council tender	Early 2022	£ 4,640,000
Coachwork Repair Services	Fife Council tender	Early 2022	£ 840,000
National Care Home Contract	Scotland Excel - call-off	01/04/2022	£ 221,947,980
Free Personal Care	Fife Council tender	01/04/2022	£ 9,430,884
Free Personal Care - External	Fife Council tender	01/04/2022	£ 745,775
Care & Support at Home for Adults & Older People	Fife Council tender	01/11/2022	£ 180,000,000
Children's Residential Care & Education Services	Scotland Excel - call-off	01/12/2021	£ 9,000,000
Advocacy	Fife Council tender	01/11/2022	£ 1,377,487
Youth Offender Service	Fife Council tender	01/11/2022	£ 975,000
Care Homes for Adults with LD	Scotland Excel - call-off	01/03/2023	
Care Homes for Adults	Fife Council tender	Mid 2022	
C29 Site Sampling	Fife Council tender	TBC	
C9 Reinstatement of carriageways	Fife Council tender	Late 2021	£ 2,200,000
Harbour and Bridge Maintenance	Fife Council tender	TBC	
Secure Care Transport Framework	Fife Council tender	01/03/2022	£ 80,000
Bus & Coach DPS: North Fife School Bus Services	Fife Council tender	01/09/2022	
Bus & Coach DPS: North Fife Local Bus Services	Fife Council tender	01/09/2022	
Bus & Coach DPS: South Fife Local Services	Fife Council tender	01/01/2023	
Bus & Coach DPS: South Fife School Services	Fife Council tender	01/01/2023	
Social Work Taxis Framework	Fife Council tender	01/01/2023	
Bus & Coach DPS: Adhoc Bus & Coach Hires	Fife Council tender	ongoing	
Education Taxi & Minibus DPS: Home-to-School/School Meals/After-school Clubs	Fife Council tender	ongoing	
Heat Metering and Billing Services Framework	Fife Council tender	01/08/2022	

Description	Anticipated Type of Procurement	Anticipated Commencement of Procurement Activity	Anticipated Total Value (where known)
Commercial Meter Supply and Maintenance Framework	Fife Council tender	01/08/2022	
Supply and Installation of Batteries and Solar PV	Fife Council tender	01/06/2022	
Dynamic Maturational Model of Adult Attachment	Fife Council call off DPS	01/05/2024	£ 5,000
Dyadic Developmental Practice consultation work	Fife Council call off DPS	01/05/2024	£ 5,000
Performance & Care Excellence	Fife Council call off DPS	01/04/2024	£ 5,000
Assessing Children who present with Sexual Abuse Supporting Children & Young People: Management & Risk reduction approach (MARRS).	Fife Council call off DPS	01/04/2024	£ 5,000
Sexual Abuse Supporting Children & Young People: Foster Carers Sexual Abuse Training.	Fife Council call off DPS	01/04/2024	£ 5,000
Professional Development Award (PDA) in Housing Law Advice	Fife Council call off DPS	01/04/2024	£ 5,000
Business Support for Kirkcaldy Business Incubator and Dunfermline Business Centre	Fife Council tender	23/11/2023	£ 135,000
Business Support for Fife Renewables Innovation Centre	Fife Council tender	23/11/2023	£ 84,000
Provision of Physiotherapy Service	Fife Council tender	01/04/2022	£ 120,000
Provision of a Counselling Service	Fife Council tender	01/04/2022	£ 90,000
Provision of an Occupational Health Service	CCS Call off	01/04/2022	£ 250,000
Independent Professional Observer	Fife Council tender	01/09/2023	£ 88,000
Sheriff Officer/Debt Collection	Scotland Excel - call-off	01/04/2024	£ 287,000
Servicing & Repair of Warden Call Equipment	Fife Council tender	01/12/2023	£ 250,000
Groceries and provisions	Scotland Excel - call-off	01/05/2024	£ 4,500,000
Banking Services	CCS Call off	01/04/2024	£ 720,000
Accredited Qualifications for Health & Social Care	Fife Council call off DPS	01/09/2022	£ 350,000
Adobe AAG ETLA 3 Year Subscription	Route to be determined	Mid-23	£ 90,000
Articulate 360	Route to be determined	Mid 22	£ 30,000
Auto Desk Subscription	Route to be determined	19/03/2022	£ 200,000
Blue Badges	Route to be determined	31/12/2022	£ 36,000
Cashless Catering & Online Payments	Framework call-off	31/01/2022	£ 415,000
Chorus Alto (Library Management System)	Route to be determined	Mid-23	£ 200,000
Clearswift SECURE Email Gateway Subscription	Route to be determined	30/06/2022	£ 150,000
Cloud Based Payments Service	Route to be determined	Mid 23	£ 181,000
Community Benefits - Cenefits System	Route to be determined	01/02/2022	£ 2,000
Commvault - Commvault licenses	Framework call-off	early 2022	£ 150,000
Corporate Information Request System - AXLR8.com	Route to be determined	Mid 22	£ 30,000
Employee App	Route to be determined	Mid 22	£ 200,000
Excel4Apps	Route to be determined	early 22	£ 75,000
Fixed Telephony	Route to be determined	early 22	£ 50,000



Description	Anticipated Type of Procurement	Anticipated Commencement of Procurement Activity	Anticipated Total Value (where known)
IT Factoring System	Route to be determined	31/01/2023	£ 54,000
Lone and remote working solution with integrated alarm receiving centre	Route to be determined	31/03/2025	£ 1,800,000
Microsoft Campus Agreement	Route to be determined	Mid-23	£ 809,000
Microsoft Corporate Agreement	Route to be determined	Mid-22	£ 4,700,000
Voice & Core Network Support	Route to be determined	Mid-22	£ 1,750,000
Mobile Services	Route to be determined	Mid-23	£ 2,000,000
Accounting for Trusts	Fife Council tender	early 2022	£ 120,000
Inspection and Servicing of Flumes and Associated Structures	Fife Council tender	mid 2022	£ 90,000
Provision of Exhibition Services	Fife Council tender	01/01/2025	£ 120,000
Supply of First Aid Products	Scotland Excel - call-off	01/10/2022	£ 150,000
Provision of Printwork	Scottish Government	01/02/2024	£ 150,000
Sale of Properties	CCS Framework Call Off	mid 2022	£ 80,000
Supply and Delivery of building and timber materials (Education)	Scotland Excel - call-off	01/07/2023	£ 80,000
Modern Apprenticeship Training Delivery	Fife Council call off DPS	early 2022	£ 480,000
Foundation Apprenticeship	Fife Council call off DPS	early 2022	£ 300,000
Maintenance & Servicing of Electric Profiling Beds	Fife Council tender	Jul-22	£ 100,000
Social Work Qualification	Fife Council call off DPS	Mar-22	
Provision of Dilapidation Assessments and Negotiations	CCS Framework Call Off	mid 2022	£ 60,000
Provision of Educational Materials	Scotland Excel - call-off	early 2022	£ 1,400,000
Supply of Education and Office Furniture	Scotland Excel - call-off	early 2022	£ 512,000
Catering Sundries	Scotland Excel - call-off	early 2022	£ 480,000
Supply and Distribution of Milk and Associated products	Scotland Excel - call-off	early 2022	£ 320,000
Supply of Fresh Sandwiches	ESPO Call off	01/12/2023	£ 300,000
Meal Concepts	ESPO Call off	01/12/2023	£ 210,000
Provision of Consultancy Advice, Development & Land use Strategy	CCS Framework Call Off		
Property Assessment	CCS Framework Call Off		
Asset Valuation	CCS Framework Call Off		
Management of Agricultural & Seasonal Grazing	CCS Framework Call Off		
Land/property disposals	CCS Framework Call Off		
Estate agents	To be determined		
The Community Trade Hub Project	Fife Council call off DPS	01/12/2024	£ 11,000

**Note - this is indicative only and subject to continuous update. Some contracts have optional extensions which may be**

## Annual Procurement Report Template

[NOTE: reference to contract is also to be construed as meaning a framework agreement]

### 1. Organisation and report details

a) Contracting Authority Name	Fife Council
b) Period of the annual procurement report	1/4/20 – 31/3/21
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? (Yes / No)	Yes

### 2. Summary of Regulated Procurements Completed

a) Total number of regulated contracts awarded within the report period	78
b) Total value of regulated contracts awarded within the report period	£471.28m
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	401
i) how many of these unique suppliers are SMEs	381
ii) how many of these unique suppliers how many are Third sector bodies	8

### 3. Review of Regulated Procurements Compliance

a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	78
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	0

### 4. Community Benefit Requirements Summary

#### Use of Community Benefit Requirements in Procurement:

a) Total Number of regulated contracts awarded with a value of £4 million or greater.	13
b) Total Number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	3
c) Total Number of regulated contracts awarded with a value of less than £4 million that contain a Community Benefit Requirements	13

**Key Contract Information on community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period:**

d) Number of Jobs Filled by Priority Groups (Each contracting authority sets its own priority groups)	514.25
e) Number of Apprenticeships Filled by Priority Groups	136
f) Number of Work Placements for Priority Groups	44
g) Number of Qualifications Achieved Through Training by Priority Groups	146
h) Total Value of contracts sub-contracted to SMEs	£6,691,444
i) Total Value of contracts sub-contracted to Social Enterprises	N/A - FC does not record this (included in above figure)
j) Total Value of contracts sub-contracted to Supported Businesses	N/A - FC does not record this (included in above figure)
k) Other community benefit(s) fulfilled	£199,324

**5. Fair Work and the real Living Wage**

a) Number of regulated contracts awarded during the period that included a Fair Work criterion.	80
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period.	104
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	35
d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a regulated contract awarded during the period.	5

**6. Payment performance**

a) Number of valid invoices received during the reporting period.	267,652
b) Percentage of invoices paid on time during the period ("On time" means within the time period set out in the contract terms.)	95%
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains.	212
d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.	0

## 7. Supported Businesses Summary

a) Total number of regulated contracts awarded to supported businesses during the period	0
b) Total spend with supported businesses during the period covered by the report, including:	£176,456
i) spend within the reporting year on regulated contracts	£172,911
ii) spend within the reporting year on non-regulated contracts	£3,545

## 8. Spend and Savings Summary

a) Total procurement spend for the period covered by the annual procurement report.	£477.34m
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£226.03m
c) Total procurement spend with Third sector bodies during the period covered by the report.	£43.09m
d) Percentage of total procurement spend through collaborative contracts.	37%
e) Total targeted cash savings for the period covered by the annual procurement report	No target for individual year - £6m over 4 year period
i) targeted cash savings for Cat A contracts	N/A – FC does not break down like this
ii) targeted cash savings for Cat B contracts	N/A – FC does not break down like this
iii) targeted cash savings for Cat C contracts	N/A – FC does not break down like this
f) Total delivered cash savings for the period covered by the annual procurement report	£3.608m
i) delivered cash savings for Cat A contracts	N/A – FC does not break down like this
ii) delivered cash savings for Cat B contracts	N/A – FC does not break down like this
iii) delivered cash savings for Cat C contracts	N/A – FC does not break down like this
g) Total non-cash savings value for the period covered by the annual procurement report	£6.410m

## 9. Future regulated procurements

a) Total number of regulated procurements expected to commence in the next two financial years	212
b) Total estimated value of regulated procurements expected to commence in the next two financial years	£612.57m