

26th October 2023

Agenda Item No. 6

Enterprise and Environment Directorate: Business & Employability and Planning Services Performance Report

Report by: Gordon Mole, Head of Business and Employability and Pam Ewen,
Head of Planning Services

Wards Affected: All

Purpose

To present Enterprise and Environment Directorate, Business & Employability and Planning Services' Performance Scorecards for 2022/23.

Recommendation(s)

Members are asked to: -

1. Note the arrangements set out in **Section 1.0** to fulfil the Council's obligation to comply with Audit Scotland's 2021 SPI Direction.
2. Consider the Enterprise and Environment Directorate, Business and Employability, and Planning Services' performance information in **Section 2.0**, including current challenges/priorities and risks as set out in **Appendices 1 and 2**.

Resource Implications

None.

Legal & Risk Implications

There are legal requirements highlighted within this report, linked to a risk of regulatory intervention if the Council does not adhere to the standards and expectations set by Audit Scotland.

Impact Assessment

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

The Fairer Scotland Duty, which came into force on 1 April 2018, requires the Council to consider how it can reduce inequalities of outcome caused by socio-economic disadvantage when making strategic decisions. This performance report sets out progress against delivering economic actions that reduce inequalities in Fife.

The Head of Finance and Head of Legal and Democratic Services have been consulted on the contents of this report.

1.0 Background

- 1.1 Audit Scotland published an update on Statutory Performance Direction in December 2021. The Council is required to report a range of information setting out:
- i. Its performance in improving local public services, provided by both (i) the council itself and (ii) by the council in conjunction with its partners and communities;
 - ii. Its progress against the desired outcomes agreed with its partners and communities;
 - iii. Its performance in comparison (i) over time and (ii) with other similar bodies including information drawn down from LGBF in particular and from other benchmarking activities; and,
 - iv. Its assessment of how it is performing against its duty of Best Value, and how it plans to improve against this assessment.

Below is a link to the Directorate Statutory Performance Indicators (revised) published in December 2021: -

[spi_direction_2021.pdf](#)

- 1.2 Planning Services annually submit a Planning Performance Framework to Scottish Ministers which sets out the Planning Authorities' performance against a range of national indicators. Once feedback is received from Ministers, the Service reports to committee on that feedback and overall performance benchmarked across Scotland.
- 1.3 Each year Business and Employability submits data for a number of input, activity and output indicators to the Improvement Service for inclusion in the annual Scottish Local Authorities Economic Development (SLAED) Indicators Framework Report. This enables the Service to benchmark its performance in delivering economic development and employability activities against other Scottish local authorities. To mark the tenth anniversary of this report, an infographic (attached in Appendix 3) was produced showing the significant impact local authority economic development delivery has had.

2.0 Performance Reporting

- 2.1 Appendices 1 and 2 of this report are presented in the form of a balanced scorecard. A current snapshot of each Service's current challenges and priorities is given, including planned Change Plan Activities. The risks facing each Service in achieving its priorities are summarised and the performance against key Local Government Benchmarking Framework and Plan 4 Fife outcomes is examined.
- 2.2 Sections on Customer, Service Operations and Resources examine the performance of the Services against their KPIs during 2022/23.

Business and Employability Service

- 2.3 Delivering prosperity for Fife is at the core of service delivery for Business and Employability. With a new Fife Economic Strategy 2023-2030 setting out the priorities for the Service, the focus on delivering interventions at a Fife, regional and local levels to support businesses, improve business infrastructure and to increase skills, training and fair work will guide the future shaping of resources and delivery structures.
- 2.4 The activity, output and outcome performance indicators for monitoring both the Service's activities and the progress in delivering the new Fife Economic Strategy 2023-30 are to be reviewed and refreshed.
- 2.5 Fife's economy is subject to both internal and external factors, as set out in the Council's strategic risk register. Over the last 12 months, Fife's economic challenges have included global and national pressures, such as the continuing war in Europe, rising economic inactivity, high costs of living and doing business and attendant interest rate rises and low capacity within the working population, leading to constraints on recruitment for key sectors.
- 2.6 Within the service, capacity gaps have been identified around project management capabilities, and the service has recently recruited new project management roles for digital skills, together with a Project Management Modern apprenticeship. This move to balance demographics will be increasingly important with an ageing workforce.
- 2.7 Performance information for business support activities carried out by Business Gateway Fife are reported separately to this committee, and Community Wealth Building delivery actions are captured through regular reporting to Cabinet committee.

Planning Services

- 2.8 Planning Services report across two Scrutiny Committees, with Climate Change aspects reporting to the Environment, Transportation and Climate Change Scrutiny Committee.
- 2.9 Overall performance across Planning Services is positive, set against an increased workload and challenges in recruiting experienced professional staff. The performance indicators, whilst focused on the speed of decision making, reflect the increased workload and growing complexity in the assessment of planning applications, implementing National Planning Framework 4, and the new Local Development Plan requirements.
- 2.10 Customer feedback is sought, improvements identified and actioned. Regular liaison with groups of customers assists in identifying improvements.
- 2.11 The Service's workforce strategy has developed over recent years with a positive balance in the workforce in respect of age profile. This should have medium- and longer-term benefits in maintaining a skilled workforce. The Royal Town Planning Institute has undertaken research in recent years ('Resourcing the Planning Service', June 2021) which has highlighted challenges nationally. This was informed by a national study undertaken by Skills Development Scotland and partners ('Skills in Planning Research

Paper', February 2021). Workforce planning continues around developing skills, retention, and recruitment.

- 2.12 The risks and emerging risks are set out in Appendix 2 to the report and highlight the importance of planning to Fife's economy and in addressing Climate Change. Risks are monitored regularly, and mitigation identified.
- 2.13 Planning Services' more detailed performance reporting is undertaken annually through the Planning Performance Framework (PPF) as outlined in para 1.2 above. The latest and 12th version- 'Fife Planning Performance Framework 2022/23' - was submitted to Scottish Ministers in July 2023. Once Ministerial feedback is received a report will be presented to the committee.

3.0 Conclusion

- 3.1 This report highlights the key challenges, risks and performance in relation to the items that the Enterprise and Environment Directorate oversees. Overall, performance in both Business and Employability, and Planning Services is good, and the Services continue to make improvements.

List of Appendices

Appendix 1 – Business and Employability Service Performance

Appendix 2 – Planning Services Performance

Appendix 3 – SLAED Indicators Framework: 10 Year Trends (2012-2022)

Background Papers

Resourcing the Planning Service', June 2021

<https://www.rtpi.org.uk/research/2021/june/resourcing-the-planning-service-key-trends-and-findings-2021/>

Fife Planning Performance Framework 2022/23, July 2023

https://www.fife.gov.uk/_data/assets/pdf_file/0022/507316/Planning-Performance-Framework-2022-23.pdf

Scottish Local Authorities Economic Development Indicators Framework Report

2021-22 https://www.slaed.org.uk/_data/assets/pdf_file/0020/41483/SLAED-Indicators-Report-2021-22.pdf

Report Contacts: Gordon Mole and Pam Ewen

Author Name:

Gordon Mole, Head of Business and Employability Service

Pam Ewen, Head of Planning Services

Emails: gordon.mole@fife.gov.uk; pam.ewen@fife.gov.uk

BUSINESS & EMPLOYABILITY SERVICE

Current Challenges & Priorities

Current Challenges

- The number of jobs and businesses in Fife fell in both 2021 and 2022, and Fife's jobs density is lower than that for Scotland as a whole.
- Business investment in digitisation is below the Scottish average and many businesses are yet to achieve net zero emissions.
- Many of our industrial estates and properties need significant investment and there are gaps in digital and transport connectivity.
- Claimant rates in Levenmouth, Kirkcaldy and Cowdenbeath remain consistently higher than the rest of Fife.
- The changing dynamics of high street retail in our town centres continue to pose a significant challenge.

Priorities

The new Fife Economic Strategy 2023-30, which was approved by Cabinet Committee on 1 June 2023 and by the Fife Partnership Board on 17 August 2023, identifies three priorities where our service delivery will be focused over the next seven years:

- **Supporting businesses**
- **Investing in premises and infrastructure**
- **Delivering skills, training and fair employment.**

A fourth priority **Working in Collaboration and Partnership** details how the Strategy will be delivered.

Fife's Economic Strategy also commits the Service to taking a **Community Wealth Building** approach to maximise the local impacts of investment in projects and programmes and to making sure that its interventions support the council's commitment to **tackling climate change**.

Change Plan Activities

With the council's move to a place focus and the opportunities arising from Dunfermline's city status and the opening of the Levenmouth rail link, the Service will be at the centre of placemaking for our town and city centres. This place-based approach will see greater participation from communities, elected members and local decision-making supported by smart data and the development of investment prospectus content, linked to Local Community Plans, to commence with Dunfermline.

The Service will also build on the opportunities arising from the move to regional scale working, including delivery of the Regional Prosperity framework for Edinburgh & South East of Scotland and proposals to refresh the Regional Economic Strategy for the Tay Cities region. The regional partners in Edinburgh and South East Scotland seek to secure resources at a region level beyond existing government commitments for the projects to deliver improved prosperity. The move to regional collaborative working is anticipated to deliver long-term efficiency savings but in the short-term, greater resources will need to be moved to design, implement and deliver this new way of working.

We will also be working across new geographies and partnerships, with the designation of the Forth Green Freeport providing significant employment and investment opportunities, and the implementation of a new Opportunities Fife delivery framework, bringing together UK and Scottish Government funding for a cohesive delivery of employability activity across Fife. We will create new partnerships and alliances regionally, nationally and globally, building on existing European and North American links, and further developing our outward-facing investment offer.

The Service needs to demonstrate an intensification of innovation and inclusive growth activity to match Plan for Fife and regional ambitions. An underpinning Community Wealth Building approach to delivery is already producing change in recruitment practice and procurement but will require to be embedded in all activities as we develop Fife's Economic Strategy's Delivery Plans in the latter half of 2023.

Appendix 1 Business & Employability

Climate change adaptation is, for the first time, laid out in Fife's Economic Strategy 2023-2030 as a fundamental objective driving change, and the Service will need to upscale its approach to appraisal, adaptation and dispose of assets to meet climate objectives, running alongside the delivery of new, lower carbon business space across Fife. This will require capital and revenue funding, and the Service is utilising City Region Deal and UK Government funds to move forward at pace.

The next period will see significant input required from the Service into the Local Development Plan. In order to support this change, the Service will review its working relationships with other Services and partners. The Service will also need to digitally enable more of its processes.

With greater-than-ever time pressures, increased external scrutiny and new funding conditionality for the delivery of capital activity, effective capital management will be a major focus of activity in staff skills, governance, and stakeholder management. The Service is committed to reducing capital slippage and achieving at least 95% of profiled capital spend.

Our staff are our most important asset, and we will continue to develop their knowledge, skills and experience, with a particular focus on growing our young workforce, building on our need for training up a project management capability within teams.

RISKS/EMERGING RISKS

Since January 2023, the number and rate of young people (aged 16-24) in Fife claiming out-of-work benefits has steadily increased. This age group now has the highest claimant rate (4.3%) and in August was the only age group where the number of claimants was higher than a year ago. Scotland-wide figures for this age group show that the unemployment rate for 16-24 year olds increased between June 2022 and June 2023, while the employment rate decreased, and economic inactivity rate increased. Securing sustained positive destinations for our school leavers therefore remains a priority.

Historically low rates of unemployment and high rates of economic inactivity mean that Fife has a very tight labour market, with employers still reporting increasing numbers of hard-to-fill vacancies. Widening the talent pipeline through the Employability Pathway has become even more critical.

There is a risk that there will be a further reduction in the number of businesses and jobs as a result of the continuing high rates of inflation fuelling the persisting cost of living and cost of doing business crises. Whilst the rate of inflation fell in August 2023 for the third month in a row, the rate is still high (6.7%).

There are uncertainties in relation to the UK Government Levelling Up agenda and associated external funding streams beyond March 2025 when the current UK Shared Prosperity Funding (UKSPF) ends. It is still unclear what the long-term replacement is for former European funding streams. Approximately 40% of Business Gateway activity and 70% of staff costs for the delivery of the Council's employability programme is reliant on short-term external funding (for example No One Left Behind funding is for one year, UKSPF for two years) which constrains long-term strategic planning and workforce development.

Appendix 1 Business & Employability

KEY OUTCOMES (LGBF/P4F)					
Local Government Benchmarking Framework (LGBF) Outcome Measure	2018/19	2019/20	2020/21	2021/22	2021/22 Quartile Ranking
% of properties receiving superfast broadband in Fife	95.0%	95.6%	96.1%	96.2%	2nd
Proportion of the working age population earning less than the Real Living Wage in Fife	18.9%	14.9%	16.8%	12.3%	2nd
% of the working age (aged 16-64) population in Fife claiming out-of-work benefits (LGBF)	3.6%	3.8%	6.4%	4.9%	3rd
Land immediately available for employment purposes in Fife	4.6%	4.6%	5.7%	3.3%	Bottom
Key to Quartile Ranking - Top quartile - Ranked in top 1-8 of Scottish local authorities in Scotland; 2nd quartile - ranked 9-16, 3rd quartile - ranked 17-24; bottom quartile - ranked 25-32.					
P4F Outcome Measure	2018/19	2019/20	2020/21	2021/22	2022/23*
Employment Rate – Fife	74.1%	71.7%	71.3%	69.3%	74.1%
Unemployment Rate – Fife	3.9%	4.1%	4.8%	3.7%	3.9%
New businesses surviving at least 3 years in Fife	57.9%	60.3%	58.7%	55.5%	Available Nov
Total Visitor Numbers to Fife (All Visitors) (STEAM)	2.87m	2.80m	1.14m	1.75m	2.71m
Economic Impact of Tourism in Fife (All Visitors) (STEAM) – 2022 prices	£407.8m	£400.9m	£155.7m	£299.6m	£450.0m
Estimated number of full-time equivalent (FTE) jobs supported by Tourism in Fife (STEAM)	5,564	5,487	3,080	4,343	5,541
Median Weekly Workplace Earning – Fife	£520.30	£544.30	£558.80	£597.80	£573.50
Median Weekly Resident Earnings – Fife	£539.10	£564.40	£579.40	£610.60	£604.00
* RAG status shows progress against P4F Outcomes					

COMMENTARY ON KEY OUTCOMES

Employment/Unemployment/Claimant Count

- Fife's latest **employment rate** (for the 12 months to March 2023) is higher than it was prior to the Covid-19 pandemic, but lower than the Scottish rate (74.7%).
- Fife's **unemployment rate** rose slightly in 2022/23 after falling to a record low in 2021/22. An estimated 7,000 people were unemployed in Fife in the 12 months to March 2023. Whilst Fife's latest unemployment rate (3.9%) is higher than the rate for Scotland as a whole (3.5%), the gap is narrower than before the pandemic.
- After falling between April and October 2022, the **number of people claiming out-of-work benefits** in Fife increased between November 2022 and March 2023 although the average rate for 2022/23 (3.5%) was lower than prior to the pandemic (3.8%). The rate has subsequently fallen, and the latest (August 2023) claimant rate was 3.4% only 0.2 percentage points below the August 2023 Scottish rate (3.2%).

Fife's Business Base

- **Business survival rates** for 2019-2022 will be released in November. Early indications are that the number of businesses registered for VAT and/or PAYE in Fife fell again in 2023 for the third consecutive year. It is estimated that in March 2023 there were 920 or 9.3% fewer registered businesses in Fife than in March 2020; most of these were micro businesses employing fewer than 10 employees.
- The **amount of land that is immediately available for business use** increased slightly from 37.4ha in 2021 to 39.4ha in 2022 and the percentage immediately increased from 3.3% to 3.7%. The proportion of employment land in Fife that is deemed to be 'immediately available' is lower than in many other council areas. This is due to a range of factors including Fife's rurality and different interpretations of the definition.
- In January 2023, 96.6% of Fife's residential and business properties had **Superfast Broadband** (30Mbit/s or greater) coverage from fixed broadband. This is higher than the figure for Scotland as a whole (94%).

Tourism

- In 2022, Fife received **2.7m visitors** - 97% of the number of visitors in 2019 prior to the Pandemic's restrictions on travel
- Between 2020 and 2022, the **economic impact of tourism increased by 189% to £450m**, a higher value than prior to the Pandemic.

Earnings

- The **median weekly earnings of people living in Fife** in April 2022 (£604.00) was significantly lower than the figure for Scotland as a whole (£640.00) and lower than the year before (£610.60).
- The **median weekly earnings of people working in Fife** (£573.50) was also significantly lower than that for Scotland as a whole (£640.50) and lower than the year before.
- The **proportion of employee jobs in Fife with hourly pay below the Real Living Wage** fell between 2021 and 2022 to its lowest level -12.3% - although this rate is higher than the Scottish rate (9.0%). Figures for 2022/23 will be released in October.
- In the three months to July 2023, **UK wage growth outstripped inflation** for the first time in more than 18 months according to figures from the Office for National Statistics (ONS). Between May and July, annual growth in regular pay (excluding bonuses) was 7.8% compared to the same period last year, the highest regular annual growth rate since comparable records began in 2001.

CUSTOMER

Performance Indicator	2018/19	2019/20	2020/21	2021/22	2022/23	Q1 2023/24
New Business Start-ups supported by Business Gateway	550	615	518	603	503	143
Businesses supported by Council Economic Development activities – Fife	979	1,105	4,974	963	852	N/A
Number of businesses registered with the Supplier Development Programme	692	845	923	1,007	878	N/A
Number of businesses participating in Supplier Development Programme activities	139	74	55	53	98	N/A
Participants on employability programmes funded or operated by Fife Council	4,082	3,248	3,483	3,277	1,429	N/A
Number of people progressing from FC Funded/operated employability programmes into employment	1,158	865	457	1,455	858	N/A
Total number of Modern Apprenticeship starts in Fife	1,820	1,794	1,205	1,756	1,750	371

2022/23 ACTIVITY UPDATES

Support given to Businesses

- During 2022-23 Business Gateway Fife and Fife Council Economic Development provided advice, signposting and support to **over 500 start-up businesses** in Fife, the third highest number across all Scottish local authority areas. This support is estimated to have helped create 702 jobs and a projected turnover of £17.1m. Over 2,900 new and existing businesses in Fife received advisory support from Business Gateway Fife.
- This year, we are reporting a **smaller number of businesses supported by economic development activities** than in previous years due to the introduction of a new, more robust method of recording tourism-related support. All other instances of support increased in 2022/23, in particular the number of grants awarded, and the support given by the Trade Development Programme.
- The Economic Development Team successfully bid for £1.23m from Fife Council's allocation from the Scottish Government's Local Authority COVID Economic Recovery (LACER) fund to provide the **Net Zero Transition Fund**. This fund, delivered by Business Gateway Fife, provided non-repayable grants of up to £3,000 to 413 Fife SMEs to introduce measures to improve their energy efficiency.
- In 2022/23, the **Supplier Development Programme** helped 240 Fife businesses improve their tendering skills. 41.7% of Fife Council procurement contracts were awarded to Fife businesses in 2022/23, an increase of 2 percentage points on the previous year (39.7%).
- 2022/23 was the final year of the European Regional Development Fund (ERDF) funded **Business Competitiveness Programme**. Between April 2016 and March 2023, this programme brought in £1.5m of additional funding which was used to support Fife businesses through the provision of grants, specialist advice and other interventions.
- Delivery of business support services funded through the **UK Shared Prosperity Fund (UKSPF)** commenced in 2022/23 with the 'Fit For Defence' supplier development programme and the introduction of an all-age business start-up grant of up to £500. This activity will increase in 2023/24 as UKSPF fully replaces EU funding.

Employability Support

- In 2022/23, **1,429 people participated on employability activities** funded or operated by the council. This was fewer than in the previous year as 2022/23 was a transition year, with EU-funded projects winding down and new projects starting to get off the ground. Although activity was commissioned for the new No One Left Behind/Parental Employability Support Fund projects in April 2022, there was a delay in receiving a Grant Offer Letter and therefore having a confirmed allocation. This meant that new projects were asked to start with an indicative allocation with the view to upscaling once the allocation had been confirmed. As a result, not all projects were fully staffed and working to capacity until the second half of the year. In addition, newly-initiated projects can take time to see outputs and results as they are just starting to build relationships with clients and assess what help they need. In previous years, we had well-established projects that had been operating for several years and therefore had the benefit of existing relationships from working with clients over a longer period of time.
- UK Shared Prosperity Funding helped extend the **No One Left Behind** delivery priorities in 2022/23 based on need and performance of existing providers. The commissioning approach for 2023 -2025 was agreed by the Opportunities Fife Partnership, with Council approval in Quarter 1 2023/4.
- **60% of participants on Fife Council funded employability programmes went on to employment**, a much higher proportion than in previous years.
- The 20th **Fife Business Diversity Awards** took place in December 2022 recognising and celebrating the achievements of individuals, employers and employability providers in ensuring that people from all backgrounds are able to fulfil their work ambitions.
- The **total number of Modern Apprenticeship (MA) starts** in Fife fell very slightly (by 6 people or -0.5%) after significantly increasing the year before. 72.9% of Fife's MAs completed their training in 2022/23, a higher rate than in 2021/22 (72%). There were 371 MA starts in Q1 of 2023/24. This is 38% (+103) higher than the same point last year (268).
- The Employability Team supported **103 Modern Apprenticeships** across various Services within Fife Council and **146 Foundation Apprenticeships (FAs)** in the Education & Children's Services and Health & Social Care Directorates. Positive feedback was received from participants and school staff on the new one-year FA delivery model introduced in 2022/23 and this model is being continued in 2023/24.
- Funding from Fife Council's allocation from the Scottish Government's Local Authority COVID Economic Recovery (LACER) fund was used to help establish **Midfield Skills and Development Centre** in Kirkcaldy as a training hub for Mid-Fife, and work is ongoing to replicate this model in the West of Fife. An Open Day is planned for November to showcase the hub.
- The Service's **Culture of Enterprise (CoE)** initiative delivered a **Food, Drink, Hospitality and Tourism Takeover Event** in January 2023 in partnership with Fife College, Developing the Young Workforce Fife, the Royal Highland Education Trust, Springboard, Food from Fife and local businesses. The event, attended by one hundred S2 pupils, was designed to encourage more young people to consider a career within the tourism and hospitality sector.
- There were 92 downloads of the **CoE 'Race to Zero' game** (entrepreneurial and Net Zero skills video game); ten pupils from Bell Baxter High School completed a **heat pump construction project** which included a site visit to the University of St Andrews Guardbridge facility; and eight Fife schools won awards at the **Social Enterprise Academy Schools Awards**.

SERVICE OPERATIONS

Performance Indicator	2018/19	2019/20	2020/21	2021/22	2022/23
Jobs created and safeguarded through inward investment supported by Fife Council	5	0	50	1,539	186

2022/23 ACTIVITY UPDATES

InvestFife

- After an unusually slow period for **inward investment** between 2017/18 to 2020/21, there was a high volume of investments (including two large investments) in 2021/22, though a large proportion of projected job numbers related to the development/construction phases of both large projects (National Pride and Brockwell Energy) rather than permanent posts. In 2022/23 and 2023/24, there has been a return to steadier numbers of inward investments.

Business Property

- The Council's **Business Property Portfolio** provides around 400 business units in Fife which at 31 March 2023 were 87% let. New units are being developed in Levenmouth, Fife Interchange North, Kirkcaldy and Cowdenbeath.

Town Centres and Built Heritage Regeneration

- **Dunfermline** was awarded city status in May 2022 and the new Maygate Exchange in the city was opened in October 2022 with all five office units let.
- Work is ongoing with the **Inverkeithing** built heritage programme, with the refurbishment of the Town House progressing well.
- A Round 1 application was submitted to the National Lottery Heritage Fund and Historic Environment Scotland for the **Buckhaven** Area Heritage Regeneration Scheme.
- Work on **Kirkcaldy** Waterfront Phase 2 Improvements is underway with completion expected by autumn 2023. Approval to develop a business case for the demolition of Kirkcaldy multi-storey car parks has been secured.
- Eight town centre projects were taken forward with £2.75m of funding from the Scottish Government's **Place-Based Investment Fund**.
- **29 small businesses were awarded a grant** to make upgrades to their property.
- A package of support measures was provided to businesses in **Leven** High Street following fires and disruption caused by H100 roadworks and the Bawbee Bridge works.

Vacant and Derelict Land

- Fife continues to make effective use of funding from the **Scottish Government's Vacant and Derelict Land Fund (VDLF)** funding to support investment in infrastructure and place with around **15 projects** in progress. This is a ringfenced element of the local government budget settlement, as agreed between COSLA and the Scottish Government. Since 2015/16 Fife Council has been one of five local authorities to have access to the fund premised on a needs-based formula applied annually by the Scottish Government Statistical Unit. More information on how the fund is used can be found in the annual Fife Vacant and Derelict Land Audit Report which is published online.

Strategic Investment

- Following the award of **Forth Green Freeport Status** in January work started on developing the Outline Business Cases for six workstreams.
- Activities funded by Fife's allocation from the **UK Shared Prosperity Fund** were delayed due to the late approval of the Investment Plan in December 2022. The Council was able to draw down 49% or £1.006m. The unspent 2022/23 funding has been carried over to 2023/24.
- The Glenrothes UK Parliamentary Constituency Bid to the **UK Levelling Up Fund** was successful and £19.4m was awarded for the regeneration of Riverside Park in Glenrothes and Levenmouth Connectivity projects.

Strategic Investment (continued)

- The **Edinburgh and South East Scotland City Region Deal's Regional Prosperity Framework 2023/24** Delivery Plan was published in March. Work is underway to develop the first two regional projects.
- Eight new business units were completed at Hillend and Donibristle Industrial Estate in Dalgety Bay as part of the ten-year **Fife Industrial Investment Innovation Programme** funded by the Edinburgh and South East Scotland City Region Deal. This brings the total area of new business space constructed to 3,250m² and 3.89ha of immediately available service employment land is now available. 72 jobs have been created/safeguarded. Construction of new business units also started at Fife Interchange North and Levenmouth Business Park.

Tourism

- The **Fife Tourism Strategy** was refreshed during 2022/23 and a new 2023-30 Fife Tourism Strategy was approved by Cabinet Committee in September 2023.
- Research commissioned to **identify growth opportunities** for tourism in Fife provided a series of recommendations for promoting and developing tourism in Fife.
- The **Fife 191 trail** was relaunched with active travel options.
- **WorldHost customer service** training was delivered to over 50 people working in Fife tourism businesses.
- **Welcome to Fife destination marketing campaigns** included social media partnerships with The Herald and The Scotsman, a series of films for Year of Stories and extensive social media campaigns delivered in partnership with VisitScotland.
- In 2022, £41,570 was awarded to event organisers through the **Fife Strategic Events Fund** which supports events that attract at least 30% of its attendees from outwith Fife.
- The **150th Open** in July 2022, which attracted a record 290,000 fans to St Andrews, brought in £106m and generated over £300m in economic benefit for Scotland – the greatest economic impact in the history of the Championship - according to an independent study commissioned by The R&A, VisitScotland and Fife Council. The study estimated that Fife received £61m of new money from the event.
- A tourism action plan was developed for **Levenmouth** linked to the opening of the new rail link in 2024 and a Tourism Project Co-ordinator (funded by Levenmouth Area Committee) was appointed.
- The **Forth Bridges Trail** was launched in November 2022.
- A promotional campaign for **Kirkcaldy** was delivered for the Adam Smith tercentenary celebrations.

Appendix 1 Business & Employability

RESOURCES

Indicator	2019/20	2020/21	2021/22	2022/23	Q1 2023/24
Business & Employability Service – Average WDL per FTE	N/A	N/A	8.65	9.67	10.39
Business & Employability Service – Long Term WDL per FTE	N/A	N/A	6.99	6.98	7.64
Business & Employability Workforce who are Female (%)	49%	50.3%	45.1%	47.4%	N/A
Business & Employability Workforce who are Full-time (%)	81.5%	80.7%	76.0%	79.2%	N/A
Business & Employability Workforce who are Permanent Employees (%)	65.6%	65.2%	77.7%	76.3%	N/A
Business & Employability Employees aged 24 and under (%)	3.8%	4.3%	13.7%	6.4%	N/A
Business & Employability Employees aged 29 and under 55(%)	9.6%	9.9%	22.3%	14.5%	N/A
Business & Employability Employees aged 55 and over (%)	32.5%	32.9%	31.4%	30.6%	N/A
Business & Employability Number of Voluntary Redundancies (FTEs)	0	0	0	0	N/A
Business & Employability Number of WYI Bids	3	0	0	0	N/A
Business & Employability Number of WYI Programme new starts	1	0	0	0	N/A

The table below provides information on Business & Employability workforce data by Budgeted (FTE) for the current year and the last 4 years.

Budgeted (FTE) April 2019	Budgeted (FTE) April 2020	Budgeted (FTE) April 2021	Budgeted (FTE) April 2022	Budgeted (FTE) April 2023	Difference in FTE 2022-2023
156.87	156.84	160.35	171.66	132.49	-39.17

Business & Employability in line with staffing more broadly within the Council, is demographically more weighted towards an older workforce. The service is recruiting a range of modern apprentices to develop our own for project management, employability and associated skills, together with supporting a progressive recruitment approach to employment.

The FTE figures above reflect posts held by the service for temporary funded roles across the Council, rather than a direct FTE reduction within the service itself.

The priorities for the service in future years will be aligned with the actions set out within the adopted Fife's Economic Strategy 2023-2030, with a focus on business support and growth, infrastructure and employability, skills and training, underpinned by a commitment to develop these actions to support community wealth building and addressing climate change.

PLANNING 2022/23

Current Challenges & Priorities

Key challenges over the past year include:

- Addressing the Climate Emergency actions and associated strategic risks if not delivered.
- Delays in recruitment resulted in some underspend. Recruitment completed.
- Demands created by Planning (Scotland) Act 2019; 49 new and unfunded duties, and other legislative requirements relating to climate change.
- Implementing National Planning Framework 4.
- Working collaboratively with other services to deliver on the Housing Infrastructure Fund allocation through Edinburgh & South East Scotland City Region Deal for, and progressing delivery of, the strategic transport interventions at Dunfermline as part of strategic growth to ensure integrated delivery of infrastructure with new development consented.
- Progressing delivery solution for new Primary School at Wellwood, Dunfermline to facilitate development and unlock education capacity.
- Managing the number of planning applications and income, at the same time as an increase in the complexity of application assessment.

The current position of the Service reflects the key challenges outlined above. Early work is progressing on the review of the Local Development Plan, with the first key stage; the Evidence Report programmed for Council approval in March 2024. This review provides the Council the opportunity for the Local Development Plan to be the spatial expression of the Plan4Fife and embed Place Leadership. Whilst the Council does not have the resources to assist community groups in detail in preparing Local Place Plans, guidance has been issued together with a workshop and video.

Addressing Climate Emergency is critical for Fife. The Service leads with the Reform and Recovery Board. Further work is being progressed to ensure that actions are worked up to have a lead, costed, and timescales clarified. A refresh of Fife's Climate Strategy will be presented to Cabinet committee later this year.

Housebuilding and other development across Fife is important to Fife's economy, creating jobs and meeting Fife's housing need. Housebuilding activity is buoyant and good progress is being made in realising strategic growth areas as allocated in the Local Development Plan.

Our staff are our most important asset, and we will continue to develop their knowledge, skills, and experience, with a particular focus on growing our workforce and supporting mental health and wellbeing. We have embedded hybrid working.

Monitoring of priorities, performance, and challenges is managed across the Service. Our annual Planning Performance Framework is submitted to Scottish Ministers and sets out the Planning Authorities' performance against a set of national performance targets and criteria. The Minister's feedback to the latest (2022/23) Framework is due soon and will be reported to committee in due course.

Continuous improvement is embedded, with a Planning Improvement plan ongoing. LEAN process reviews are undertaken, ongoing customer feedback is sought, meetings are held with agents and developers to seek feedback, training is provided to Community Councils and elected members, and the Service integrates any learning arising from complaints, appeal decisions and other feedback.

RISKS/EMERGING RISKS

Planning Services review Service risks regularly and will be undertaking a comprehensive Service risk assessment in Spring 2024. Emerging risks primarily relate to increase in costs to deliver new infrastructure and development, resource pressures largely arising from new duties through legislative change.

In respect of infrastructure, this impacts the Council's capital programme and is linked to facilitating development growth as set out in the Local Development Plan, to assist Fife's economic growth.

The Service contributes to strategic risks EE002 Risk to the Fife Economy and EE003 Climate Change. The review of the Local Development Plan (FIFEPlan) has been considerably delayed as a result of a delay in the implementation of National Planning Framework 4 as well as the National Development Plan guidance is being finalised. FIFEPlan is now 6 years old and technically is out of date.

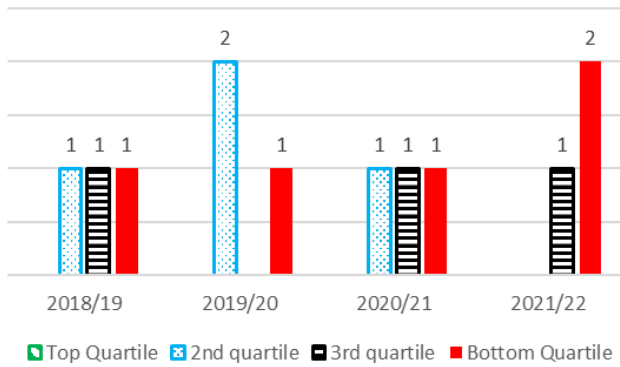
Changes in legislation arising from the Planning (Scotland) Act 2019 are continuing to come into effect. The risk primarily relates to the impact on resources to deliver the new legislative requirements within set timeframes.

The risk of new development growth slowing is monitored through the annual Housing Land Audit and through regular discussions with the housebuilding industry. This risk is also aligned to the delivery of new strategic transport and education infrastructure required to mitigate the impact of new development. The delivery of the strategic transport intervention measures at Dunfermline is monitored and aligned with the Edinburgh & South East Scotland City Region Deal grant allocation for Phase 1.

Risks relating to addressing climate emergency will be reported to the Environment, Transportation and Climate Change Scrutiny Committee.

KEY OUTCOMES (LGBF/P4F)

How we compare with other Councils (LGBF)



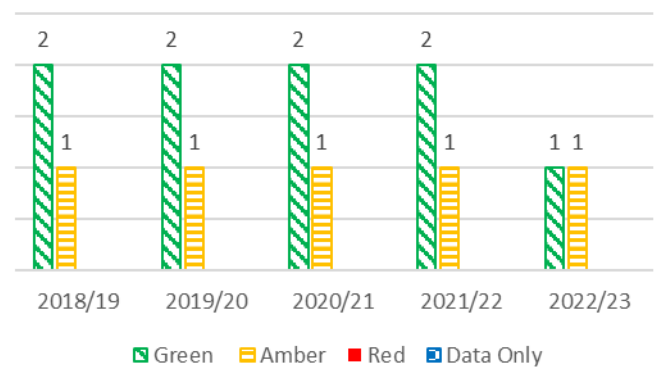
Key - Top quartile - Ranked 1-8 in Scotland

2nd quartile - Ranked 9-16 in Scotland

3rd quartile - Ranked 17-24 in Scotland

Bottom quartile - Ranked 25-32 in Scotland

Progress against P4F outcomes



LGBF	2018/19	2019/20	2020/21	2021/22
CO2 emissions area wide per capita (LGBF)	7.47	6.58	6.7	N/A
Cost per planning application (LGBF)	£3,613.2	£3,985.32	£4,511.67	£4,652.43
Avg Time Per Commercial Planning Application (LGBF)	9.6	8.4	11.1	16.9

PI Short Name	2018/19	2019/20	2020/21	2021/22	2022/23
Area Wide Emissions (thousand tonnes of Carbon)	3,174.7	2,821.3	2,919.8	2,840.0	N/A
Total Fife Council Carbon Footprint – tCO2e	62,484	55,784	49,655	54,358	50,142
CO2 emissions area wide: within scope of LA per capita Fife (LGBF)	4.77	4.36	4.23	4.23	4.23

- The LGBF indicators as shown above reflect that the cost of processing planning applications is increasing. This is largely because of the greater complexity and more detailed assessments that are required to consider and determine planning applications. The average time for determining commercial applications has fluctuated over the past 4-5 years. This is reflected more generally across all types of planning applications and is reported annually to committee through the Planning Performance Framework.
- The Service's performance has been impacted by the pandemic, which amongst other impacts resulted in the increase in planning applications, particularly householder applications. Applications for major developments remain buoyant, whilst there has been a decrease in local applications. This reflects a national trend, although Fife continues to attract major applications. Monitoring is in place to assist with improving performance with respect to the speed of decision-making. Speed of decision-making must be balanced with achieving quality outcomes.

(Note: indicators relating to climate change will be reported to the Environment, Transportation and Climate Change Scrutiny Committee.)

CUSTOMER

- The figures below illustrate the high level of customer satisfaction that is being maintained.
- A thorough customer complaints process is provided and given the nature of planning a relatively high number of complaints are received (39). Any lessons learnt from these complaints are actioned and where required built into the Service's continual improvements.

Indicator	2019/20	2020/21	2021/22	2022/23	Q1 2023/24
Customers satisfied with planning service (%)	82.02%	83.09%	72.73%	78.57%	80%
Planning Stage 1 Complaints actioned < 5 days	100%	100%	77%	78%	100%
Planning Stage 2 Complaints actioned < 20 days	86%	81%	77%	62%	36%

RESOURCES

- The Service has been supported through the Workforce Youth Investment programme which has allowed Graduate and Student temporary posts. In several instances, these individuals have progressed into permanent posts within the Service, assisting with the ongoing recruitment within a national/UK environment where there is a severe shortage of qualified Planners. Further work is being done with Fife College and the University of Dundee to create further opportunities. A national Future Planners project has identified a need for 700 Planners over the next 10-15 years, and work is progressing nationally and within Fife to promote the profession. Earlier this year, Sarah Purves, Planner, was awarded Scottish Young Planner of the Year.
- The workforce profile, as set out below, is positive.
- Regular continuous professional development programme is run across the Service and beyond, providing ongoing training and development opportunities. This is operated at a minimal cost.

Indicator	2019/20	2020/21	2021/22	2022/23	Q1 2023/24
Planning Service – Average WDL per FTE		DIV/0	DIV/0	6.51	4.52
Planning Service – Long Term WDL per FTE		DIV/0	3.25	4.39	2
Planning Workforce who are Female (%)	37.10%	33.80%	37.90%	33.30%	N/A
Planning Workforce who are Full-time (%)	77.10%	82.40%	84.80%	84.60%	N/A
Planning Employees aged 24 and under (%)	10%	8.80%	7.60%	9%	N/A
Planning Employees aged 29 and under (%)	14.30%	17.60%	15.20%	17.90%	N/A
Planning Employees aged 55 and over (%)	21.40%	22.10%	31.80%	26.90%	N/A
Planning staff who are happy at work (%)	87%	79%	75%	92%	N/A

The table below provides information on **Planning** workforce data by Budgeted (FTE) for the current year and the last 3 years. An increase in staffing was implemented in 2022/23 aligned with an increase in national statutory planning fees to resource pressures arising from new legislation, in particular. The workforce programme of student and graduates continues, to support resourcing and recruitment with some temporary posts to facilitate this programme.

Budgeted (FTE) April 2019	Budgeted (FTE) April 2020	Budgeted (FTE) April 2021	Budgeted (FTE) April 2022	Budgeted (FTE) April 2023	Difference in FTE 2022-23
66.34	63.55	72.09	75.66	76.79	1.13

SERVICE OPERATIONS

Whilst the key performance indicators below relate to the speed of decision-making, it is considered that the quality of the outcome of new development is a greater priority.

The Service is performing well in respect of progressing with implementing the Local Development Plan.

FIFEPlan and the allocated development sites including the strategic growth areas. This assists with achieving the Council's outcomes relating to economic growth, meeting housing needs and facilitating with the delivery of strategic infrastructure.

The Table below recognises the increased workload combined with more complex planning assessments of applications. The increase in decision timescales is recognised and the Service continues to implement improvements to seek to improve performance against these national measures.

Indicator	2019/20	2020/21	2021/22	2022/23	Q1 2023/24
Avg time per Major planning application – Fife (weeks)	64.9	39.7	34.1	16.6	N/A
Avg time per Major planning application – Scotland (weeks)	33.5	41.3	44.6	39.5	N/A
Avg time per Local planning application – Fife (weeks)	8	9.6	13	12.1	N/A
Avg time per Local planning application – Scotland (weeks)	9.1	10	10.8	11.5	N/A
Avg time per Minor planning application – Fife (weeks)	7.3	8.2	11	10.4	N/A
Avg time per Minor planning application – Scotland (weeks)	7.3	8.1	8.7	8.9	N/A
Avg time per Non Householder planning application – Fife (weeks)	9	13	16	14	N/A
Avg time per Non Householder planning application – Scotland (weeks)	10.9	12.4	13.5	14.4	N/A
Number of housing completions per annum – Fife	1,088	818	1,096	1,246	N/A

***Please note Q1 data is not available until the end of Q2**