

Cabinet Committee

Committee Room 2, Fife House, North Street, Glenrothes /
Blended Meeting



Thursday, 7 March 2024 - 10.00 am

AGENDA

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1. **APOLOGIES FOR ABSENCE**
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3. **MINUTES**
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5. **CAPITAL INVESTMENT PLAN - MONITORING 2023-24** – Report by the Executive Director (Finance and Corporate Services). 28 - 40
6. **RIVERSIDE PARK, GLENROTHES** – Report by the Head of Business and Employability Services. 41 - 55
7. **SUPPORT FOR VOLUNTARY ORGANISATIONS** – Report by the Head of Communities and Neighbourhoods Service. 56 - 94
8. **KELTY CAR PARK, KELTY** – Report by the Head of Communities and Neighbourhoods Service. 95 - 101
9. **SOUTH AND WEST FIFE - COMMUNITY USE ARRANGEMENTS** – Report by the Head of Communities and Neighbourhoods Service. 102 - 104
10. **HEAT IN BUILDINGS BILL CONSULTATION RESPONSE** – Report by the Head of Planning Service. 105 - 128
11. **ENERGY EFFICIENCY STANDARDS FOR SOCIAL HOUSING 2 (ESSH2) / SOCIAL HOUSING NET ZERO STANDARD (SHNZS) - DELIVERY PLAN UPDATE** – Report by the Head of Housing Services. 129 - 180
12. **CABINET COMMITTEE - OUTSTANDING REMITS FROM COMMITTEES** 181 - 182

The Committee is asked to resolve, under Section 50(A)(4) of the Local Government (Scotland) Act 1973, as amended, to exclude the public and press from the meeting for the following item of business 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 of the Act.

13. **AFFORDABLE HOUSING PROGRAMME - BONFIELD PARK, STRATHKINNESS (PRIVATE REPORT)** – Report by the Head of Housing Services. 183 - 191

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.

Lindsay Thomson
Head of Legal and Democratic Services
Finance and Corporate Services
Fife House
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29 February 2024

If telephoning, please ask for:
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BLENDED MEETING NOTICE

This is a formal meeting of the Committee and the required standards of behaviour and discussion are the same as in a face to face meeting. Unless otherwise agreed, Standing Orders will apply to the proceedings and the terms of the Councillors' Code of Conduct will apply in the normal way

For those members who have joined the meeting remotely, if they need to leave the meeting for any reason, they should use the Meeting Chat to advise of this. If a member loses their connection during the meeting, they should make every effort to rejoin the meeting but, if this is not possible, the Committee Officer will note their absence for the remainder of the meeting. If a member must leave the meeting due to a declaration of interest, they should remain out of the meeting until invited back in by the Committee Officer.

If a member wishes to ask a question, speak on any item or move a motion or amendment, they should indicate this by raising their hand at the appropriate time and will then be invited to speak. Those joining remotely should use the "Raise hand" function in Teams.

All decisions taken during this meeting, will be done so by means of a Roll Call vote.

Where items are for noting or where there has been no dissent or contrary view expressed during any debate, either verbally or by the member indicating they wish to speak, the Convener will assume the matter has been agreed.

There will be a short break in proceedings after approximately 90 minutes.

Members joining remotely are reminded to have cameras switched on during meetings and mute microphones when not speaking. During any breaks or adjournments please switch cameras off.

THE FIFE COUNCIL - CABINET COMMITTEE - BLENDED MEETING

Committee Room 2, Fife House, North Street, Glenrothes

8 February 2024

10.00 am - 12.40 pm

PRESENT: Councillors David Ross (Convener), David Alexander, Lesley Backhouse, David Barratt, James Calder, Fiona Corps, Altany Craik, Graeme Downie, Linda Erskine, Derek Glen, Brian Goodall (substituting for Councillor Carol Lindsay), Peter Gulline, Judy Hamilton, Alycia Hayes (substituting for Councillor John Beare), Cara Hilton, Gary Holt, Allan Knox, Kathleen Leslie (substituting for Councillor Dave Dempsey), Rosemary Liewald, Ross Vettriano, Craig Walker and Jan Wincott.

ATTENDING: Ken Gourlay, Chief Executive; Eileen Rowand, Executive Director (Finance and Corporate Services), Elaine Muir, Head of Finance, Lindsay Thomson, Head of Legal and Democratic Services, Steven Paterson, Solicitor, Helena Couperwhite, Committee Services Manager and Michelle McDermott, Committee Officer, Legal and Democratic Services, Finance and Corporate Services; Pam Ewen, Head of Planning Service, Bill Lindsay, Service Manager (Policy and Place), Alastair Hamilton, Service Manager (Development Management), Dominic Mennie, Lead Officer and Craig Walker, Lead Officer Planning Service, John Mitchell, Head of Roads and Transportation and Mark Dewar, Service Manager (Roads and Lighting Contracts), Roads and Transportation Service, Gordon Mole, Head of Business and Employability Services, Morag Millar, Strategic Growth and City Region Deals Manager and Ronnie Hair, Property Investment and Development Manager, Business and Employability Services; John Mills, Head of Housing Services and Gavin Smith, Service Manager (Housing Access), Housing Service, Paul Vaughan, Head of Communities and Neighbourhoods Service and Peter Duncan, Allotments Officer, Communities and Neighbourhoods Service.

ALSO IN ATTENDANCE: Christine McLean, Head of Cultural Heritage and Wellbeing and Gavin Grant, Service Development Team Leader (Collections), Fife Cultural Trust.

APOLOGIES FOR ABSENCE: Councillors John Beare, Dave Dempsey and Carol Lindsay.

Change of Membership - The committee noted that Councillor Allan Knox had replaced Councillor Jonny Tepp as a member of the Cabinet Committee.

202. DECLARATIONS OF INTEREST

Councillor Alycia Hayes declared an interest at para. 213 - Tay Cities Region Deal - University of St. Andrews - Eden Enterprise Centre - as she had recently taken up employment at St. Andrews University.

203. MINUTES

- (i) Minute of the Cabinet Committee of 11 January 2024.

Decision

The committee agreed to approve the minute.

- (ii) The Education Appointment Committee minute of 22 January 2024 was submitted for noting.

Decision

The minute was noted.

204. BUDGET PLANNING 2024-27 - UPDATE

The committee considered a report by the Executive Director (Finance and Corporate Services) providing an update on the financial implications for the council's General Fund Revenue Budget position for 2024-25 to 2026-27 following the publication of the Scottish Government's budget and the Local Government Finance Settlement and also providing an update on all other budget planning matters.

Decision

The committee:-

- (1) approved the minor revision to the Medium Term Financial Strategy; and
- (2) noted the information contained within the report and the strategy and the approach to setting a balanced budget for both the General Fund Revenue and HRA budgets.

205. FIFE LOCAL DEVELOPMENT PLAN EVIDENCE REPORT

The committee considered a report by the Head of Planning Service presenting the Fife Local Development Plan Evidence Report for consideration prior to its submission to full Fife Council for approval.

Decision

The committee:-

- (1) agreed the Fife Local Development Plan Evidence Report and referred it to full Fife Council for approval as required by statute;
- (2) delegated non-substantive edits to the Head of Planning Service; and
- (3) delegated a small number of substantive edits including the following:-
 - Annex 5 - Summary of Areas of Dispute - adding statements from Homes for Scotland regarding the proposed site assessment methodology and criteria; and
 - Section 13 - the implications for the new LDP highlighted throughout the Evidence Report to be repeated in Section 13 to assist readers and provide the Gate Check reporters a ready compiled list.

Councillor Craig Walker joined the meeting during discussion of the above item.

206. FIFE COUNCIL PLANNING SERVICE ENFORCEMENT CHARTER 2024

The committee considered a report by the Head of Planning Service seeking approval of the Fife Council Planning Service Enforcement Charter confirming the approach to planning enforcement to be adopted by Fife Council Planning Service for the next two years.

Decision

The committee:-

- (1) approved the proposed Enforcement Charter 2024;
- (2) delegated to the Head of Planning Service to finalise and publish the Charter; and
- (3) agreed that a report be submitted within the next four months to the Finance, Economy and Corporate Services Scrutiny Committee providing a progress update on the enforcement process.

207. HOUSING ALLOCATION POLICY REVIEW

The committee considered a report by the Head of Housing Services setting out the legal framework for housing access and proposing a review of the housing allocations policy. The aim of the review would be to simplify the council's approach to prioritising applicants for housing in the knowledge that the council would experience a shortage in social rented housing for many years to come.

Decision

The committee agreed:-

- (1) the proposals to establish a short life Task and Finish Group with cross party and wider stakeholder membership, including tenant and resident engagement;
- (2) to review the allocations approach as well as the policy framework, including an assessment of the benefits of moving to a Choice Based Lettings Approach; and
- (3) that the review should be time limited, evidence based and focused on addressing current and anticipated housing pressures with a report back to Cabinet Committee following completion of the Task and Finish Group remit in the autumn.

208. LEVEN REGENERATION - ACTIVE TRAVEL NETWORK CAPITAL FUNDING

The committee considered a report by the Head of Roads and Transportation Services providing an update on the delivery of the Levenmouth Connectivity Project - Active Travel Network (Phase 1) - as part of the River Leven Regeneration Programme.

Decision

The committee noted that:-

- (1) Option 3 in the Business Case was the preferred delivery approach for Phase 1 of the Active Travel Programme;
- (2) to realise £1.558m of funding from Sustrans Scotland by the deadline of 31 March 2024:
 - (a) the active travel works within and around the new station at Leven had been awarded to Network Rail, of which £1.035m was programmed to be delivered this financial year, as part of an overall contract of £2.100m;
 - (b) three active travel links on the approaches to the new stations at Leven and Cameron Bridge were to be delivered through Roads and Transportation Services' Road Maintenance and Civil Engineering Minor Works Framework at a cost of £0.523m, subject to contractor availability;
 - (c) delegated authority was sought for this spend as an urgent decision given the deadlines for delivery in this financial year and the time limited opportunity to realise Sustrans funding. The paper provided the required report to Cabinet Committee after the exercise of urgent decision making powers; and
- (3) the remainder of the Phase 1 active travel works would also be delivered through Roads and Transportation Services' Road Maintenance and Civil Engineering Minor Works Framework at an estimated cost of circa £4.804m.

The meeting adjourned at 11.30 am and reconvened at 11.50 am.

209. ALLOTMENT & COMMUNITY GROWING STRATEGY 2024-2029

The committee considered a report by the Head of Communities and Neighbourhoods Service seeking approval for the Allotment and Community Growing Strategy 2024-2029, noting the monitoring and reporting of the strategy and action plan.

Decision

The committee agreed:-

- (1) the Allotments and Community Growing Strategy 2024-2029 but noted that there would be further work on resourcing, integration with other strategies and the council's approach to decentralisation with a further report back to Cabinet Committee in due course; and
- (2) that a report be submitted to the People and Communities Scrutiny Committee in six months providing an update on the progress of the Strategy.

210. MUSEUMS COLLECTIONS DEVELOPMENT POLICY 2024-2028

The committee considered a report by the Head of Communities and Neighbourhoods Service seeking approval of the Collections Development Policy for the Museum collections for the period 2024 to 2028.

Decision

The committee:-

- (1) delegated to the Head of Communities and Neighbourhoods Service to amend section 16 of the Policy to clarify the disposal procedure to confirm the role of the Fife Cultural Trust Board and partner directors;
- (2) agreed that a further bullet point be included within page 3 of the Policy taking into consideration ethical and reputational issues; and
- (3) approved the updated Museums Collections Development Policy 2024-2028

Councillor Fiona Corps left the meeting during consideration of the above item.

211. FIFE'S UK SHARED PROSPERITY INVESTMENT PLAN ANNUAL REVIEW

The committee considered a report by the Executive Director (Place), seeking approval for the updated Fife's UK Shared Prosperity Investment Plan 2022/25.

Decision

The committee:-

- (1) approved the updated Fife's UK Shared Prosperity Investment Plan and the interventions for 2024/25;
- (2) noted that there would be an Annual Report to the UK Government in Quarter 1 of 2024/25 with the outturn for 2023/24;
- (3) delegated to the Executive Directors (Finance and Corporate Services) and (Place) to deliver Fife's UK Shared Prosperity Investment Plan within the operational parameters set out in the funding award; and
- (4) agreed that Councillors be encouraged to lobby the UK Government for future continuation, clarity and streamlining of the system.

212. OUTSTANDING REMITS FROM COMMITTEES

The committee considered the list of outstanding remits from committees.

Decision

The committee noted the list of outstanding remits from committees.

The committee resolved, under Section 50(A)(4) of the Local Government (Scotland) Act 1973, as amended, to exclude the public and press from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in para. 6 of Schedule 7A of the Act.

Having declared an interest in the following item, Councillor Alycia Hayes left the meeting at this stage.

213. TAY CITIES REGION DEAL - UNIVERSITY OF ST. ANDREWS - EDEN ENTERPRISE CENTRE (PRIVATE REPORT)

The committee considered a report by the Head of Business and Employability Services seeking approval to enter into a legal agreement with the University of St. Andrews to part fund the delivery of an Enterprise Hub within Building 3 at Eden Campus, Guardbridge.

Decision

The committee:-

- (1) noted that further to previous reporting at the Policy and Co-ordination Committee, a formal Heads of Terms agreement was entered into in February 2022 between the council and the University of St. Andrews setting out the basis upon which the council would invest towards the creation of an Enterprise Hub within Buildings 9 and 9A comprising part of the wider Eden Campus;
- (2) noted that, as a result of capital delivery costs, the University would now deliver the Enterprise Hub within an alternative building (Building 3) at the Eden Campus site;
- (3) noted that outline design proposals had been completed up to RIBA Stage 2 for Building 3 which included an outlined budget cost plan which confirmed the estimated capital cost; and
- (4) approved the contribution of the original sum currently allocated within the capital plan noting that this required to be converted to revenue as no asset would be acquired by the council and also noted that further investment, secured through commuted payments under section 75 planning agreements, and further funding from the UK Shared Prosperity Fund would also form part of the council's total contribution to the Hub.

2024 ASC 6

THE FIFE COUNCIL - APPEALS SUB-COMMITTEE

Committee Room 2 5th Floor, Fife House, North Street, Glenrothes

31 January, 2024

10.00 am – 12.55 pm

PRESENT: Councillors Eugene Clarke (Convener), Altany Craik, Blair Allan, Sarah Neal and Lynn Ballantyne Wardlaw.

ATTENDING: Jacqui Cameron, Service Manager – Human Resources Service and Neil Macdonald, Team Manager - Legal Services, Legal and Democratic Services.

Representing the Authority - Karen Marwick, Service Manager Home Care and Lee Ryan, HR Business Partner, Human Resources.

Representing the Appellant – Appellant and George McColl, Trade Union Representative, Unison.

6. HEALTH & SOCIAL CARE - DISMISSAL APPEAL

The Sub-Committee, under Section 50(A)(4) of the Local Government (Scotland) Act 1973, excluded the public from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 1 of Part 1 of Schedule 7A to the Act.

The Sub-Committee considered the written submissions by both parties and also heard both parties' oral representations, following which the Authority's representatives and the appellant and their representative withdrew from the meeting.

Decision

The Sub-Committee agreed that the grounds of the Appeal had been substantiated in part and the Appeal be upheld to the extent that the employee be reinstated with a Second Level Formal Warning being issued in place of the dismissal decision.

THE FIFE COUNCIL - APPOINTMENTS SUB-COMMITTEE

Conference Room 1, Ground Floor, Fife House, North Street, Glenrothes

8 September 2023

9.30 am - 5.45 pm

PRESENT: Councillors Altany Craik, Brian Goodall, Gary Holt, Kathleen Leslie, Rosemary Liewald, David Ross, Ann Verner and Ross Vettraino.

ATTENDING: Ken Gourlay, Chief Executive, Sharon McKenzie, Head of Human Resources, Finance & Corporate Services and Evelyn Dougherty, Peer Adviser, Solace.

13. INTERVIEWS FOR THE POST OF EXECUTIVE DIRECTOR PLACE

Decision

The sub-committee agreed to appoint Carol Connolly, currently Divisional Director, Development and Sustainability with Glasgow City Council.

**THE FIFE COUNCIL – EDUCATION APPOINTMENT COMMITTEE –
GLENROTHES**

9 February 2024

09.00am-13.00pm

PRESENT: Councillors Auxi Barrera and Kathleen Leslie, Angela Logue, Head of Service, Jackie Funnell, Education Manager, Fiona Embleton, Chair, Parent Council, Lauren Moncrieff, Parent Council.

39. EXCLUSION OF PUBLIC AND PRESS

Decision

The Committee resolved that under Section 50(A)(4) of the Local Government (Scotland) Act 1973, the public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 1 of Part 1 of Schedule 7A to the Act.

40. HEADTEACHER – BURNTISLAND PRIMARY SCHOOL

The Committee interviewed 2 applicants on the short list for this post.

Decision

Agreed to recommend the appointment of one of the applicants.

7 March 2024
Agenda Item No. 4

Revenue Monitoring 2023-24

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 report the current forecast position for 2023-24.

Recommendations

It is recommended that members:-

- (i) note the high-level financial position as detailed in this report;
- (ii) note that there are ongoing financial impacts arising from the current economic climate which continue to be managed by Services with an element of protection from inflationary risk being accounted for centrally;
- (iii) instruct Services to mitigate overspends as far as possible and ensure strong financial management;
- (iv) note that detailed monitoring reports will be submitted to the relevant Scrutiny Committees; and
- (v) request that Scrutiny Committees ensure appropriate level of support and challenge in relation to financial reports.

Resource Implications

General fund services are predicted to overspend by £5.958m, however, there is funding that must be ringfenced and used for specific expenditure next year (e.g. PEF, DSM, etc.). Allowing for these amounts being carried forward suggests that the overspend being managed across services is in the region of £10.844m. Council tax income is also lower than expected by around £1.200m.

The forecast continues to reflect the settlement of non-teaching pay awards and the associated levels of funding which, combined with a projected underspend on loan charges, provides a one-off underspend of £18.430m which will offset the service overspends, resulting in an overall underspend of £11.272m. The favourable position on pay was built into the budget gap calculation for 2024-25 and is therefore not recurring.

The revised forecasts coupled with a commitment made in the 2024-25 General Fund Revenue Budget to use balances of £6.000m, reduces the level of balances from £25.995m in the last report to £20.440m. The level of balances available is dependent on the outturn position of Services and fluctuates depending on the forecast outturn position.

The scale of financial pressures on the council linked to continued inflationary cost pressures going forward remain substantial and uncertain. Some services are managing large overspends and actions to minimise or mitigate these should be taken.

Legal & Risk Implications

There are no direct legal implications arising from this report.

Impact Assessment

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

Consultation

None.

1.0 Background

- 1.1 The report focuses on the overall financial position of the council and provides commentary on significant issues which impact on the financial position of the council. Detailed explanations of forecast variances and analysis by Service is detailed in Appendices 1 to 4 of this report.
- 1.2 There are continued uncertainties which may be significant given the wider economic situation, inflationary factors impacting all supply chains (notably energy, fuel, construction costs and other commodities) and employee costs as well as uncertainty associated with future funding levels and uncertain future interest rates.
- 1.3 More detailed financial reports are presented to the relevant Scrutiny Committees as part of the council's wider scrutiny and performance management reporting arrangements. It is the role of the Scrutiny Committees to carry out in-depth scrutiny of the financial performance of functions within their remit.

2.0 Financial Overview – General Fund

Pay Award

- 2.1 The pay awards for 2023-24 for teachers were settled in March 2023. The council made provision for a pay award, however, the outcome of the pay settlement will cost less than the provision in the budget combined with the level of funding being provided for that group of staff.
- 2.2 The budget for the agreed pay award for 2023-24 for non-teaching staff has now been reflected in Services' budgets. The remaining budget provision combined with the grant funding provided is greater than the increased costs of the pay settlement resulting in a favourable variance which is reflected in the obligations/contingencies line of Appendix 1.
- 2.3 The Scottish Government has confirmed they will fund elements of the pay award for 2023-24 with £155m funding being made available nationally. Fife's share was confirmed as £10.438m, in the Local Government Settlement published on 21 December 2023. The Scottish Government have also agreed a funding package for the remaining elements of the pay award which is expected to be documented in the Local Government Finance Order due to be published on 28 February 2024 at which point Fife's share will be known. Estimated funding levels have been included in this forecast.

COVID-19 Recovery

- 2.4 At this point in time, the additional net costs associated with COVID-19 are estimated to be £4.0m for 2023-24, this includes £0.6m capital expenditure. Specific funding has been identified for £1.5m of these costs leaving £1.9m being absorbed by Services.
- 2.5 Loss of income projected at £1.848m remains a particular challenge in several areas and may take several years to recover. Where legacy COVID-19 costs are resulting in Directorate overspends, they will be funded from earmarked balances while an element of COVID-19 funding still remains. These are deducted in the final column of Appendix 1 as an adjustment to the forecast.

Other pressures – Economic Conditions/Cost of Living Crisis

- 2.6 The current economic situation is concerning in terms of the continued financial repercussions of high inflation and high interest rates. These inflationary pressures mean the council is already experiencing increased costs, most notably, energy costs (a further £6.0m in 2023-24) along with others such as food, fuel and other commodities. Whilst inflation has reduced from the highs at the end of 2022, costs of supplies and services continue to be impacted.
- 2.7 The cost-of-living crisis is increasingly affecting households and, as such, commitments for several approved Cost of Living support measures are reflected in the budget.

2023-24 Revenue Budget

- 2.8 The current revenue budget has increased from £1,016m to £1,049m and is shown in Appendix 1. The table below details these changes:

Table 1 – General Fund – Revenue Budget Movement

	Total Expenditure £m
2023-24 Budget (August 2023)	1,015.712
- Budgets Funded from/(to) Balances	4.641
- LGFC 8-2023 Redeterminations	27.647
- CFCR	0.838
Current 2023-24 Budget (October 2023)	1,048.838

There have been a few changes made to the budget since the last report. Firstly, budget has been moved from general fund balances to Services (£4.641m). Budgets moved from balances include funding for the additional costs of demographics in secondary schools.

The most significant change to the budget relates to redeterminations of grant advised by the Scottish Government in the Local Government settlement in December. These represent an increase in funding and confirm the values in relation to both teachers and non-teaching pay award funding and redeterminations were also advised for smaller items such as Teacher Induction Scheme, Ukraine Funding and Employability staffing. Although indicative levels of grant are advised during the financial year, the budget is not adjusted until receipt of the settlement which formally documents levels of redetermination of General Revenue Grant.

CFCR budget entries have also been actioned as funding for the capital plan.

2023-24 Annual Forecast

- 2.9 The current forecast estimates an underspend in the current year of £11.272m. This is a combined result of service overspends of £5.958m (0.62% of budgeted expenditure), an underspend of £18.430m in Additional Items and lower than planned income from Council Tax of £1.2m. Details are shown in Table 2 below:-

Table 2 – General Fund – 2023-24 Summarised Forecast Statement

	Annual Budget	Forecast	Variance	Variance excluding cfwd commitments
	£m	£m	£m	£m
Service Totals	963.578	969.536	5.958	10.844
Additional Items	85.261	66.831	(18.430)	(18.430)
Total Expenditure	1,048.839	1,036.367	(12.472)	(7.586)
Financing	(1,048.839)	(1,047.639)	1.200	1.200
CONTRIBUTION (TO) / FROM BALANCES	0.000	(11.272)	(11.272)	(6.386)

- 2.10 Overall, services are projecting an overspend of £5.958m. Detailed variance analysis per Service is shown in Appendix 2 with higher level explanation as follows:

Education and Children’s Services Directorate are forecasting an overspend of £0.365m. The dominant factors are long-term absence and maternity overspend of £3.051m, an overspend in Special Education of £1.164m arising from costs of secure child placements and the cost of additional transport arrangements for children. Children and Families face a pressure on the purchased placement budget of £3.868m due to a change in the mix of placement types with an increase in higher cost residential care. Additionally, the anticipated cost of the introduction of new national foster and kinship care rates of £1.590m. The movement since the last report of £0.587m is due to delays in moving one high-cost package on, rate increases on three packages and a new backdated package (placements as at December 2023 were 131).

Communities & Neighbourhoods Service is forecasting an overspend of £3.378m driven by continued loss of income resulting from reduced demand for some services including Fife Sports and Leisure Trust, Fife Cultural Trust, Community Use of Schools and Halls and Centres.

Within Enterprise & Environment, Property Repairs and Maintenance is forecasting an overspend of £1.900m and an overspend of £1.134m in Grounds Maintenance. Domestic Waste is also forecasting an overspend of £1.553m and winter maintenance is expected to overspend by £0.703m. These overspends are offset by an underspend of £1.101m primarily on Energy Management projects.

The overspend of £5.958m on services is offset by an underspend of £18.430m across additional items with variances explained as follows:

The Loan Charges underspend of £4.498m results from lower borrowing from the loans fund in 2022-23 due to the level of cash held and, in turn, resulting in reduced interest costs. There will be an increase in the cost of borrowing in future given the significant level of planned capital costs over the lifetime of the capital investment plan. The underspend also reflects interest savings and discounts received following treasury activity undertaken to reschedule loans known as Lender Option Borrower Option (LOBOs). This has generated savings and contributed to the underspend.

During the budget process, provision is made for additional costs associated with inflation and pay awards. These budgets are held centrally in 'Obligations/Contingencies' until costs are known and then the appropriate amount of budget is then transferred to Services to fund the costs.

The estimated underspend of £13.932m reflects, in the main, that the funding provision for all pay awards is higher than the costs of the pay settlement by £10.669m. The pay inflation assumption in the current year was perhaps higher than other councils had provided for and pay awards were negotiated nationally. This results in a one-off underspend in the current year. Additionally, funding provided in respect of Free School Meals has not been allocated to services in 2023-24 and therefore contributes to the underspend.

- 2.11 Council tax income is £1.2m lower than planned because the level of Council Tax Reduction is greater than expected and results in a reduced yield from Council Tax compared to the budgeted levels. This may be linked to the cost-of-living crisis. This is an improvement compared with last year because of an increase in the number of Band D equivalents now on stream.
- 2.12 Whilst the overall forecast position for the year is an underspend of £11.272m, there are some one-off items that skew the reported position. To assist with understanding, a column has been added to Appendix 1 which adjusts these one-off items to show the likely position after the year end and the likely impact on general fund balances. Some service underspends totalling £7.410m will immediately be earmarked in balances to be used for specific costs next year and are subject to certain conditions. These underspends will not increase the uncommitted balances. In addition, some overspends (currently estimated at £2.525m) may be funded from existing commitments against balances, for example, impacts relating to COVID-19 and some additional inflationary costs. After these adjustments, it is estimated that the final impact on the level of uncommitted general fund balances will be an increase of £6.386m. Section 4 below provides more information on the balances position.
- 2.13 Where Service budgets were reduced during the budget process, close monitoring of Service overspends will identify any areas of emerging risk. Services should continue to apply sound financial management practices and mitigate against any overspends and take corrective action to maintain costs within budget wherever possible.
- 2.14 The service level variances and movement are set out and explained in more detail at Appendices 1 and 2.

3.0 Financial Overview – Housing Revenue Account

Housing Revenue Account (HRA)

- 3.1 The Housing Revenue (HRA) Account forecast position is shown in Appendix 3.

- 3.2 As a result of significant pressures across the HRA, it is projected that the CFCR will need to reduce by £2.330m to offset overspends across the HRA. Repairs and Maintenance is forecasting an overspend of £5.386m which is due to both an increased volume of Change of Tenancy (COT) in year and continued high inflation on materials and employee costs. The increased volume of COTs was a result of a recent Temporary Accommodation Court Judgement which awarded a number of homelessness tenants a secure tenancy which led to a high level of transfer led policies in year. All transfers relating to the judgement will be completed this year and the pressure on this area of the budget should lessen.
- 3.3 The HRA intends to use balances of £1.616m to fund increased investment into Adaptations of £0.211m, Estates Management & Fencing of £0.545m and £0.859m to maintain the required level of CFCR for the year, as previously approved. The HRA has a policy to maintain uncommitted balances at around 2% of Net Rental Income. Contributions required to maintain minimum balances at this level are built into business planning assumptions.
- 3.4 Appendices 3 and 4 provide further detailed variance analysis and commentaries on all variances that exceed +/- £250k.

4.0 Balances

General Fund Balances

- 4.1 Appendix 5 details the forecast General Fund balances position which are held to fund specific one-off expenditure, provide funding to contribute to change initiatives, identify funds for specific or “earmarked” purposes and to mitigate against risk by providing a level of uncommitted resource which can be drawn on to respond to “financial shocks” such as unforeseen cost increases.
- 4.2 The opening balance of £216.054m was exceptional but was a result of a number of factors including revised accounting arrangements for Service Concession arrangements as well as levels of grant funding received but not needed in the year. Budgets of £57.923m have been transferred to Services and to Capital to fund the capital plan. The current forecast underspend of £11.272m detailed in Section 2 will increase the level of balances to £169.403m.
- 4.3 Some of the current service underspends must be earmarked to honour guaranteed carry forward arrangements such as Devolved School Management (DSM), Pupil Equity Funding (PEF) and Whole Family Wellbeing Fund.
- 4.4 Funding for commitments against balances for funding specific items are moved to Service budgets based on need as it arises.

Earmarked and Commitments against Balances

- 4.5 The earmarked balances reflect unused grants and ring-fenced income which will fund specific expenditure. Balances are also earmarked for dealing with the ongoing costs associated with recovery from the pandemic and the impacts of inflation and supply chain disruption.
- 4.6 Commitments represent items for which provision has been made but the costs are estimated and yet to be incurred. To reflect the decisions made during the consideration of the Revenue Budget 2024-25 at Fife Council on 22 February 2024, the commitment to use £6m of General Fund balances to contribute to one off temporary investment has been recognised.

- 4.7 After taking account of all earmarked balances and commitments, the level of uncommitted balances as at 31 March 2026 is expected to be £20.440m which equates to approximately 2% of the revenue budget. The policy minimum is to maintain a level of 2% balances over a rolling three year period which means that the level can dip below 2% level provided it returns to 2% within three years.
- 4.8 There is no plan, at this stage, to budget to restore balances but the position will continue to be monitored. This will be kept under review and committee will be provided with regular updates in future reports.

HRA Balances

- 4.2 The opening HRA balance was £7.380m. There are planned use of balances in year totalling £1.616m covering the forecast overspend per Appendix 4, leaving an estimated uncommitted balance of £5.764m as at 31 March 2024. Further commitments have been made in 2024-25 taking the estimated uncommitted balance to £2.754m which is above policy minimum.

5.0 Conclusions

- 5.1 The overall forecast underspend is £11.272m. However, general fund services are overspending to a greater degree that would first appear and this is because some service underspends are funded by ringfenced funding and is only available for specific costs and will therefore be carried forward to next year. The entirety of the service overspends will be offset this year, substantially from an underspend in contingencies that will not be available in future. Some of these Service overspends will need some corrective/mitigating actions to bring costs down to a more sustainable level, particularly going forward. In the meantime, there is some short-term assistance being provided where overspends are related to COVID-19 or increased inflation.
- 5.2 The positive balances position is providing the council with a level of protection from significant cost increases and other financial risks but, given balances is one off in nature, they will only be able to assist the council's financial sustainability in the very short term, leaving challenges ahead for the medium and longer term. Allowing for all commitments, the uncommitted level of balances is estimated as £20.440m which is around the policy minimum. No plans are underway at the moment to restore balances and the position is closely monitored over the year.
- 5.3 The forecast position for the council's Housing Revenue Account in 2023-24 is an overspend of £1.616m which is being funded as planned from HRA balances. The level of HRA balances, allowing for all commitments, is £3.264m which is in line with the policy minimum.

List of Appendices

1. General Fund Revenue Summary 2023-24
2. General Fund Variance Analysis
3. Housing Revenue Account Summary 2023-24
4. Housing Revenue Account Variance Analysis
5. Summary of Balances

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FIFE COUNCIL
GENERAL FUND REVENUE SUMMARY 2023-24

	Annual Budget £m	Forecast- £m	Variance £m	Previous Committee Annual Variance £m	Movement £m	Variance excluding funding commitments £m
EDUCATION & CHILDREN'S SERVICES						
Education (Devolved)	249.541	245.531	(4.010)	(3.972)	(0.038)	
Education (Non Devolved)	134.452	136.588	2.136	2.467	(0.331)	2.136
Children and Families	69.851	72.221	2.370	1.783	0.587	3.651
Criminal Justice Service	0.626	0.495	(0.131)	(0.043)	(0.088)	(0.131)
	454.470	454.835	0.365	0.235	0.130	5.656
HEALTH & SOCIAL CARE						
Health & Social Care	215.881	213.429	(2.452)	(0.772)	(1.680)	(2.452)
Contribution to IJB		2.452	2.452	0.772	1.680	2.452
	215.881	215.881	0.000	0.000	0.000	0.000
ENTERPRISE & ENVIRONMENT						
Assets, Transportation and Environment	112.069	115.214	3.145	1.773	1.372	3.934
Planning	2.114	1.866	(0.248)	(0.184)	(0.064)	(0.248)
Protective Services	2.929	3.060	0.131	0.129	0.002	0.131
Business & Employability Service	6.531	6.368	(0.163)	(0.010)	(0.153)	(0.163)
Property Repairs and Maintenance	14.561	16.461	1.900	1.500	0.400	1.900
	138.204	142.969	4.765	3.208	1.557	5.554
COMMUNITIES						
Housing & Neighbourhood Services	15.530	15.612	0.082	0.544	(0.462)	0.082
Communities & Neighbourhood	56.620	59.981	3.361	3.447	(0.086)	1.513
Customer & Online Services	17.044	16.979	(0.065)	(0.039)	(0.026)	(0.065)
	89.194	92.572	3.378	3.952	(0.574)	1.530
FINANCE & CORPORATE SERVICES						
Assessors	2.132	2.042	(0.090)	(0.016)	(0.074)	(0.090)
Finance	5.798	5.583	(0.215)	(0.230)	0.015	(0.215)
Revenue & Commercial Services	17.033	16.256	(0.777)	(0.516)	(0.261)	(0.777)
Human Resources	7.274	6.408	(0.866)	(0.567)	(0.299)	(0.212)
Business Technology Solutions	19.394	19.589	0.195	0.035	0.160	0.195
Legal & Democratic Services	4.364	4.402	0.038	0.057	(0.019)	0.038
	55.995	54.280	(1.715)	(1.237)	(0.478)	(1.061)
Miscellaneous	0.186	0.186	0.000	0.000	0.000	0.000
Housing Benefits	6.628	5.594	(1.034)	(1.034)	0.000	(1.034)
	62.809	60.060	(2.749)	(2.271)	(0.478)	(2.095)
CHIEF EXECUTIVE						
Chief Executive	0.322	0.300	(0.022)	(0.018)	(0.004)	(0.022)
Corporate and Democratic Core	2.698	2.919	0.221	0.164	0.057	0.221
	3.020	3.219	0.199	0.146	0.053	0.199
SERVICE TOTALS	963.578	969.536	5.958	5.270	0.688	10.844
ADDITIONAL ITEMS						
Loan Charges (including interest on revenue balances)	54.919	50.421	(4.498)	(4.658)	0.160	(4.498)
Capital Expenditure Financed from Current Revenue	14.889	14.889	0.000	0.000	0.000	0.000
Obligations / Contingencies	15.453	1.521	(13.932)	(11.832)	(2.100)	(13.932)
	85.261	66.831	(18.430)	(16.490)	(1.940)	(18.430)
TOTAL EXPENDITURE	1,048.839	1,036.367	(12.472)	(11.220)	(1.252)	(7.586)
FINANCED BY:						
General Revenue Grant	(627.264)	(627.264)	0.000	0.000	0.000	0.000
Non Domestic Rates	(172.123)	(172.123)	0.000	0.000	0.000	0.000
Council Tax Income	(191.529)	(190.329)	1.200	1.200	(0.000)	1.200
Budgets transferred to/(from) Balances (previous years carry forwards etc)	(57.923)	(57.923)	0.000	0.000	0.000	0.000
TOTAL INCOME	(1,048.839)	(1,047.639)	1.200	1.200	(0.000)	1.200
CONTRIBUTION (TO)/FROM BALANCES	0.000	(11.272)	(11.272)	(10.020)	(1.252)	(6.386)

**FIFE COUNCIL
VARIANCE ANALYSIS**

GENERAL FUND					
Area	Current underspend / overspend	Forecast Variance £m	Previous variance £m	Movement in variance £m	Commentary
EDUCATION & CHILDREN'S SERVICES					
Education (Devolved)	underspend	(4.010)	(3.972)	(0.038)	<ul style="list-style-type: none"> • Schools' devolved budgets (DSM) underspend of (£1.510m) reflects updated projections from Business Managers in relation to schools' devolved budgets ; • Pupil Equity Funding (PEF) underspend of (£2.500m) is estimated for 2023-24 based on previous years trends in expenditure across schools.
Education (Non Devolved)	overspend	2.136	2.467	(0.331)	<ul style="list-style-type: none"> • Maternity and long term absence cover costs across schools +£3.051m overspend; • Projected cost of additional staffing in Levenmouth Academy to support relationships and behaviour work of +£0.200m; • Special Education +£1.164m overspend, mainly due to education element of secure child placements of +£0.896m and additional transport costs of +£0.952m offset by an underspend on staffing due to additional funding of (£0.829m); • General Education (£1.767m) underspend due to the lead in time for staffing changes to PSA hours of (£1.975m), and the net effect of adjusting schools budgets for new roll numbers from August of (£0.835m) reflecting a reduction in 19 classes across Primary and the effect of probationer funding, offset by a projected overspend from unachieved savings of £0.660m; • Underspend of (£0.675m) in transport costs in Secondary sector • Movement from the previous report of (£0.331m) is mainly due minor changes in projections across the budget heads within the service, including a reduction in projected spend across Nursery Education.
Children and Families	overspend	2.370	1.783	0.587	<ul style="list-style-type: none"> • Overspend on Purchased Placements of +£3.868m due to an increased number of secure and residential placements, partly offset by an over recovery of income; • Overspend on Continuing Care of +£0.469m due to spend being in excess of Scottish Government funding and Respite of +£0.655m due to increased demand; • Overspend on internal residential service of +£0.880m, Overspend of +£0.630m on various other Third Party Payments and Transfer payments, which is mainly on Direct payments for Children Affected by disability and grant payments to individuals across teams, • Overspend of £0.456m on Premises which is mainly due to throughcare rent payments, and Kinship costs in relation to extension to a family home; • Underspend on Whole Family Wellbeing Fund of (£1.281m) due to lead in time for recruitment and implementation of plans; • Underspend of (£1.694m) on other staffing due to vacancies and recruitment lead in times; • Underspends on in-house foster care of (£1.309m), kinship care of (£0.547m) due to the shifting balance of care, although these underspends are reduced by an estimate of the financial impact of the new national foster and kinship rates to be implemented from 01.04.23 which is anticipated to result in a financial pressure of +£1.590m; • Supported lodgings (£0.377m) due to government funding of Unaccompanied Asylum Seeker Children being more than cost of placements, Underspend of (£0.796m) due to unused funding set aside for funding of permanent posts once temporary funding ends from 24-25. • Movement since last report is due a +£0.724m increase in purchased placements which is not due to an increase in package numbers but instead due to delays in moving one high cost package on, rate increases on 3 packages, and a new backdated package (placements at December are 131). There has also been a reduction of (£0.380m) in forecasted employee costs due to vacancies not being filled.
HEALTH & SOCIAL CARE					
Health & Social Care	underspend	(2.452)	(0.772)	(1.680)	<ul style="list-style-type: none"> • Adult Placements overspend +£1.880m, is related to the increase in the NCHC rate and due to a greater volume of adult packages being commissioned; • Older People Residential & Daycare overspend +£2.173m due to increased agency costs and catering and cleaning costs, partly offset by vacancies in the service; • Care at Home overspend +£1.454m due to an increase in Direct Payments and commissioning of older people care packages, smaller overspends on Travel, Meals on Wheels and Community Alarms, which is partly offset by an underspend in staffing due to difficulties in recruiting staff; • Integrated Professional & Business Enabling overspend £1.252m due to the shortfall on the pay award, partly offset by vacancies; • Adults Supported Living underspend (£4.282m) due to vacancies across the service which will not be filled until the future design of the service is established; • Fieldwork Teams underspend (£1.440m) due to vacancies which are partly offset by overspends on transport costs for taxis to college; • Adults Fife Wide underspend (£2.690m) due to additional funding for specific individuals not expected to be required as they are currently in hospital; • Older People Nursing & Residential underspend (£0.920m), £2.200m overspend due to increased demand for LTC and Assessment beds, offset by (£3.000m) increased Income from Financial Assessments; • The movement of (£1.680m) is mainly due to drawing down Reserves of £4m which has been partly offset by the shortfall on the pay award £2.4m and additional packages. At this stage additional funding agreed as part of the Revenue Budget has not yet been passported and remains a commitment in balances.
Contribution to IJB	overspend	2.452	0.772	1.680	<ul style="list-style-type: none"> • Whilst the council side of the IJB has an underspend, overall the IJB is projecting an overspend. IJB general reserves will be used to fund the overspend in the first instance. At this stage we are not expecting to have to implement the risk share agreement.

**FIFE COUNCIL
VARIANCE ANALYSIS**

GENERAL FUND					
Area	Current underspend / overspend	Forecast Variance £m	Previous variance £m	Movement in variance £m	Commentary
ENTERPRISE & ENVIRONMENT					
Assets, Transportation and Environment	overspend	3.145	1.773	1.372	<ul style="list-style-type: none"> • Grounds Maintenance overspend of £1.134m due to a higher than expected level of staffing, and an overspend on transport costs relating to hires and repairs of an aging fleet; • Domestic Waste & Street Cleaning overspend of £1.553m due to continuing issues around transport, hires and repairs of an aging fleet, as well as increased employee costs related to extending seasonals and increased overtime to cover absences; • Roads and Transportation overspend of £0.703m primarily relates to Winter Maintenance overspend as a result of increases to labour, vehicle, and fuel costs; • Property Services underspend of (£1.101m) primarily as a result of an underspend on the Energy Management Revolving Fund (EMRF) due to internal resources being prioritised on Key Council Capital projects such as new build Schools, care homes and essential maintenance work; • Sustainability overspend of £0.647m relates to an anticipated additional Management Fee to be paid to FRS due to arising cost pressures; • Movement is due to an increase of £0.605m in Environment and Building Services which mostly relates to increased transport costs relating to hire and repairs of an aging fleet as well as increased supplies and services costs relating to increased costs of materials. Further movement relates to the anticipated additional Management Fee paid to be paid to FRS due to arising pressures £0.647m.
Property Repairs and Maintenance	overspend	1.900	1.500	0.400	<ul style="list-style-type: none"> • Property Repairs and Maintenance Projected overspend of £1.900m relates primarily to compulsory requirement for Additional Electrical Testing and increased boiler replacements being required. • Movement of £0.400m due to the volume and cost of Additional Electrical Testing being larger than initially anticipated.
COMMUNITIES					
Housing & Neighbourhood Services	overspend	0.082	0.544	(0.462)	<ul style="list-style-type: none"> • Movement of (£0.366m) relates to Homelessness. This is due to Homelessness Prevention Funding being used in year to offset the cost of the use of B&Bs and Hotels in year due to a high demand for homelessness accommodation, this has reduced the level of overspend projected in these areas. • Movement of (£0.090m) relates to an underspend of temporary funding available for Fuel Top Ups for anyone who is not in either Homeless Accommodation or a HRA tenants. This fund is available for anyone who has exhausted all other means of support such as support from the Scottish Welfare Fund or from other external organisations. Take up on this scheme has been low in year due to the other sources of support available.
Communities & Neighbourhood	overspend	3.361	3.447	(0.086)	<p>A legacy from the pandemic continues to impact on level of demand and income received for some services. These include:-</p> <ul style="list-style-type: none"> • Fife Sports and Leisure Trust and Fife Cultural Trust have an estimated total deficit £0.886m. Council officers continue to review the areas where the level of income received has been impacted by the pandemic and both Trusts continue to receive temporary financial support from the Council; • Within Community Use and Halls and Centres there is an under-recovery of income of £0.962m. Work is underway as part of the Community Use Plan for increased marketing and consultation with communities to ensure they are offering what communities want and that there are no barriers preventing the community from accessing these services; • Unachieved historical savings of £0.470m across the service; • Unachieved staff turnover £0.351m across the service; 5% vacancy management targets are built into service staffing budgets. Vacancies within areas of the service have not been enough to meet this 5% target; • Premises overspends of £0.285m which relate to repairs & maintenance works, non domestic rates and waste collection across several different areas; • The remaining overspend relates to smaller overspends on supplies & services across the service including equipment & materials £0.110m and printing of £0.050m.
FINANCE & CORPORATE SERVICES					
Revenue & Commercial Services	underspend	(0.777)	(0.516)	(0.261)	<ul style="list-style-type: none"> • Underspend mainly relates to pay costs - staff turnover/non filling of vacancies (£0.733m) and higher than anticipated income from HRA/Other Funds (£0.065m), which is partly offset by overspends on supplies & services £0.087m
Human Resources	underspend	(0.866)	(0.567)	(0.299)	<ul style="list-style-type: none"> • Overspend relates to agreed additional HR Resources £0.222m and workstyles £0.016m which are covered by COVID funding, offset by underspends on staff costs due to vacancies (£0.171m), the Youth Investment Fund (£0.892m) and higher than anticipated external income (£0.085m). The Youth Investment Fund (£0.892m) would be carried forward to 2024-25.
Housing Benefits	underspend	(1.034)	(1.034)	0.000	<ul style="list-style-type: none"> • Underspend relates to Empty Property Relief (EPR) funding which was devolved by the Scottish Government this financial year (£0.942m). This is also the reason for the movement from August.
ADDITIONAL ITEMS					
Loan Charges (including interest on revenue balances)	underspend	(4.498)	(4.658)	0.160	<p>The projected underspend is made up of 2 factors, Principal and Interest. The projected underspend on Loan Charges Principal is due to the actual borrowing from the Loans Fund being less than anticipated at the time the budget was set. The projected underspend on interest is due to active cash flow and treasury management in reducing and rescheduling of loans known as LOBOs. Undertaking this activity has resulted in savings in the interest costs and discounts for early repayment.</p>
Obligations / Contingencies	underspend	(13.932)	(11.832)	(2.100)	<p>The projected underspend on Legislative Obligations reflects the estimated additional grant funding received from the Scottish Government to assist with the funding of pay awards. As Fife Council had already made some budget provision for the pay award, the Government funding is substituting that provision meaning that the budget provided is greater than the costs incurred.</p> <p>The movement reflects funding received for Free School meals that is not required to be used by the Council in 2023-24 and an allocation of budget to Transportation to offset the increased cost of Street Lighting electricity costs.</p>

FIFE COUNCIL
VARIANCE ANALYSIS

GENERAL FUND					
Area	Current underspend / overspend	Forecast Variance £m	Previous variance £m	Movement in variance £m	Commentary
INCOME					
Council Tax Income	overspend	1.200	1.200	(0.000)	The under recovery of income is as a result of increased levels of Council Tax Reduction being applied which is greater than the level of funding received from the government. Further the total council tax yield is less than budget as a result of increased levels of non-payment. This has been partially offset by an increase in Band D equivalents that come have on stream. This accounts for the movement since the last projection.

FIFE COUNCIL
HOUSING REVENUE ACCOUNT SUMMARY 2023-24

	Annual Budget £m	Forecast £m	Variance £m	Previous Committee Annual Variance £m	Movement £m
BUDGETED EXPENDITURE					
Repairs and Maintenance	40.377	45.763	5.386	5.381	0.005
Supervision and Management	21.464	21.023	(0.442)	(0.746)	0.304
Funding Investment:-					
Cost of Borrowing	32.859	30.279	(2.580)	(1.043)	(1.537)
Revenue Contribution (incl CFCR)	27.328	24.997	(2.330)	(3.382)	1.052
	122.028	122.062	0.034	0.210	(0.176)
Voids	2.610	2.675	0.065	0.085	(0.020)
Housing Support costs	(0.474)	(0.474)	0.000	0.000	0.000
Garden Care Scheme	0.449	0.448	(0.001)	(0.001)	(0.000)
Bad or Doubtful Debts	3.150	2.925	(0.225)	0.000	(0.225)
Other Expenditure	11.629	13.156	1.527	1.605	(0.078)
	139.392	140.792	1.399	1.898	(0.499)
FINANCED BY					
Dwelling Rents (Gross)	(132.249)	(131.942)	0.308	0.000	0.308
Non Dwelling Rents (Gross)	(3.589)	(3.545)	0.044	0.044	0.000
Hostels - Accommodation charges	(2.202)	(2.267)	(0.065)	(0.065)	0.000
Other Income	(1.352)	(1.422)	(0.070)	0.027	(0.097)
	(139.392)	(139.176)	0.216	0.006	0.210
CONTRIBUTION (TO) / FROM BALANCES	0.000	1.616	1.616	1.904	(0.289)

FIFE COUNCIL
VARIANCE ANALYSIS

HOUSING REVENUE ACCOUNT

Area	Current underspend / overspend	Forecast Variance £m	Previous variance £m	Movement in variance £m	Commentary
Repairs and Maintenance	overspend	5.386	5.381	0.005	<ul style="list-style-type: none"> • £3.347m overspend on Responsive Repairs to continuing high costs from inflation and material prices. • £2.854m overspend, on Change of Tenancy (COT) due to ongoing impact of Court Judgement which has increased the volume of COTs in year and due to rising prices from inflation and increasing material costs. The Court Judgement conversions will complete in year. • The above overspends are partially offset by underspends on Gas Maintenance and Servicing costs of (£0.722m) and Planned Maintenance of (£0.592m). The reduction in gas costs is due to the increase in the cost of gas works not being as high as anticipated at the time of budget setting and the planned maintenance is due to managing the level of works carried out in year. • £0.545m overspend on increased Estates Management and a Fencing Pilot, which is funded from balances.
Supervision and Management	underspend	(0.442)	(0.746)	0.304	<ul style="list-style-type: none"> • The underspend relates to vacancies across housing in year. • The movement relates to the increased cost of staffing due to the 2023-24 pay award. Although an increase for the HRA budgets was built into the 2023-24 budget the total costs of the pay award was higher than anticipated which has resulted in the movement.
Cost of Borrowing		(2.580)	(1.043)	(1.537)	<ul style="list-style-type: none"> • The Cost of Borrowing for the year is calculated during budget setting based on the anticipated level of borrowing required in year. This is recalculated in year based on current projections and has resulted in a decrease due to the slippage currently being projected in year for HRA Capital Projects.
Revenue Contribution (incl CFCR)	underspend	(2.330)	(3.382)	1.052	<ul style="list-style-type: none"> • The projected CFCR has improved by £1.052m due to the revised projections on Cost of Borrowing. Despite this the result is still a lower than planned contribution to the HRA Capital Programme. There will be an impact on the funding required to support the HRA Capital Programme as a result of the reduced CFCR.
Other Expenditure	overspend	1.527	1.605	(0.078)	<ul style="list-style-type: none"> • £0.909m overspend and movement mainly relates to Hostel Expenditure. Hostels income is not sufficient to cover operating costs. The Homelessness service are working on delivery models which will look to reduce / eliminate the hostels overspend. This will include measurements proposed in the Fife's Homelessness Reduction Plan 2023/25 presented to Cabinet on 5th October. • £0.211m overspend for Disability Adaptations which is funded from balances. This will allow for an increase in the number of adaptations in year and reduce waiting list times; • £0.190m overspend relates to increased utility costs. • The remaining £0.217m overspend includes a number of small over and underspends across Other Expenditure relating to staff turnover, cost of equipment, security fees and other works.
Dwelling Rents (Gross)	overspend	0.308	0.000	0.308	<ul style="list-style-type: none"> • The underachievement of income is due to the timing of new housing stock becoming available to rent in year. Although the current stock level is in line with what was anticipated when setting the 23-24 income budget, the timing of some stock becoming available to rent has occurred later in the year than anticipated resulting in the underachievement of income.
CONTRIBUTION (TO) / FROM BALANCES	overspend	1.616	1.904	(0.289)	<ul style="list-style-type: none"> • £0.545m & £0.211m withdrawals for estates, fencing and adaptations detailed above. The movement is due to the amount required in year for Adaptations reducing from £0.500m to £0.211m based on the level of work due to complete in year. • £0.859m relates to contributions into balances at the end of 2022-23. This will be withdrawn in 2023-24 to assist with maintaining the level of CFCR required.

FIFE COUNCIL
BALANCE - GENERAL FUND SERVICES

	2023-24 £m	2024-25 £m	2025-26 onwards £m
Balance at 1 April 2023	(216.054)	(129.536)	(61.281)
Budgets transferred (to)/from balances	57.923		
Add Overall budget variance 2023-24 (Appendix 1)	(11.272)		
Estimated General Fund Balance at 31 March	(169.403)	(129.536)	(61.281)
Earmarked Balance			
Devolved School Management		1.510	
Energy Management Fund		1.227	
Council Tax - Second Homes	0.850	5.000	3.046
SG Specific funding	0.291	3.781	
Specific Carry Forwards	0.198	0.892	
COVID-19 Funding:			
Continuing Financial Consequences of COVID-19	1.914	5.203	1.106
Community Recovery Fund	4.300	4.876	0.000
COMIS/SWIFT delay	1.000	1.185	
Inflation - Supplies & Services	1.905		
Capital Investment Plan:			
CFCR	4.498	17.461	
Service Concessions		10.000	24.539
Capital Plan Review – Additional Funding	17.000		
Total Earmarked	31.991	51.135	28.691
	(137.412)	(78.401)	(32.590)
Commitments against balance			
Budget Carry Forward Scheme			
Change Programme	4.894	5.000	
Demographics/Pay/Pensions	0.330	5.000	8.000
Fife Job Contract		0.816	
Barclay Funding - Assessors		0.064	
Workforce Change	0.123	2.000	4.000
Lease Surrender - The Kirkcaldy Centre		0.340	0.150
Election	0.342		
Baby Ashes Memorial	0.000		
Use of Balances – Revenue Budget 2024-25	2.100	3.900	
Other Commitments	0.087		
Total Commitments	7.876	17.120	12.150
Estimated uncommitted balance at 31 March	(129.536)	(61.281)	(20.440)

BALANCE - HOUSING REVENUE ACCOUNT

Appendix 5 (Con'd)

	2023-24 £M	2024-25 £M	2025-26 onwards £M
Balance at 1 April 2023	(7.380)	(5.764)	(5.764)
Add Overall budget variance 2023-24 (Appendix 2)	1.616		
Estimated Balance at 31 March	<u>(5.764)</u>	<u>(5.764)</u>	<u>(2.754)</u>
Earmarked Balance			
Disability Adaptations		0.288	
Transitional Affordable Housing		2.500	
Use of Balances - HRA Budget 2024-25		0.222	
	0.000	3.010	0.000
Estimated uncommitted balance at 31 March	<u>(5.764)</u>	<u>(2.754)</u>	<u>(2.754)</u>

Capital Investment Plan – Monitoring 2023-24

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

Wards Affected: All

Purpose

The purpose of this report is to provide a strategic financial overview of the Capital Investment Plan and to advise on the provisional outturn for the 2023-24 financial year.

Recommendations

The Cabinet Committee is asked to:-

- i) note the projected outturn position and that the level of financial risk continues to be heightened due to high levels of inflation and supply chain challenges;
- ii) note that more detailed capital outturn reports for 2023-24 will be submitted to relevant Scrutiny Committees of the council;
- iii) note that budget variances will be managed by the appropriate Directorate in conjunction with the Investment Strategy Group; and
- iv) note the updated prudential indicators provided.

Resource Implications

The updated capital plan approved in June 2023 provided for increased levels of investment to deal with the cost pressures being faced because of inflationary pressures and difficulties in supply chains. There does remain a level of risk given that inflation remains higher than anticipated and that the revised costs were estimates based on known factors at that time. Additionally, interest rates continue to increase which could have an impact on the cost of borrowing in future years of the plan.

Legal & Risk Implications

Potential risks include continuing difficulties across supply chains, rising inflation on costs of construction and availability of funding streams for larger capital projects, e.g. Developers' Contributions and estimated funding levels from Scottish Government. Further detail relating to the current risks is contained in section 2.2.

Impact Assessment

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

Consultation

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

1.0 Background

- 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 2023-24. The report also highlights the forecast 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 the Housing Revenue Account which is managed and accounted for separately from the General Fund.
- 1.2 Funding strategies including the use of CFCR from general fund balances, service concession arrangements, capital grant, receipts, developers' contributions and borrowing, all identified during the capital plan review process are being utilised to support the level of capital investment included in the plan.

2.0 Issues

Major Projects

- 2.1 Appendix 1 provides a summary of the major projects within the Plan. There are 30 projects/programmes in this category with an overall budget of £1,185.828m.
 - 2.1.1 At this stage, cost estimates suggest that there could be an underspend of £0.388m across the life of several major projects in the programme.
 - 2.1.2 Dunfermline Learning Campus is projecting a pressure £1.624m on the project. This is due to an unsuccessful bid for external funding. Work is ongoing to mitigate the pressure, where possible, through other efficiencies in the project, however, any residual pressure may have to be accommodated within the overall Education Capital Plan.
 - 2.1.3 Abbeyview Integrated Hub is projecting a (£2.013m) underspend as the tender returns were lower than anticipated.

Potential Risks and Issues

- 2.2 Across the Capital Investment Plan, budgets were increased to reflect the likely inflationary pressures and there continues to be risk that both the timing and the costs of projects could be adversely affected by the current economic climate. Monitoring of the impact of additional costs on projects continues and any significant impact on timescales and associated risks will be reported to this committee.
 - 2.2.1 The council's approved Capital Plan includes £213.000m investment in respect of Secondary Schools in West Fife, which includes Dunfermline Learning Campus (DLC) and the Inverkeithing High School replacement. The budgets for the projects reflect the funding arrangements of the Scottish Government's Learning Estate Investment Programme (LEIP) 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. The DLC project is progressing in line with the required timeline with the campus due to open in August 2024. The council has approval through LEIP Phase 2 for a replacement Inverkeithing High School which is due to open in August 2026. Following the Scottish Government advising their decisions in terms of LEIP Phase 3 projects, there is a requirement to consider options in relation to the Glenrothes secondary schools alongside the wider school estate. To inform this, a report will be brought forward to update members on the condition and suitability of the current school estate and to identify the priorities for investment based on that assessment for consideration as part of the next Capital Plan Review.

- 2.2.2 Increased costs relating to continuation of the council's Affordable Housing Programme were presented to Cabinet Committee on 6 April 2023 confirming that that additional capital investment would be required to complete the Phase 3 and Transitional Affordable Housing Programmes. The increase in the unit cost per property was a result of continuing inflationary pressures. The additional borrowing required was fully tested for affordability as part of the HRA 2022 Business Plan modelling and incorporated into the current Capital Investment Plan. The capital plan for the HRA will be reviewed early in the new financial year for affordability given the current financial backdrop and challenges.
- 2.2.3 The level of grant subsidy available from the Scottish Government for the Affordable Housing Programme has been reduced for 2024-25 by 26% with the level of funding for future years to be determined. The impact on Fife is yet to be determined, however, it is estimated that there may be in the region of £7.600m reduction in subsidy available from Scottish Government in 2024-25. This reduction could have a significant impact on the affordability of delivering the current approved programme. The full impact of this is currently being assessed by officers and will be reported to members in more detail at a future date.
- 2.2.4 The expected level of capital expenditure has increased significantly compared to last financial year, therefore, there is a potential risk around the capacity to deliver projects of this scale.

Financial Performance – 2022-23 Total Expenditure - Projected Outturn

- 2.3 Appendix 2 provides a summary by capital theme of projected expenditure and income for 2023-24 showing the total reprofiled expenditure budget of £326.376m and projected spend of £268.755m in the 2023-24 financial year, £57.621m slippage across the plan. Comparable expenditure for the previous three years was £189.362m (2022-23), £163.805m (2021-22) and £138.473m (2020-21).
- 2.3.1 The level of projected expenditure is significant in comparison to previous years with an expected increase of 42% on expenditure compared to last year's outturn position.

3.0 Budgets and Funding

Budget

- 3.1 The Capital Investment Plan 2023-33 was approved by Fife Council in June 2023. 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 considering 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.

Since the last report, there have been further changes to the budget, these are summarised in the table below. The changes have followed agreed governance processes and have been endorsed by the Investment Strategy Group, chaired by the Head of Finance.

	Total Expenditure £m
Current Capital Investment Plan as at October 2023	324.442
CFCR/CFCR Swap	0.012
Increased Grant and Contribution Income	1.922
Current Capital Investment Plan as at December 2023	326.376

The increased level of grant and contributions income, in the main, relates to Community Bus Fund Grant Funding of £0.478m, contributions of £0.400m towards River Leven Restoration and VDLF funding of £0.896m towards various EPES projects.

Expenditure

3.2 Variances are projected across all themes within the plan, the most significant being:

3.2.1 Opportunities for All

Education and Children's - £3.390m

Advancement under Secondary Schools West Fife for Dunfermline Learning Campus (DLC) of £4.020m. Excellent progress is being made ahead of the opening of the schools in August 2024.

Advancement under Looked After Children Homes Reprovision £0.471m in relation to Glenmar home provision. A suitable property has been purchased and the project is now to develop this property as opposed to a new build project which was initially thought.

Slippage under Building Fife's Future under Viewforth extension (£0.300m) as discussions are ongoing around the scope of the project.

Slippage under Early Learning & Childcare for Raith Lodge project (£0.457m). There were delays in the start date as resources were required on another project, however, work has now commenced and is ongoing.

Slippage under Free School Meals (FSM) Expansion (£0.255m) due to the need to review the programme to re-prioritise projects. A number of projects are now ongoing with a few having been completed. Regular meetings are being held between the relevant services to ensure projects are on track. Discussions have also been held with Scottish Futures Trust around the number and type of projects required to deliver FSM expansion.

3.2.2 Thriving Places

Business and Employability – (£1.411m)

The main reason for slippage is (£0.548m) at Inverkeithing Heritage Public Realm project due to delays from complex tenders at this site. Slippage has emerged within the Scottish Government funded Place Based Investment Programme (PBIP) of (£0.814m).

The PBIP projects which have slipped are: Dunfermline's city centre Gap Site development (£0.300m) due to delays in finalising designs in order to minimise revenue costs; Public Realm Leven Railway Station (£0.260m) awaiting consultation with Network Rail; Lochgelly Business Park Energy Efficiency (£0.210m) delayed due to available contractor resources; and Kirkcaldy Esplanade (£0.250m) additional budget approved in June 2023 and funded works will be delivered in next financial year.

Asset and Transportation and Environment – (£0.934m)

Strategic Transport Intervention Programme there is slippage (£1.179m) due to a combination of delivery of schemes being reprofiled due to a slower house build out rate by developers as a result of market conditions and reallocation of design resources to higher priority externally funded projects.

Sustainable Transport is projecting slippage (£1.818m) due to the Levenmouth Reconnected Programme (LRP) as a result of no spend on the Levenmouth Connectivity Project this year, which had an allocation from the LRP. Slippage will be made up in the next two financial years.

Leven Connectivity has a variance of £2.063m, which relates to a timing issue in setting a budget. This relates to the Active Travel Network and River Park Routes for this financial year and will be funded from Sustrans grant.

Area Community and Corporate Development– (£7.230m)

Community Facilities has slippage of (£0.332m) and consists of slippage of (£0.500m) for Sandy Brae Community Centre car park upgrade and (£0.250m) Kelty Community Centre car park projects being unlikely to commence during 2023-24. There is (£0.500m) slippage due to delays with Silverburn because of staffing resource problems. There is a projected overspend on Glenwood regeneration project of £0.718m, part of which is due to the value of Compulsory Purchase Orders, additional funding has been identified to mitigate the remaining overspend.

Countryside has slippage of (£0.878m), (£0.376m) relates to the Nature Restoration fund, project bids have now been received and are being considered by the governance group.

Slippage of (£1.225m) within Sports and Golf programme for the Glenrothes Golf Depot Hub, discussions are ongoing to identify the appropriate outcome of this project and the expenditure is likely to be rephased across 2024-25 and 2025-26.

Improving Health Through Leisure & Sport has slippage of (£0.875m) relating to several playpark projects across Fife, these projects are delayed aligning with the outcome of the play space strategy which is to be agreed by each Area Committee and the desire to involve communities to seek match funding against council and Scottish Government funding for play parks.

Area Community Facilities slippage of (£1.850m) relates to the wider discussion as to the next steps for a few community assets in Lochgelly.

Sport & Leisure Facilities has slippage of (£1.392m), (£0.869m) relating to Synthetic Turf pitch costs being less than anticipated alongside securing external funding. (£0.371m) relating to Phase 2 of the Lochore Meadows project and work on Lochgelly Town House Square which is now expected to slip into 2024-25.

3.2.3 Inclusive Growth and Jobs

Business and Employability – (£1.283m)

The main reason for slippage is delay at Fife Interchange North where a new contractor for groundworks was required and is now in place, resulting in slippage of (£0.824m). Further slippage of (£0.240m) is a result of delay at Glenrothes Flemington Road project where there had been difficulty in accessing third party premises and delayed responses to requests for information. These issues have been resolved and the project is progressing to the next stage. Underspend of (£0.138m) is a result of planned acquisition which will no longer go ahead this year and funds will be redirected to the final phase of the Fife Industrial Innovation Investment Programme, other underspend of (£0.071m) relates to lower than expected requirement for digital infrastructure across the programme. The slippage and underspend are offset by £0.519m advancement in development of new business units at Levenmouth to maximise external funding available in this financial year.

There is also underspend of (£0.418m) on Joint Venture investments, the main reason for this underspend is proceeds from sale of Joint Venture assets which will be used to fund Joint Venture acquisitions in next financial year.

3.2.4 Maintaining Our Assets – Rolling Programmes

Education & Children's – (£1.216m)

Large part of this slippage is around projects that had originally been planned under Rolling Programme but are now able to be funded from Free School Meals Expansion funding (£0.627m). Rest of slippage is against Lochgelly South/St Kenneth's project for the regrouting works at Lochgelly South and decant works for St Kenneth's as the budget was profiled slightly higher this year (£0.256m), estimating the anticipated spend. However, work on the projects are on time for being completed by August.

Asset & Transportation & Environment – (£5.666m)

Fleet-Purchase of Vehicles & Equipment is projecting slippage of (£3.377m) due to delays with procurement lead in times. Two orders of vans, previously promised delivery by suppliers prior to end of financial year, will now arrive April and May in 2024-25 financial year.

Property Maintenance Capital has projected slippage of (£0.585m) mainly due to significant delays to planning approval for two larger projects, both of which are listed (Buckhaven Community Centre £0.326m and Kirkcaldy North Windows £0.311m).

Fife Resource Solutions Rolling Programme has advancement of £1.083m due to a combination of continuing advancement of capping works across both sites, along with the Persistent Organic Pollutants (POPs) pressure arising as a result of an update to guidance from SEPA. There was a requirement for investment at Lower Melville Wood to ensure that a facility was available to continue to process this waste type and ensure continued operation within environmental regulations.

Roads Infrastructure slippage of (£0.750m) relates to the delayed delivery of the footway programme. The internal staff resource who primarily delivers this programme were temporarily redeployed to tackle high priority safety defects resulting in the programme to slip. Attempts were made to externalise works however were rejected due to contractor availability.

Street Lighting slippage (£0.450m) relates to delays obtaining planning approval, procurement of specialised columns and contractor availability.

Climate Change Adaptation slippage (£1.426m) is primarily related to reduced delivery of Flood Alleviation Measures and the following projects: Kinnessburn Flood Prevention Scheme, Cairneyhill Flood Prevention Scheme. This is due to difficulties recruiting experienced and chartered engineers and employing external consultant support to assist with the recruitment gap. Staff are now in post with a view to progressing projects during the remainder of 2023-24.

Area Community and Corporate Development – (£0.964m)

Libraries, Museums, Galleries & Theatres has an overspend of £0.890m, this overspend is due to funding from the Energy Management Revolving Fund which is allocated at the end of the financial year when the full costs of each project is known and relates to the rigging projects across theatres in Fife.

Parks development projects across Fife have slippage of (£1.364m). Work is ongoing on several projects such as Ravensraig Play Park, Castle Terrace Play Area, and Daisy Park to progress.

3.2.5 Maintaining Our Assets – Specific Projects

Asset, Transportation and Environment – (£4.403m)

Structures Infrastructure slippage of (£1.311m) due to re-prioritising of staff resources to deliver the Leven Railway infrastructure and emergency coastal repairs. This has resulted in delays to the following projects: Broad Street and Woodside Underpass. Glen Bridge tender returns presently being reviewed and will be carried forward to next financial year.

Recycling Centres – Slippage of (£1.875m) relates to no suitable sites being identified for the new Cupar Recycling Centre, as well as an ongoing safety review of public access at Lochhead and Ladybank Recycling Centres resulting in a likely delay in works being carried out.

Pathway to Net Zero – Slippage of (£0.704m) relates to preparation and lead in time for delivery of the projects. It is expected that any slippage will be spent early 2024-25.

3.2.6 Housing Revenue Account – (£23.676m)

There is slippage of (£15.382m) relating to the Affordable Housing Programme against a budget of £74.573m. This is due to several sites starting later than originally anticipated with spend slipping into future years. Due to the high level of spend per site, a delay in project start dates can cause a material level of slippage.

There is slippage in the budgets for EESSH 2 of (£3.148m) and Non-Traditional Housing of (£1.167m) which is due to the project being delayed whilst the requirements for the new Net Zero standard which will replace EESSH 2 are confirmed by the Scottish Government to ensure that works will comply with the revised standard. Major Projects has slippage of (£2.017m) which relates to several projects starting later than anticipated in year.

There is slippage of (£2.593m) relating to Component Replacement, all required works to maintain homes to the required SHQS standard have been carried out in year, the cost of which is lower than originally anticipated for 2023-24. There is slippage of Minor Works is also projected to have slippage of (£0.500m) based on the level of programmed work for the year.

There is an advancement of £1.7m relating to the Property Acquisition Programme. On 6 April 2023, Cabinet Committee approved additional capital expenditure to enable the Property Acquisition Programme to continue across 2023-26 at a cost of £16.5m to purchase 150 units at an average cost of £110k per unit, this budget is currently phased across the three years 2023-26. The target for 2023-24 is to purchase 100 properties in year. As at the end of January 2024, 61 units had been purchased and will complete in year. The aim is for a further 39 properties to be in the process of being purchased by the end of March 2024 with the purchases expected to complete in 2024-25

3.2.7 Additional Investment – (£13.500m)

During the Capital Plan review process, capital budget of £13.500m was allocated for additional investment.

Following approval of the General Fund Revenue Budget 2024-27 at Council on 22 February 2024, investment in Roads Maintenance (£3.500m), Vehicle Replacement (£5.000m) and Street Cleansing (£0.360m) have now been agreed.

As these investments will take place in 2024-25, there will be no expenditure this year resulting in slippage of £13.500m. The balance remaining will be held and allocated once any further investment is agreed and committed.

Total Income

- 3.3 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).
- 3.3.1 Appendix 2 shows that there is a total income budget of £109.529m against a forecast of £87.025m giving a variance of £22.504m. This variance is in relation to two main factors: lower than planned CFCR contribution and an under recovery of grant income in relation to the Affordable Housing Programme which reflects the slippage in the current year expenditure. The under recovery of CFCR for the General Fund - this is in relation the additional investment in paragraph 3.2.7 above not being used in 2023-24. The CFCR contribution will slip into 2024-25 to fund the investment identified.
- 3.3.2 The CFCR variance also includes a lower than planned contribution from the HRA of £3.012m. Overspends and pressures within the Housing Revenue Account means that the planned level of CFCR is not feasible, further detail is presented in the revenue monitoring report on this agenda.
- 3.3.3 The reduction in use of CFCR is partially offset by an advancement of subsidy expected from the Scottish Government of £0.500m which relates to the advancement of the property acquisitions programme detailed in para 3.2.6. The consequences of this on the HRA is currently being considered.

Total Funding

- 3.4 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 provide funding for the plan overall. At the time the budget for General Capital Grant was set, the Scottish Government indicated that it would provide additional grant in relation to free school meals expansion to all primary school aged children. Recent grant profiles provided by the Scottish Government indicate some changes in the current financial year which are still to be finalised. As a consequence, a nil variance is being reported. As a result of the underspend on capital expenditure, borrowing is also likely to be under the budgeted total for both General Fund and HRA.

4.0 Prudential Indicators

- 4.1 The council operates within the CIPFA Prudential Code framework. The Prudential Code is designed to support local authorities in taking their decisions in capital finance and expenditure. There is a statutory requirement to operate within the code.
- 4.2 As outlined in the previous Capital Investment Plan report presented to this committee, the Prudential Code requires the monitoring and reporting of performance against prudential indicators to be reported quarterly.
- 4.3 The introduction of quarterly monitoring facilitates increased reporting to ensure that the council continues to operate within the indicators and boundaries approved.
- 4.4 Appendix 3 provides details of Fife Council's Prudential Indicators as at the end of December 2023. The information includes the outturn position for the previous two years, the indicators approved within the Treasury Strategy 2023-26 and the estimates for the current and following two years based on most recent estimated expenditure and income profiles.

- 4.5 A detailed description of each indicator is included in the Appendix. Commentary on movements is provided below:

Capital Expenditure

- 4.5.1 This reflects the projected capital expenditure for 2023-24 along with the estimates for the next two financial years. For General Fund, expenditure is anticipated to be less than was approved in August 2023 and similar to that reported to members previously. The difference flowing through into future years as slippage. The projected capital expenditure in relation to HRA has decreased by £26.177m since the last report. This is in relation to the Affordable Housing Programme.

Financing Costs

- 4.5.2 These are the costs to the council of borrowing money to pay for capital projects and include principal repayment and interest charges, known as Loan Charges. The council has two types of borrowing, short term for cash flow purposes and long term for capital purposes. The council also uses its own internal balances to meet cash flow demands and interest is paid to the General Fund and the HRA from the Loans Fund for the use of this cash. During the last quarter, some debt rescheduling has been undertaken in relation to some of the Council's Lender Option Borrower Option (LOBO) loans which has resulted in some discounts and interest rate savings. This has resulted in lower than anticipated loan charges in the current and future financial years.

External Debt

- 4.5.3 The projected external debt has increased to that previously reported to this committee and remains above the limit approved in August 2023. The cash position of the council is continually changing and, as a result, borrowing may be required to ensure that the council has sufficient funds to meet its ongoing obligations. The debt position is within the operational boundary and the authorised limits approved in the Treasury Strategy for 2023-26 and is not a cause for concern.

5.0 Conclusions

- 5.1 The current total expenditure budget for the financial year 2023-24 is £326.376m and the council is estimated to deliver £268.755m (82%) investment in the year, with slippage of £57.621m.
- 5.2 This level of projected expenditure represents 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.
- 5.3 There are 30 projects/programmes within the Plan which have a value of £5.000m or greater. The overall budget for these projects is £1,185.828m, with anticipated expenditure of £1,186.438m and an estimated underspend of £0.388m (0.03%).
- 5.4 Where significant variances arise, these are reviewed by the appropriate Directorate in conjunction with the Investment Strategy Group and would be reflected in future capital plan reports to committee.
- 5.5 There is a new requirement to report quarterly on the council's Prudential Indicators and to monitor these over the course of the year. These can be seen in Appendix 3.

List of Appendices

1. Major Capital Projects total Cost Monitor
2. Monitoring Report by Capital Theme
3. Prudential Indicators

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FIFE COUNCIL
CAPITAL INVESTMENT PLAN 2023-33
TOTAL COST MONITOR - MAJOR CAPITAL PROJECTS

Appendix 1

	Service	Current Project Budget £m	Total Projected Outturn £m	Variance £m	Variance %	Current Project Status	Expected Project Completion Date
Opportunities for All							
Madras College Extension	E&CS	5.713	5.713	0.000	0.00%	Future Project	2026-27
Dunfermline Learning Campus	E&CS	122.025	123.649	1.624	1.33%	Current Project	2024-25
Extension Secondary School - Viewforth	E&CS	6.335	6.335	0.000	0.00%	Future Project	2030-31
New Secondary School - Glenrothes /Glenwood	E&CS	86.831	86.831	0.000	0.00%	Future Project	2029-30
Queen Anne High School Extension	E&CS	6.626	6.626	0.000	0.00%	Future Project	2030-31
Inverkeithing High School	E&CS	85.000	85.000	0.000	0.00%	Future Project	2026-27
Primary School Development Future Projects	E&CS	97.638	97.638	0.000	0.00%	Future Project	2032-33
Lochgelly Primary School	E&CS	8.984	8.984	0.000	0.00%	Current Project	2024-25
Methil Care Home	H&SC	8.023	8.023	0.000	0.00%	Current Project	2023-24
Cupar Care Home	H&SC	8.774	8.774	0.000	0.00%	Current Project	2025-26
Anstruther Care Home	H&SC	11.197	11.197	0.000	0.00%	Feasibility	2026-27
		447.146	448.770	1.624	0.36%		
Thriving Places							
Northern Road Link East End	ATE	12.271	12.271	0.000	0.00%	Preparatory Works	2026-27
Western Distributer Road	ATE	12.126	12.126	0.000	0.00%	Future Project	2030-31
Northern Road A823	ATE	10.335	10.335	0.000	0.00%	Preparatory Works	2030-31
Levenmouth Reconnected	ATE	8.943	8.943	0.000	0.00%	Current Project	2025-26
Abbeyview Integrated Hub	Communities	9.506	7.493	(2.013)	-21.18%	Current Project	2024-25
Templehall Community Hub	Communities	15.304	15.304	0.000	0.00%	Current Project	2027-28
Cowdenbeath LC Phase 2	Communities	7.305	7.305	0.000	0.00%	Current Project	2025-26
East Sands LC Redevelopment Project	Communities	6.000	6.000	0.000	0.00%	Future Project	2026-27
		81.791	79.778	(2.013)	-2.46%		
Inclusive Growth and Jobs							
Fife Interchange Business Units - Phase 1 & 2	Bus & Employ	11.518	11.518	0.000	0.00%	Current Project	2024-25
John Smith Business Park Business Units	Bus & Employ	5.517	5.517	0.000	0.00%	Current Project	2026-27
		17.035	17.035	0.000	0.00%		
Housing Revenue Account							
Affordable Housing	Housing	568.428	568.428	0.000	0.00%	Current Project	2025-26
		568.428	568.428	0.000	0.00%		
Maintaining Our Assets							
Glenrothes District Heat	ATE	9.449	9.449	0.000	0.00%	Current Project	2024-25
Leven Railway Bridge & Bawbee Bridge	ATE	10.150	10.150	0.000	0.00%	Current Project	2024-25
Den Burn Bridge	ATE	10.710	10.710	0.000	0.00%	Preparatory Work	2028-29
Broad Street Bridge Cowdenbeath	ATE	11.808	11.808	0.000	0.00%	Preparatory Work	2027-28
Lyne Burn	ATE	6.217	6.217	0.000	0.00%	Future Project	2029-30
Adam Smith Creative Hub	Communities	7.481	7.481	0.000	0.01%	Current Project	2023-24
Local Area Network	BTS	7.314	7.314	0.000	0.00%	Current Project	2029-30
Balwearie High School	E&CS	8.300	8.300	0.000	0.00%	Future Project	2026-27
		71.428	71.427	0.000	0.00%		
Grand Total		1,185.828	1,185.438	(0.388)	-0.03%		

**FIFE COUNCIL
CAPITAL INVESTMENT PLAN 2023-33
MONITORING REPORT**

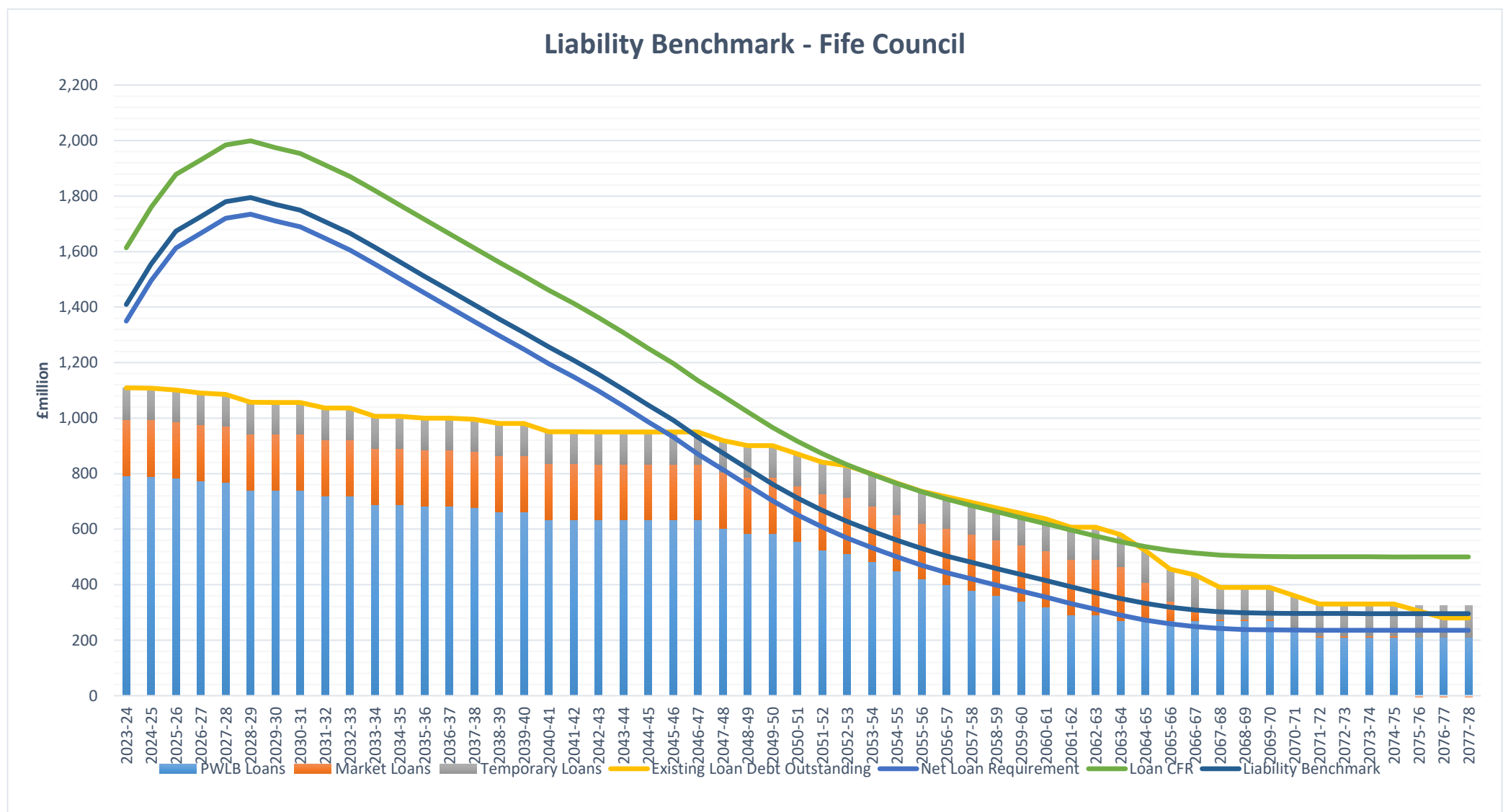
Appendix 2

Capital Theme	Approved Budget £m	Current Budget £m	Actual to Date £m	Projected Outturn £m	Projected Variance £m	Projected Outturn as % of Plan
Opportunities for All	85.528	64.835	52.038	68.508	3.673	106%
Thriving Places	17.896	30.139	10.653	20.565	(9.574)	68%
Inclusive Growth and Jobs	11.116	10.391	6.097	9.108	(1.283)	88%
Maintaining Our Assets - Rolling Programmes	45.657	55.982	35.073	47.371	(8.610)	85%
Maintaining Our Assets - Specific Programmes	13.387	17.649	6.448	12.998	(4.651)	74%
Housing Revenue Account	100.315	132.782	68.255	109.106	(23.676)	82%
Corporate Items	14.597	14.597	0.000	1.097	(13.500)	8%
TOTAL EXPENDITURE	288.496	326.376	178.563	268.755	(57.621)	82%
Scottish Government Specific Capital Grants	(3.856)	(5.921)	(5.228)	(6.421)	(0.500)	108%
Other Grants and Contributions	(46.863)	(47.228)	(26.812)	(34.884)	12.344	74%
Capital Financed from Current Revenue (CFCR)	(61.426)	(56.379)	(14.689)	(45.720)	10.660	81%
TOTAL INCOME	(112.144)	(109.529)	(46.729)	(87.025)	22.504	79%
TOTAL NET EXPENDITURE	176.352	216.847	131.834	181.730	(35.117)	84%
Scottish Government General Capital Grant	(40.776)	(42.673)	(51.434)	(42.673)	0.000	100%
Capital Receipts	(5.024)	(4.007)	(3.863)	(4.713)	(0.706)	118%
NHT Loan Repayments	0.000	0.000	0.000	0.000	0.000	0%
Borrowing from Loans Fund - General Fund	(96.140)	(97.046)	0.000	(73.457)	23.589	76%
Borrowing from Loans Fund - HRA	(34.412)	(73.121)	0.000	(60.887)	12.234	83%
TOTAL FUNDING	(176.352)	(216.847)	(55.297)	(181.730)	35.117	84%

FIFE COUNCIL
PRUDENTIAL INDICATORS 2023-26

OUTTURN 2021-22	OUTTURN 2022-23		APPROVED 2023-24	APPROVED 2024-25	APPROVED 2025-26	PROJECTION 2023-24	ESTIMATE 2024-25	ESTIMATE 2025-26
		Affordability Indicators						
£m	£m	<u>Capital Expenditure</u>	£m	£m	£m	£m	£m	£m
89.911	103.964	General Fund	188.181	165.299	161.684	159.649	173.727	163.718
73.894	85.399	Housing Revenue Account	114.210	142.251	173.348	109.106	143.228	110.103
163.805	189.362		302.391	307.550	335.032	268.755	316.955	273.822
£m	£m	<u>Financing Costs</u>	£m	£m	£m	£m	£m	£m
58.349	11.996	General Fund	52.811	55.615	56.711	50.058	54.477	56.768
27.464	30.519	Housing Revenue Account	32.964	37.918	43.651	29.928	37.554	43.502
85.813	42.515		85.776	93.532	100.363	79.987	92.031	100.270
£m	£m	<u>Net Revenue Stream</u>	£m	£m	£m	£m	£m	£m
913.590	942.946	General Fund	941.085	941.085	941.085	989.701	941.085	941.085
124.608	128.401	Housing Revenue Account	135.195	140.107	145.904	135.400	140.107	145.904
1,038.198	1,071.347		1,076.280	1,081.192	1,086.989	1,125.101	1,081.192	1,086.989
		<u>Ratio of Financing Costs to Net Revenue Stream</u>						
6.39%	1.27%	General Fund	5.61%	5.91%	6.03%	5.06%	5.79%	6.03%
22.04%	23.77%	Housing Revenue Account	24.38%	27.06%	29.92%	22.10%	26.80%	29.82%
£m	£m	<u>The Capital Financing Requirement</u>	£m	£m	£m	£m	£m	£m
746.223	785.892	General Fund	862.624	937.809	1,012.532	835.665	934.808	1,030.933
386.898	414.161	Housing Revenue Account	456.246	526.721	617.846	456.579	532.286	580.627
1,133.121	1,200.053		1,318.870	1,464.530	1,630.378	1,292.244	1,467.094	1,611.559
1,022.655	995.595	External Debt	1,138.657	1,237.520	1,355.902	1,178.556	1,316.420	1,430.802
1,451.766	1,489.036	Authorised Limit for Total External Debt	1,528.856	1,628.414	1,765.606	1,528.856	1,628.414	1,765.606
1,382.634	1,418.129	Operational Boundary for Total External Debt	1,456.053	1,550.870	1,681.530	1,456.053	1,550.870	1,681.530
		Prudence Indicators						
£m	£m	<u>External Debt and the Capital Financing Requirement</u>	£m	£m	£m	£m	£m	£m
1,022.655	995.595	Forecast External Debt	1,138.657	1,237.520	1,355.902	1,178.556	1,316.420	1,430.802
1,133.121	1,200.053	Forecast Capital Financing Requirement	1,318.870	1,464.530	1,630.378	1,292.244	1,467.094	1,611.559
(110.467)	(204.458)		(180.213)	(227.009)	(274.476)	(113.688)	(150.674)	(180.758)
		<u>Adoption of the CIPFA Code on Treasury Management</u>						
		Code adopted in 1996 and compliance maintained through the Treasury Management Strategy						
100%	100%	Fixed Interest Rate Exposure Upper Limit	100%	100%	100%	100%	100%	100%
75%	75%	Variable Interest Rate Exposure Upper Limit	75%	75%	75%	75%	75%	75%
0%	0%	Total Principal Sums Invested Beyond 364 days Upper Limit	0%	0%	0%	0%	0%	0%

Debt Liability Benchmark



Riverside Park, Glenrothes

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

Wards Affected: 13,14,15

Purpose

The purpose of this report is to seek approval to regenerate Riverside Park, Glenrothes based on the Business Case for the investment of Levelling Up Funding included in Appendix 1.

Recommendations

It is recommended that committee:

- (1) approve Option 1 in the Business Case detailed in Appendix 1 as the preferred delivery approach for the investment of Levelling Up Funding in Riverside Park, Glenrothes;
- (2) note the proposed procurement route using existing Roads and Transportation Services' Frameworks and specialist suppliers; and
- (3) note the financial risks outlined in Section 3 and the mitigating actions to reduce the probability and impact.

Resource Implications

The total value of the works to be carried out in Riverside Park is £4.98m, 100% funded by the UK Government's Levelling Up Funding (LUF). The delivery and draw down of the LUF grant must be completed by March 2025.

The revenue costs and savings are estimated at this stage and are not high value apart from in one year. It is expected that these will be met from existing budgets.

This investment provides the opportunity to regenerate, upgrade and improve Riverside Park, Glenrothes to avoid/minimise annual maintenance requirements for the next five years. Some of the improvements may also potentially generate income.

Legal & Risk Implications

This project is a key component of the Town Centre Masterplan agreed by the Glenrothes Area Committee. VisitScotland have advised that unless the improvements are carried out, the three-star visitor attraction rating is unlikely to be retained.

The Levelling Up grant available is fixed and the impact of inflation on costs must be managed by the Council. The scope of what can be delivered within the available funding and timescales will be confirmed on completion of the pre-construction stage. This may require value engineering to reduce the scope to the available funding.

The short-term timescale for the draw down of the LUF is a financial risk. If contracts are committed to, but delivery is delayed beyond March 2025, the Council bears the risk. The current project plan indicates that the works will be completed by December 2024, providing three months contingency for slippage.

Impact Assessment

An EqIA and a Fife Environmental Assessment Tool (FEAT) is not required as this report does not propose a change or revision to existing policies and practices. Environmental assessments are being undertaken as part of the design process. The purpose of the improvements is to increase accessibility to the park, particularly for users with restricted mobility.

Consultation

There has been consultation with the Investment Strategy Group, Communities and Neighbourhoods, Roads and Transportation, Financial Services and Legal Services in developing this report.

The Friends of Riverside Park helped design the works in scope for the Levelling Up funding bid to retain the VisitScotland three-star rating. Several Services helped develop the Levelling Up bid and will be part of the delivery. This included Finance, Roads and Transportation, Communities and Business and Employability.

Community consultation has been carried out on the requirements for the park and for the design of the playpark component. Glenrothes Area Committee members have also been consulted on the scope of the project and the specialist components.

The Community Manager for Glenrothes Area is the lead for the community consultation and engagement required during delivery.

1.0 Background

- 1.1 On 4 November 2021, the Policy and Co-ordination Committee (2021.PC.97 para. 329 refers) 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 Levelling Up Funding applications once the deadline for the next round of Levelling Up funding was announced. On 25 August 2022, Cabinet Committee (2022.CC.6 para. 10 refers) delegated to the Executive Director (Finance and Corporate Services) and the Executive Director (Enterprise and Environment) to complete the Legal Agreements with the UK Government in the event any of the Levelling Up Funding Applications were successful. The council has now entered into a Minute of Understanding with the Department for Transport as part of the Levelling Up Funding award for the River Leven Regeneration Programme.
- 1.2 On 29 June 2023, Cabinet Committee (2023.CC.64 para 9 refers) approved the option to investigate delivery of the River Leven Regeneration Programme through the SCAPE Civil Engineering Framework and noted that further reports would be submitted to committee to consider the final Business Cases and delivery agreements for each project.
- 1.3 The River Leven Regeneration Programme delivers two place-based regeneration projects as one programme. Both areas have underutilised natural assets that could enhance the tourism offer and take first steps to deliver an ambitious long distance footpath connecting Loch Leven to Levenmouth. Riverside Park has the potential to be an idyllic green space around the River Leven, adjacent to Glenrothes Town Centre, and is a priority for the Local Community Plan.

- 1.4 The financial/benefits model submitted as part of the LUF Application included a total increase in visitors of 55,000 (across both projects) to create approx. 500 construction jobs and seven new jobs. Further work is required to develop the monitoring and evaluation plan for the LUF Programme to comply with UK Government requirements once the final project scope is confirmed.
- 1.5 The SCAPE Framework was investigated with the potential benefits of simplifying procurement, co-ordinating the works through a single contractor with anticipated cost benefits. The SCAPE Civil Engineering Contractor undertook a Feasibility Study of the project. However, the costs were unaffordable within the available LUF grant. A value engineering exercise concluded that an alternative procurement approach was required. This sets out the scope that can be delivered for the available funding within the timescales. Three specialist sub-components (Playpark, Pump track and Pond works) have been designed and will be procured separately.
- 1.6 Using Roads and Transportation Services' Frameworks offers significant cost savings and, through management of smaller individual packages of work, allows greater financial control. These packages include the path improvements, formation of accessible circuits, connectivity to adjacent neighbourhoods, upgrades to the car parks, bridge safety improvements, signage and public toilets. The specialist sub-packages total £1.842m, leaving £2.923m available for the other works.

2.0 Options

- 2.1 The Business Case for the Riverside Park, Glenrothes Projects to be delivered by the LUF funding is included in Appendix 1.
- 2.2 Two principal options have been considered to deliver this project and address the need to improve and regenerate this natural asset to improve pride in place.
 - **Option 1 - A phased approach to the delivery of the regeneration of Riverside Park, Glenrothes**

This option, the recommended option, delivers the early phases that are affordable with the funding that has been secured and deliverable within the timescale to do so. Once the Procurement is completed, the council will have a defined scope and costs for the project and reduced the risk of delay. The LUF grant provides the means to bring forward investment plans to reduce the ongoing maintenance costs in the park.
 - **Option 2 – Deliver all phases of the regeneration of Riverside Park, Glenrothes**

This is unaffordable within the existing funding and timescales. Even if the funding were available now for the whole programme, the council would still carry the financial risk from construction inflation and changing requirements during a lengthy delivery period.
- 2.3 On assessment of these options, Option 1 is the preferred, most cost-effective and lowest risk method of delivering the regeneration of Riverside Park, Glenrothes as part of the River Leven Regeneration Programme. These are the actual and forecast costs.

Year	Activities	LUF grant
2022/23	Design Costs	£11,163
2023/24	Site Investigations, Designs, Statutory Permissions, Woodland management, advanced specialist works.	£203,837
2024/25	Construction	
	• Pump track	£425,000
	• Destination playpark	£1,000,000
	• Pond Works	£417,000
	• Main contractor, bridge improvements and safety measures/ footpaths/biodiversity/signage/toilets	£2,923,000
Total	Regeneration Costs (LUF Capital grant)	£4,980,000

- 2.4 The design costs and time critical works are underway through delegated authority based on the committee approvals for Levelling Up Bids and ISG (Investment Strategy Group) conditional approval of the Business Case in May 2023.
- 2.5 Roads and Transportation Service are working with the client service, Business and Employability, to review the scope and procure the bridge improvements and safety measures, paths, car parks, signage and public toilets. These will use existing Roads and Transportation Services' Frameworks. Contracts are expected to be in place by April.
- 2.6 During 2023, specialist suppliers undertook design work on the Pump Track to assess the groundworks required and produced concept designs to prepare the proposal for the council. These designs are bespoke to Glenrothes and are subject to Intellectual Property Rights. The Glenrothes area team and local councillors have reviewed the proposal and consider the Pump Track would be of the required standard.
- 2.7 Specialist pond works contractors undertook detailed surveys of the pond to assess its current condition, testing the water and silt and engaged with sub-contractors such as local haulage companies to prepare the proposal for the council that was received in December 2023. Currently, the pond at the heart of the Park is almost entirely silted up. The desilting can only be done in dry weather and outside of the bird nesting season.
- 2.8 For the playpark works, the council has been working with a global specialist in outdoor playparks which has a proven track record with the council. During 2023, they undertook design work on the playpark, assessed the groundworks required and produced concept designs to prepare the proposal for the council. These designs are bespoke to Glenrothes, e.g. feature hippos and other totemic play sculptures and are subject to Intellectual Property Rights.

3.0 Risks

- 3.1 The final costs for the Riverside Park project cannot be confirmed until all the Procurement is fully completed. If costs exceed the available budget, a value engineering exercise will be undertaken to reduce the scope of what can be delivered.
- 3.2 The Riverside Park, Glenrothes project includes a new playpark. This will replace an existing playpark in Riverside Park to reduce ongoing maintenance costs. A new pump track is also being installed which will be accessible for all ages, with the capability to host international competitions. The pond works will improve the environmental quality and biodiversity. These components are expected to draw new visitors to the Park and the Town Centre. It also provides an opportunity to potentially raise the quality of the Park to four-star based on discussions with Visit Scotland Quality Assurance team.

- 3.3 The Business Case in Appendix 1 includes estimated revenue costs for the maintenance, where known. The designs are being future proofed where possible to reduce ongoing maintenance. These are the best estimates at this stage and are not high value apart from in one year. It is expected that these will be met from existing Service budgets.
- 3.4 This investment provides the opportunity to regenerate, upgrade and improve Riverside Park, Glenrothes to avoid/minimise annual maintenance requirements for the next five years. Some of the improvements may potentially generate income.
- 3.5 There is likely to be disruption for Park users during construction which will take place throughout 2024. The Park's layout will continue to allow partial access even when works are going on. Park users will be kept informed through ongoing community engagement and communications.

4.0 Conclusions

- 4.1 The regeneration of Riverside Park, Glenrothes is a key project within the Town Centre Masterplan. The project brings almost £5m of investment to the Glenrothes area. Without it, the Park is at risk of losing its three-star visitor attraction rating. Glenrothes is within mid-Fife, a key regeneration focus for the council. However, this project is complex and a considerable risk.
- 4.2 Delivery of the project through Roads and Transportation Services' Works procurement Frameworks, and specialist sub-packages, provides an efficient mechanism to improve access for the local community and visitors.
- 4.3 The opportunity presented by the UK Government's Levelling Up Funding offers an efficient and timely mechanism for Fife Council to deliver this project for the Glenrothes Town Centre Masterplan. It avoids several years of maintenance cost for the council as well as restoring the quality of the paths and facilities to retain and potentially improve on the VisitScotland three-star rating.

List of Appendices

1. Business Case Riverside Park, Glenrothes

Background Papers

- Policy and Co-ordination Committee, November 2021, Item 8: Levelling Up Fund Update [Public-Agenda-Pack-for-Policy-and-Co-ordination-Committee-4th-November-2021.pdf](#)
- Cabinet Committee, 25th August 2022, Item 11: Levelling Up Fund Update [Agenda-and-papers-for-the-Cabinet-Committee-25th-August-2022.pdf \(fife.gov.uk\)](#)
- Cabinet Committee, 29th June 2023, Item 10: RIVER LEVEN REGENERATION - CAPITAL FUNDING [29 June 2023 Reports Cabinet-Committee](#)

Report Contacts

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Fife Council	Proposal & Business Case	Document ref
		PF01

Project Manager	Lisa Edwards, Economic Advisor, Business & Employability Services
Project Sponsor	Gordon Mole, Head of Business & Employability Services
Approval board(s)	Investment Strategy Group; Cabinet Committee
Date & version	22/02/24 V2.0

Section 1: Proposal

1.1 What is the project going to do?

Regenerate Riverside Park, Glenrothes. This funded through the River Leven Regeneration Programme awarded Levelling Up Funding in 2023.

1.2 Why should we do it and what will happen if we do not?

1.2.1 Project background

Riverside Park, Glenrothes is an under-used and deteriorating asset, with potential to become a must-visit destination for recreation for residents and tourists as part of the Town Centre redevelopment.

Features in the park include play parks, skatepark, orchard, and public art. Friends of Riverside Park have created a network of trails, and the Fife Pilgrim Way is routed through the park. The park also features numerous art installations, part of the town's collection.

The improvements include:

- Pond works, enhanced park entrances, better signage, and improved access.
- Creation of an accessible and sustainable path network linking with the town centre, Pilgrims Way and wider town for wheelchairs, buggies, and cyclists.
- Upgrades to footpaths for year-round use.
- Bridge improvements and safety features.
- Enhanced play equipment accessible for all.
- Provision of a pump (cycling) track.

These will complement the existing facilities, creating a unique offer to become a destination attraction to attract more visitors and increase time spent there.

1.2.2 Project justification

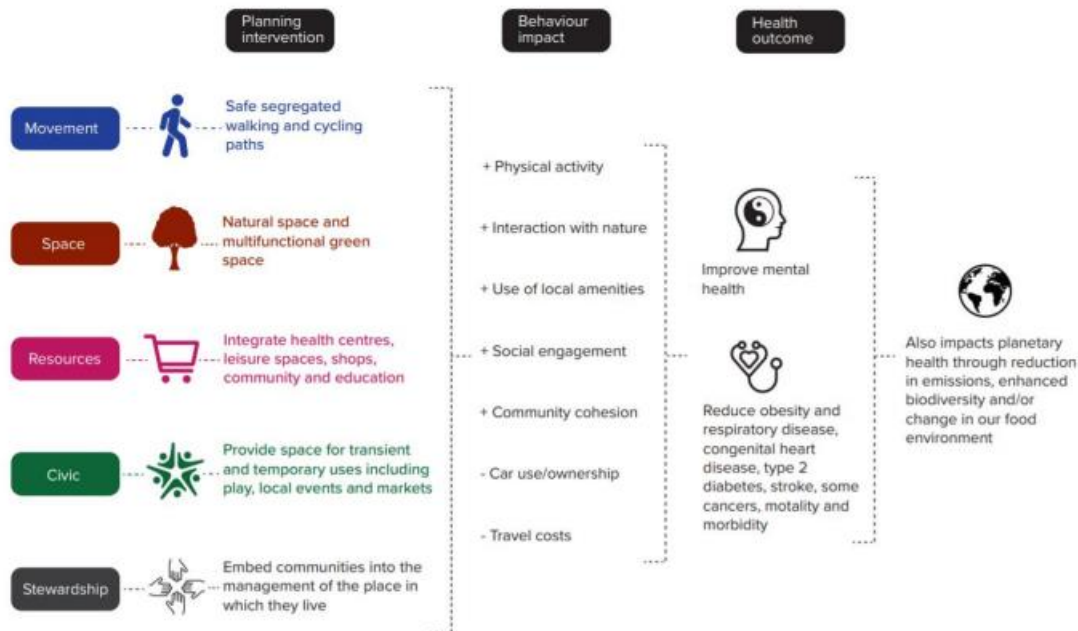
The Glenrothes Area Community Plan 2023-26 identified four thematic priorities. This project supports the achievement of three - Town Centre Redevelopment, Support Positive Mental Wellbeing and Develop and Support Community Leadership.

Visit Scotland classify the park as a three-star visitor attraction. However, a quality review in 2019 indicated that the quality of the environment put that at risk. The quality of the product offer in Glenrothes Town Centre will be significantly improved by public realm improvements in Riverside Park. Discussions with Visit Scotland's Quality Assurance Team on the proposals indicate these may improve the classification to four-star. This was a priority identified in the Glenrothes Town Centre Masterplan approved by the Area Committee in 2021.

There is convincing evidence that access to green spaces has a beneficial effect on physical and mental wellbeing through both physical access and use. The Director of Public Health's Annual Report Health and Wellbeing in Fife 2020 – 2021 in Figure 7 below shows how the linkages between improved access to better quality greenspace and active travel networks can support and encourage behaviour change, which can result in health improvements. It states that NHS Fife are seeing the benefits of this approach through The River Leven Programme. This project provides the opportunity to extend these benefits to Glenrothes.

A study in 2022 to explore the impact of COVID-19 for residents, including vulnerable and disadvantaged people, found that many people in Glenrothes Area experienced quite negative emotions with a sense that more mental health support would be needed in the future.

Figure 7: Planning and Wellbeing Process Diagram²³



The Council is working with the Friends of Riverside Park in the design and delivery of this project. This helps deliver Community Leadership that will seek to support initiatives and activities that seek to build on the strengths and ambitions of people in the area. It also helps embed the community into the management of the place in which they live.

1.2.3 Urgency and consequences

Riverside Park will continue to deteriorate if the project does not take place. During heavy rainfall, many of the paths flood and are inaccessible due to erosion. There is opportunity to add to the facilities in the park. The Levelling Up funding is time limited and must be drawn down by 31 March 2025.

1.2.4 Lessons learned.

There has been a series of projects undertaken in Riverside Park over the last few years to install specific features e.g. skate park, viewing platform. These are informing the design and delivery of this project. WSP (environmental design consultants) undertook a survey and produced concept designs for the park to develop the bid for Levelling Up funding. WSP brought an integrated approach to the planning, design, and management of the park to meet community needs for mobility, connectivity, sustainability, and resiliency. This project is for Phase 1 of the regeneration requirements for the park.

1.3 What are the key deliverables/outputs of the project?

The regeneration of Riverside Park will help deliver safer, more accessible walking and cycling paths allowing a greater number of people to have full use of the park. It will also deliver natural space and play equipment and multi-functional green space. It helps integrate community resources with the Town Centre and adjacent neighbourhoods. It will provide space for temporary uses such as events. These are the interventions outlined in Figure 7 above that help to deliver improved mental health and reduce health conditions that affect quality of life and lifespan.

Fife Council	Proposal & Business Case	Document ref
		PF01

The Community Plan states that “Riverside Park is in many ways a unique asset to a locality of this size. The Park stretches from Markinch in the East, through the centre of Glenrothes all the way to Leslie. The proximity of Riverside Park to the Town Centre acts as a central hub for the whole town and surrounding area, creating both challenges and opportunities. This is an area of focus and access and the ability to travel around remains a priority.”

- The design and construction will reduce the carbon impact of the programme.
- To meet the ambitions in the Community Plan for Riverside Park, Glenrothes, it must continue to meet Visit Scotland’s three-star visitor attraction requirements.
- The Council’s Financial Strategy also required that the designs for the regeneration must design-in lower costs for the ongoing maintenance and repair.

1.4 What are the desired outcomes and benefits?

Outcome	Benefit
<ul style="list-style-type: none"> • Amount of existing green or blue space improved. • Number of new trees planted. • Number of volunteering opportunities supported. • Number of day visitors (LUF Application forecast an increase of 55,000 across both projects) • Percentage of adults who are satisfied with their local area as a place to live. • Percentage of customers/visitors/users who report a positive experience. • Percentage of residents who report a sense of belonging in their local area. • Percentage of visitors who are likely to recommend the place to family or friends. • Year-on-year % change in monthly footfall. 	<p>A Monitoring and Evaluation Plan with baselines and targets will be developed for up to 5 years after the end of construction as part of the Sustainable Growth Agreement for the Leven Programme to meet the needs of the Levelling Up funding.</p> <p>Annual visitors to Riverside Park are forecast to increase from 75,000 to 100,000. There will be an annual increase in visitors of 1% per year. This increase is forecast to generate an additional heritage and culture benefits of £34m over 30 years at current prices (£18m discounted).</p>

1.5 What are the known costs and timescale? How will this be funded?

1.5.1 Costs

Year	Activities	LUF grant
2022/23	Design Costs	£11,163
2023/24	Site Investigations, Designs, Statutory Permissions, Woodland management, advanced specialist works.	£203,837
2024/25	Construction	
	• Pump track	£425,000
	• Destination playpark	£1,000,000
	• Pond Works	£417,000
	• Main contractor – Bridge works and safety features/footpaths/biodiversity/signage/toilets	£2,923,000
Total	Regeneration Costs (LUF Capital grant)	£4,980,000

Fife Council	Proposal & Business Case	Document ref
		PF01

Total expected recurring costs

The ongoing maintenance costs for Riverside Park to sustain the quality of the improvements have not yet been fully developed. These will depend on the final designs. One of the performance indicators to be developed for the Works Contract is to design-in lower costs of ongoing maintenance and repair. The scope and cost will enable funding for these to be confirmed. These could be managed within Area and/or Parks & Open Spaces budgets depending on scale. The LUF investment provides the means to bring forward investment plans to reduce the ongoing maintenance costs. Income generating options within the park are being investigated too.

Indicative Recurring Costs for the lifespan of the assets being constructed or improved is estimated in the following table:

Infrastructure component	Maintenance Requirements 2025 – 2045	Quantity	Unit	Estimated Maintenance Cost
Surfacing asphalt	To be confirmed at detail design, based on pavement layers. A typical design life is 20 years. Will require resurfacing once in the period, estimated at Year 10.	2.73	Km	£0.250m - In 2035/36 Replaces existing car park surface with asphalt and a new layout to increase spaces by another 10 spaces. Includes 3 EV charging points. Annual costs estimated at £7k per year but paid in Year 6. Income estimated to cover these costs during the 5-year period. No additional revenue liability for the Council.
Surfacing - Woodland paths	Upgrade and topping up of paths. To be confirmed at detail design - a typical design life is 5 years. Will require a small amount of patching, weed control and trimming of adjacent woodland during this period.			No Annual Costs for 5 years after upgrade works. Savings estimated at £50k based on £10k per year.
Play Park	To be confirmed at detail design by specialist contractor (Assumptions used for similar play parks)			Upgrade to existing play park that would have required replacement within next 5 years. Estimated cost of replacement is £1m so accelerated replacement with LUF funding. Also, no maintenance costs in year 1 (Warranty) and lower annual maintenance costs for first 4 years. Savings estimated at £1,250 per year or £10,000 total.
Street Lighting	Typical design life of 20 years for the street lighting column. Typical design life of lighting luminaire approximately 100,000 hours (20-25 years based on 4,100 hours a year usage). Will require replacement once in the period. (Assumptions used by Parks team)	5	no	Upgrade to existing columns and heads only – no new streetlights. Any replacement bulb costs or maintenance would be paid from existing street lighting maintenance budget. Will be more energy efficient. Replacement costs for new bulbs in Year 6 included in installation costs.
Pond dredging	Ongoing requirements to be confirmed at detailed design by specialist contractor.			Frequency and ongoing costs to be confirmed by specialist contractor.

Fife Council	Proposal & Business Case	Document ref
		PF01

Infrastructure component	Maintenance Requirements 2025 – 2045	Quantity	Unit	Estimated Maintenance Cost
Pump track	To be confirmed at detailed design by specialist contractor			Asphalt materials – so same lifespan. 10 years maintenance is part of the install costs.
Woodland Maintenance	To be confirmed in Woodland management plan. Avoids cost of felling (Ash Die Back; Dutch Elm Disease, others) for 10 years. Will require a small amount woodland management bi-annually during the 20-year period. (Assumptions included in Park's maintenance plan)			No further maintenance required for next 5 years. Estimated £2-3k per year that would be part of normal annual programme of works.
Planting	Replacement planting is unlikely to require renewal within 10 years as plants reach maturity. Minimal maintenance requirements during that time.			No further maintenance required for next 5 years. Estimated £1-2k per year that would be part of normal annual programme of works.
Bridges	To be confirmed at detail design – estimated to have a 40-year life. Will require bi-annual inspections and a small amount of remedial surface repairs. (Assumptions used for other similar bridges – Bridges team)			Investment in repairs to existing bridges. Not expecting any ongoing maintenance for at least first 5-10 years.
Toilets	To be confirmed. Options for future maintenance are still being investigated.			Still being designed – to be in the existing skate park car park subject to connections to Public Utilities. Capital costs estimated at £45k. Revenue from charges in the park are being investigated to cover cleaning and maintenance costs.
Annual maintenance				
General maintenance	Part of parks maintenance plan			Current annual costs are not expected to increase because of this project.

1.5.2 Resource requirement

Resource Type	Task/Skills	FTE required
Project Manager	Project Management – monitoring and reporting	Ave. 1.5 day a week/ 0.25 FTE throughout project (100 weeks) 25.0 FTE
Lead Consultant - Key Projects, Roads & Lighting Contracts	Contract Management	Full time for the programme duration (100 weeks)
Technician Engineer	Civils and utilities	Ave 1 day a week / 0.2 FTE throughout project. (100 weeks) 20.0 FTE
Project Support	Assisting Project Manager with monitoring and reporting	Ave.0.5 day per week/0.1 FTE throughout project (100 weeks) 10.0 FTE
Finance Accountant/Technician	Financial monitoring	0.05 FTE (24 months)

Fife Council	Proposal & Business Case	Document ref
		PF01

Resource Type	Task/Skills	FTE required
Quantity Surveyor	Cost Control	Less than 0.01 FTE (24 months)
Legal	Title checks, contract procurement	Less than 0.01 FTE

1.5.3 Project timeline (INDICATIVE)

	Start Date	End Date
Riverside Park, Glenrothes	27/02/2023	15/03/25
Surveys & Investigations	12/06/23	28/07/23
Advanced Woodland management, designs, and statutory consents.	28/07/23	31/03/24
Specialist Contractors procurement (Pond Works, Pump track, Playpark)	24/01/24	07/06/24
Procurement West Area - Pond, Footway, Natural Playpark, Woodland & bridge	01/04/24	10/06/24
Construction West Area - Pond, Footway, Natural Playpark, Woodland & bridge	11/06/24	03/02/25
Construction East Area - Pump Track, playpark & woodland	21/08/24	15/03/25

1.5.4 Funding availability

one-off	Yes
recurring costs	To be fully confirmed once final designs and costs are available

1.5.5 Resource availability

Resource Type	Task/Skills	Availability
Project Manager	Project Management – monitoring and reporting	Yes
Lead Consultant - Key Projects, Roads & Lighting Contracts	Contract Management	Yes
Technician Engineer	Civils and utilities	Yes
Project Support	Assisting PM with monitoring and reporting	Yes
Finance Accountant/Technician	Financial monitoring	Yes
Quantity Surveyor	Cost Control	Yes
Legal	Title checks, contract procurement	Yes

Fife Council	Proposal & Business Case	Document ref
		PF01

1.6 What are the known pre-start-up risks?

Risk description	Probability score (1-5)	Impact score (1-5)	Overall score (probability x impact)
Advanced enabling works must be undertaken during the winter of 2023/24, if the project is to be delivered by the LUF funding deadline of construction by 31 March 2025.	4	4	16
The construction works may result in restricted access and use of the park during the summer of 2024. As a result, there may be higher levels of complaints from park users.	5	3	15
Continued national and international supply side issues may limit available materials and the supply of skilled labour. As a result, delivery does not proceed to timetable or spend profile.	4	4	16
The Council's existing civil engineering, roads and lighting framework suppliers may lack the capacity to deliver within 2024/5. This may result in compromises on quality, deliverables, and cost.	5	3	15
Contractors do not have capacity to deliver the projects being tendered. Multiple tenders may be required to complete the regeneration of Phase 1.	5	3	15
The Council may not be able to transfer risk to the Contractors where multiple contracts. The costs of doing so may be too high for the fixed funding available.	3	4	12
There is a risk that revenue costs are higher than forecast and Park income to pay for these is lower. This may result in additional revenue being required by Parks Service to undertake the maintenance.	2	3	6

Section 2: Business Case

2.1 What is the scope of the project?

2.1.1 Output

Project outputs are defined in [Section 1.3](#) of this document. Any updates to project outputs will be made in Section 1.3.

2.1.2 Resources

Project resources are defined in [Section 1.5.2](#) of this document. Any updates to project resources will be made in Section 1.5.2.

2.2 Who are the key stakeholders?

A first stakeholder mapping exercise has been undertaken and the stakeholders are categorised in the PF13 (Project Log) for the project.

Keep Satisfied

- Area Councillors
- Park users
- Utilities operators (Scottish Power Networks, Scottish Water)
- SEPA (regulator)
- Development Management

Manage Closely

- Department for Transport
- Playpark and Pump Track designers
- Convener of Glenrothes Area Committee
- Friends of Riverside Park.

Fife Council	Proposal & Business Case	Document ref
		PF01

Monitor

- Non-impacted neighbours – residents and businesses
- General Public
- MP and MSPs

Keep Informed

- Health & Safety Executive
- Public Protection team
- Roads Network Management
- Impacted neighbours of the park.

2.3 What are the options to deliver the project?

Option 1:	Delivery of Phase 1 of the Riverside Park Regeneration
Cost	The costs are affordable within the committed Levelling Up funding award.
Time	The project may not be delivered at the pace and scale required to fully utilise the Levelling Up funding. All woodland management activity must be undertaken outside of the bird nesting season.
Quality	The bridge, playpark, pump track and car parking must meet the Council's quality and safety requirements.
Resource	This option relies on specialist subcontractors, a main contractor and supplier capacity from existing Roads and Transportation Service's Frameworks. The Council's Roads' contract, project management and civil engineering resources are at capacity with existing activities.
Scope	This option relies on the involvement of a main contractor to manage the delivery of the full scope of the project.
Risk	There is a risk that the project is not delivered at the pace and scale required to fully utilise the Levelling Up funding. This could potentially limit the economic vitality and accessibility within the area and the forecast economic, social, and environmental benefits not fully realised. This option does not help support that vision. Reputationally this may affect future applications for funding.
Benefits	This could potentially limit the economic vitality and accessibility within the area and the forecast economic, social, and environmental benefits not fully realised.

Option 2:	Delivery of all Phases of the Riverside Park Generation as scoped by WSP in 2021/2
Cost	The indicative costs for the full extent of all phases of the Riverside Park Regeneration was £31m. The Council is unable to fully fund this currently.
Time	The full extent of all phases of the Riverside Park Regeneration could take several years to fully implement, even if fully funded.
Quality	The cycle and road design standards may change during the construction of the full extent of all phases of the Riverside Park Regeneration. This will affect the specification of what must be delivered and the costs.
Resource	It is complex to estimate the resource requirements and availability for a long-term programme to construction the full extent of all phases of the Riverside Park Regeneration. Best guestimate is the requirements for Option 1 but for a longer period such as 5 years.
Scope	Consultation determined the full extent of all phases of the Riverside Park Regeneration and indicative phasing for it. Scope may vary if design standards change during the construction period.
Risk	Construction inflation means that the full extent of all phases of the Riverside Park Regeneration will exceed the indicative costs. Shorter phases of construction where funding is secured based on the current timescales would reduce the risk. It is unlikely that a construction partner would be secured for a long-term construction programme in current resource constraints.
Benefits	The community in Glenrothes would have more certainty about the implementation timescales for all phases of the Riverside Park Regeneration

Fife Council	Proposal & Business Case	Document ref
		PF01

2.4 What is the recommended option from Section 2.3 to deliver the project?

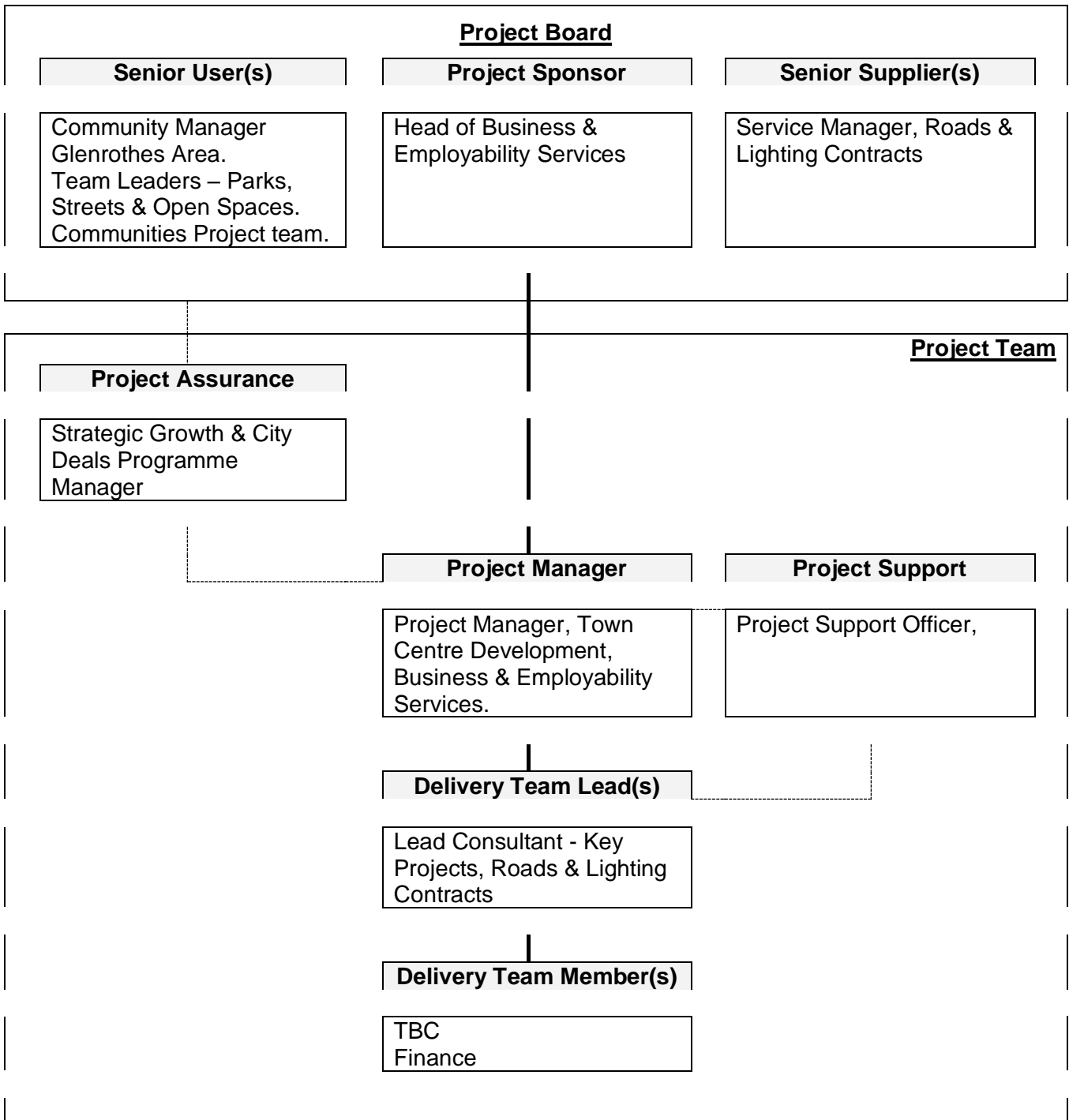
From the options outlined in Section 2.3, Option 1 - Delivery of the Phase 1 of the Riverside Park Regeneration funded by the available Levelling Up funding represents ‘best value’ and optimises investment.

Section 3: Project Structure

3.1 What is the governance arrangement?

This project will have a formal Project Board with a Project Sponsor, Senior Users and Senior Suppliers. This was set up during Quarter 2 2023/24 for the duration of the project.

3.2 Project structure chart and project roles



3.3 Business Case sign-off

Approved by	Role	Date approved
David Grove	Lead Officer Town Centre Development	22/02/24
Gordon Mole	Project Sponsor	22/02/24
Jackie Johnstone	Finance Representative/ Service Accountant	22/02/24

7 March 2024
Agenda Item No. 7

Support for Voluntary Organisations

Report by: Paul Vaughan, Head of Communities and Neighbourhoods Service

Wards Affected: Fife-wide

Purpose

This report presents recommendations for the level of support to voluntary organisations for the period 2024-2027 for the Directorates of Communities, Education and Children's Services and Enterprise and Environment (Place).

Recommendation(s)

It is recommended that committee approve the level of funding to voluntary organisations as detailed in the attached schedules.

Resource Implications

The grant schedules appended to this report detail recommendations from Communities and Neighbourhoods, Housing Services, Education and Children's Services and Roads and Transportation Services totalling £21,612,072 which can be met through existing budgets.

A 3% uplift for voluntary sector agencies has been included within the council's revenue budget. The figures contained with the Appendices include the 3% uplift with the exception of Scottish Government funded awards (Appendices 4, 5, 6 and 7) and organisations which applied for a smaller award, for example, as a result of changes to their operation.

Legal & Risk Implications

All awards are recommended for approval subject to compliance with Fife Council's Monitoring and Evaluation Framework which requires that they are reviewed on an annual basis as part of the council's ongoing commitment to ensure organisations are meeting the terms of their Service Level Agreement.

Impact Assessment

No impact assessment is required as there is no change in council policy or procedure.

Consultation

All Service Monitoring Officers have been involved in the preparation of this report. The appropriate Service Management Team has considered each of the awards being presented and recommends the level of support detailed. Members are encouraged to contact the relevant Service Monitoring Officer (contact details listed in the appendices) if they would like to discuss individual awards or require further information prior to the committee meeting.

1.0 Background

- 1.1 This report presents awards to voluntary organisations from the Directorates of Communities, Education and Children’s Services and Enterprise and Environment (Place).
- 1.2 In line with Fife Council policy, a number of the grants are presented for a three year period as highlighted below. This will place demand on future budgets whilst allowing the sector more security and the opportunity for better future planning.

Service	Amount Recommended for Approval	Appendix
Communities & Neighbourhoods	£9,847,677	Appendix 1
Housing Services	£9,802,247.46	Appendix 2
Education and Children’s Services	£1,751,208.50 <ul style="list-style-type: none"> • £15,549.50 (Core Service) • £391,000 (Schools Counselling/Our Minds Matter) • £138,001 (Pupil Equity Fund) • £358,458 (Whole Family Wellbeing Fund) • £848,200 (Community Mental Health & Wellbeing Fund) 	Appendix 3 Appendix 4 Appendix 5 Appendix 6 Appendix 7
Roads and Transportation Services	£210,939	Appendix 8
Total	£21,612,072	

Monitoring and Evaluation

- 1.3 The Monitoring and Evaluation Framework is continually updated and developed, putting robust procedures in place with services providing support to voluntary organisations. The work is overseen by the Voluntary Sector Task Group which includes representatives from each of the council’s services awarding grants to voluntary organisations, as well as from Fife Voluntary Action (FVA - Fife’s third sector interface). The Task Group is responsible for reviewing the overall Framework and updating it as necessary. Training is provided for all services when necessary to support the implementation of the Framework.
- 1.4 The following monitoring and assessment procedures are undertaken prior to each award being presented to this committee for a decision:

- 1.5 Organisations are required to apply outlining the services they aim to provide during the period 2024-2027 including an appropriate budget for the application period.
- 1.6 All projects funded in the previous years have undergone either an annual monitoring exercise or, if appropriate, a three-year evaluation. Where the organisation receives over £10,000, the annual monitoring is carried out by the appointed Link Officer. An independent officer, who is not the organisation's Link Officer, carries out the three year evaluation. As part of these monitoring procedures, an assessment of the governance of the organisation is made. This includes compliance with relevant legislation such as child protection.
- 1.7 The organisation's constitution and latest set of annual accounts have also been checked. The latter are checked by officers from Finance.
- 1.8 The project is assessed by the appropriate Service Management Team against the priorities of the service, the council and the Plan for Fife.
- 1.9 Having gone through each of these stages, the award is presented to Cabinet Committee for decision. If the award fails to satisfy all the elements of the Monitoring and Evaluation Framework, the recommendation and therefore the payment of the grant will be delayed and presented for members' consideration at a future Cabinet Committee meeting. Where compliance conditions are not being met, it may be recommended that funding is not provided.

2.0 Progress Update

Communities Directorate:

Communities and Neighbourhoods

- 2.1 Communities and Neighbourhoods are recommending 79 grants in the 2024/27 period, totalling £9,847,677 and are each proposed for three years.
- 2.2 Six grants were approved at Cabinet Committee on 9th March 2023 as part of a three year funding agreement. A full list of awards for that time period (2023/26) can be found on pages 286-313 of the following papers - [Agenda-and-Papers-for-Meeting-of-Cabinet-Committee-of-9-March-2023.pdf \(fife.gov.uk\)](#). These previous awards will also receive the 3% uplift for the remaining years of the Service Level Agreement which equates to an additional £1,763 for 2024/25.
- 2.3 Twenty-five grants were approved at Community and Housing Services Committee on 3 February 2022 as part of a three year funding agreement. A full list of awards for that time period (2022/25) can be found in the papers noted above. These previous awards will also receive the 3% uplift for the remaining year of the Service Level Agreement which equates to an additional £9,381 for 2024/25.
- 2.4 As noted in **Appendix 1**, Hayfield Community Centre is recommended to receive an additional £2,162 for the final year of their three year funding agreement, this is due to the closure of Dysart Centre. Hayfield Community Centre's monetary award has not increased over the last few years, however, the group have increased delivery in supporting work around the anti-poverty agenda and supporting vulnerable groups. An additional amount of £927 each year is being recommended for Digital Fife for the remaining two years of their three year funding agreement. The recurring grant awarded for 2023/26 had a shortfall of this amount which is required for the group to meet the ongoing server and website domain costs, this can be funded through existing resources.

- 2.5 The council pay an annual grant in instalments to the Scottish Fisheries Museum. The next three year funding part of this paper at a total value of £144,380. In recognition that the Scottish Fisheries Museum were experiencing cashflow difficulties, the Head of Finance agreed to provide some advancement of the grant to assist the organisation with a challenging cash flow position. This was agreed on the condition that the organisation worked on a recovery plan and assurance was provided that this would indeed be possible.
- 2.6 Eight Communities Directorate Link Officers attended Monitoring and Evaluation Training during 2023. The council continues to develop the Voluntary Sector Monitoring and Evaluation Framework which provides guidance to ensure that effective systems of governance and control are in place.

Housing Services

- 2.7 Housing Services commission 22 services from their core commissioning budget. The total value of grants for 2024/2025 is £9,802,247.46. The full list of services and the recommended awards for 2024-2025 are detailed in **Appendix 2**. These recommendations were set by the HME Grants Panel following consideration of each application. Where required, grant applications have taken account of the cost of staffing costs increasing to the Real Living Wage rate of £12. For each grant awarded for 2024-25, the level of service and the level of funding required for each has been assessed. This has resulted in some grants decreasing whilst other have increased which means an inflationary uplift of 3% has not been applied to all grants.
- 2.8 The new Outcome Monitoring Framework is still maturing, in discussion with all commissioned services, who have welcomed the robustness of the reporting. There are ongoing amendments being made to Person-Centred Outcomes which, when finalised, should furnish both the Commissioning Team and providers with meaningful data around an individual's journey and identify any potential gaps. A customer's journey can be tracked in relation to health, finance, engaging in the community, prevention of homelessness, loss of temporary accommodation, tenancy sustainment, social networks and behaviours and responsibilities.
- 2.9 Appendix 2 lists the recommended awards under the following themes: Ending Homelessness Together, Short Term Housing Support, Accommodation, Older People Services, Housing Advice, Housing First, External / Tenants & Residents, and Private Sector services. Commentary on some of these themes is provided in the following paragraphs.

Short Term Housing Support (STHS)

- 2.10 Short Term Housing Support providers have all re-applied for further funding for 2024/2025, except for Wheatley Care, who are currently withdrawing services from Fife. A planned exit strategy is currently ongoing between the Commissioning Team and Wheatley Care to ensure there is no gap in service for those individuals still receiving support as of 31 March.

Older People Services

- 2.11 Kingdom Support & Care continue to provide housing support to older people over the age of 55 across Fife and to residents in the Chinese Community at Saunders Court, Kirkcaldy. Trust Housing Association deliver housing support to people over the age of 60 at their two sites at Whitelaw Court, Dunfermline and View Forth Court, Kinghorn. The recommendation is to transfer funding to H&SCP for Trust Housing Association and Kingdom Support & Care for 2025/2026.

- 2.12 There have been some areas of concern highlighted around Kingdom Care & Repair Services and the Small Repairs Service. It is proposed that only one year funding is awarded at 23/24 award level.

Housing First

- 2.13 Interim reviews have been undertaken for Housing First providers, namely, Rock Trust, Housing First for Youths (under 25s), Turning Point Scotland (over 25s), Fife Women's Aid and Bethany Christian Trust. All reviews have been successfully concluded and all funding for 2024/25 has been approved in principle at HME.
- 2.14 Turning Point Scotland are also providing a Whole Systems Approach service, as well as the Housing First element. This is still very much in its infancy. When fully operational, this will allow for a more integrated approach and will ensure that support to individuals will be co-ordinated and underpinned by effective communication and information sharing arrangements.

External and Tenants & Residents

- 2.15 Greener Kirkcaldy have applied for £91,000 towards the cost of their Cosy Communities Project, which is now in its second year. This grant from the council's Housing Service will enable support to tenants to be sustained through the second year of the project in 2024-25. It will have a new sharper focus on prioritising and fast-tracking advice and support to those tenants with damp and mould issues.
- 2.16 FFOTRA have moved into new office premises at High Street, Kirkcaldy but no parking is available. Disabled parking is also required. It was recognised that FFOTRA have asked for less money this year. Recommendation for FFOTRA to be awarded last year's award plus 5% (if 5% rent increase agreed) to help cover this additional cost.

Private Sector

- 2.17 An interim review was carried out of Fife Private Rental Services (FPRS). The review was successful due to FPRS becoming an ethical letting agent in September 2023.
- 2.18 Prior to this, the service ran as an advice hub for the private rented sector. The service manages properties on a full property management basis and run an advanced income maximisation service. This service has been run in conjunction with the rent resolution service.

Education and Children's Services Directorate:

- 2.19 There are five commissioning streams within Education and Children's Services: (1) Core Grant Monies (2) Community Mental Health and Well Being Funding (3) Schools Counselling (Our Minds Matter) (4) Pupil Equity Fund and (5) Whole Family Wellbeing Fund.

Core Grant Monies

- 2.20 There are eight commissioning briefs containing detailed information regarding intended outcomes, outputs, service models, levels of prevalence, need/demand and associated budgets. With the exception of Brief 6 – Children & Young People Affected by Substance Use – the awards detailed within the appendix are proposed for three years. Barnardo's and Clued Up have been awarded money through Brief 6 for one-year only – this will allow for a comprehensive review of the outcomes/outputs and services associated with this Brief to be completed. It is the intention to bring Brief 6 back to committee in March 2025 to make a recommendation for the remainder of the new cycle, through to March 2027.

- 2.21 Within Appendix 3 – the column titled ‘Grant Award 23/24’ - contains additional awards proposed for these organisations from unallocated monies within the 23/24 budget. These awards will support organisations absorb additional operating costs associated with the cost-of-living crisis.

Schools’ Counselling (Appendix 4)

- 2.22 There is a high level of demand on additional, specialist supports for young people’s mental health. Learning and recommendations from a review of referral processes and service data will be used to inform proposals for service modifications and the potential for additional services. To allow time for this work to be undertaken, a temporary extension of £191,000 up until the end of this academic year is being proposed.

Pupil Equity Funding (Appendix 5)

- 2.23 A small number of schools have commissioned services to support the well-being of children and young people using their Pupil Equity Funding. Session 23/24 commissioned services include: DAPL counselling, YMCA mentoring and Clued-Up counselling support for mental health and substance misuse.

Whole Family Wellbeing Fund (Appendix 6)

- 2.24 Fife’s Children’s Services Partnership has had confirmation from the Scottish Government of Whole Family Wellbeing Fund (WFWF) totalling £2,289,000 for the financial year 2024-2025. A multi-agency strategic leadership group oversees all WFWF developments to support transformation change and a sustainable model for whole family support in Fife. The Third sector are actively involved in the programme of work underway.

Community Mental Health & Wellbeing Framework (Appendix 7)

- 2.25 As in many local authorities, there was a delay in commencing work on the Community Mental Health and Wellbeing Framework because of COVID-19. This resulted in a phased approach to commissioning and challenges in aligning awards with the Monitoring and Evaluation Framework. Therefore, 2023/24 awards were extended until 31 March 2024 to bring commissioning back into alignment. Awarding £62,500 to Barnardo’s and £25,000 to Includem for the Wellbeing in Fife Service. In addition, Love and Harmony were awarded £66,667 for LGBT mental health supports and Venture Trust £50,000 for outdoor therapy.

Enterprise and Environment (Place) Directorate:

Roads and Transportation (Appendix 8)

- 2.26 Roads and Transportation are recommending grants for Royal Voluntary Service of £47,859 and Fife Shopmobility Ltd of £163,080.
- 2.27 The RVS, Good Neighbours Scheme, provides a community car transport service and support frail and vulnerable people based in East Fife who are unable to access mainstream public transport due to some form of disability or isolation.
- 2.28 Following a successful pilot scheme, RVS have now rolled out their service to Central and West Fife communities. The service can be sustained in Central and West Fife from the funding for the coming year.
- 2.29 Roads and Transportation continue to support RVS with minibus transport to service user groups in East Fife.

Opportunities Fife Partnership

Fife Employability Pathway 2024-25

- 2.30 The Opportunities Fife Partnership (OFP) is Fife’s Local Employability Partnership. The OFP has responsibility for Fife’s employability strategy and the management of Fife’s Employability Pathway. The OFP commissioned activity in 2022, with allocation from Scottish Government’s No One Left Behind and Tackling Child Poverty funds.
- 2.31 Delivery partners were selected after an open and transparent challenge fund process. Allocations for each of the delivery partners were approved by the Opportunities Fife Partnership Executive Group and signed off by the Economy, Tourism, Strategic Planning and Transportation Sub-Committee in April 2022.
- 2.32 The Employability Pathway expanded with additional delivery partners appointed during an open challenge fund process in May 2023 allocating UK Shared Prosperity Fund. These allocations were approved by Cabinet Committee on 29 June 2023 and will run until 31 March 2025. These awards are outlined on pages 112-119 of the following report - [Agenda & Papers for Meeting of Cabinet Committee of 29 June 2023 \(fife.gov.uk\)](#).

3.0 Conclusions

- 3.1 The awards presented to committee have been assessed in line with service priorities and the council’s Monitoring and Evaluation Framework and make a valued contribution to the delivery of services across Fife.
- 3.2 As this report pulls together awards across a number of services, Service Monitoring Officers can answer any specific questions regarding individual awards. The Service Monitoring Officers are noted within each appendix.

List of Appendices

1. Recommended awards – Communities & Neighbourhoods
2. Recommended awards – Housing Services
3. Recommended awards – Education & Children’s Services – Core Grant Monies
4. Recommended awards – Education & Children’s Services – Schools Counselling
5. Recommended awards – Education & Children’s Services – Pupil Equity Fund
6. Recommended awards – Education & Children’s Services – Whole Family Wellbeing Fund
7. Recommended awards – Education & Children’s Services – Community Mental Health & Wellbeing Fund
8. Recommended awards – Roads & Transportation Services

Background Papers

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

- Voluntary Sector Monitoring & Evaluation Framework
- [Agenda and Papers for Meeting of Policy and Co-ordination Committee of 1 April 2021 \(fife.gov.uk\)](#)
- [Education & Children’s Services Directorate Improvement Plan 2023-26 \(fife.gov.uk\)](#)
- [Agenda & Papers for Meeting of Cabinet Committee of 29 June 2023 \(fife.gov.uk\)](#)

Report Contact

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Policy Officer

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Recommended Awards for 2024/27 Communities and Neighbourhoods

Service Monitoring Officer: Sharon Murphy, Community Investment Manager (Sharon.Murphy@fife.gov.uk)

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested for 24-27	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
Cowdenbeath	Dundonald Institute	Provision of community facilities	£7,224	£12,950	£7,441	£7,441	£7,441	£22,322	
Dunfermline	Crossford Village Hall	Provision of community facilities and events	£712	£678	£733	£733	£733	£2,200	This is the amount minus the 5% increase that was implemented in 2023/24
Dunfermline	SEAL Dunfermline	Promoting social inclusion of young people	£4,083	£4,083	£4,205	£4,205	£4,205	£12,616	
Glenrothes	Collydean Neighbourhood Centre	Provision of community facilities and events	£6,406	£6,112	£6,598	£6,598	£6,598	£19,795	This is the amount minus the 5% increase that was implemented in 2023/24
Glenrothes	Markinch Town Hall	Provision of hall to the benefit of groups, etc	£4,363	£4,155	£4,494	£4,494	£4,494	£13,482	This is the amount minus the 5% increase that was implemented in 2023/24
Glenrothes	Milton of Balgonie Hall	Provision of community facilities and events	£2,097	£2,000	£2,160	£2,160	£2,160	£6,480	
Glenrothes	Star Village Hall	Provision of community facilities	£2,957	£4,510	£3,046	£3,046	£3,046	£9,137	
Glenrothes	Stenton Jubilee Centre	Provision of community facilities and events	£6,938		£7,146	£7,146	£7,146	£21,438	

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested for 24-27	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
Glenrothes	Thornton Pensioners Welfare	Provision of facility for organisations	£1,235	£1,965	£1,272	£1,272	£1,272	£3,816	
Glenrothes	Victoria Hall	Provision of community facilities and events	£2,190	£5,000	£2,256	£2,256	£2,256	£6,767	
Kirkcaldy	Hayfield Community Centre	Provision of community facilities	-	-	£2,162	-	-	£2,162	Transfer of Dysart Centre's grant due to its closure. Hayfield Community Centre's award has not increased over last few years but their delivery in supporting work around the anti-poverty agenda and supporting vulnerable groups has.
Kirkcaldy	Kirkcaldy YMCA	Provides CLD, youth activities	£155,183	£272,805	£159,838	£159,838	£159,838	£479,515	
Kirkcaldy	Linktown Action Centre	Guidance, advice and facilities provided to groups, etc.	£26,719	£26,720	£27,521	£0	£0	£27,521	
Kirkcaldy	Linton Lane Centre	Provides social, leisure and educational facilities	£28,290	£31,654	£29,139	£29,139	£29,139	£87,416	
Kirkcaldy	Toll Centre	Provides social, leisure and educational facilities	£26,098	£33,973	£26,881	£0	£0	£26,881	

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested for 24-27	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
Levenmouth	Grieg Institute	Provision of community facilities in Windygate	£4,374	£4,374	£4,505	£4,505	£4,505	£13,516	Requested amount TBC - 3 year projection page
Levenmouth	Memorial Park Neighbourhood Centre	Provision of facility for organisation	£2,950	£3,369	£3,039	£3,039	£3,039	£9,116	
Levenmouth	Rosie & McDuff Community Hall	Provision of community facilities in East Wemyss	£1,587	£1,800	£1,635	£1,635	£1,635	£4,904	
NEF	Auchtermuchty Com Centre	Provision of CLD, youth activities	£19,389	£21,348	£19,971	£19,971	£19,971	£59,912	
NEF	Castlehill Association of Clubs	Provision of community facilities in Cupar	£4,845	£8,802.50	£4,990	£4,990	£4,990	£14,971	
NEF	Cosmos Community Centre	Provides CLD, youth activities	£31,774	£86,050	£32,727	£32,727	£32,727	£98,182	
NEF	Crail Museum Trust	Provision of Museum	£2,310	£2,300	£2,379	£2,379	£2,379	£7,138	
NEF	Cupar YMCA/YWCA	Provides CLD, youth activities	£55,195	£81,353	£56,851	£56,851	£56,851	£170,553	
NEF	Cupar Youth Cafe	Provides youth activities	£33,542	£51,356	£34,548	£34,548	£34,548	£103,645	
NEF	East Neuk Centre Trust	Provision of CLD facilities in Anstruther	£71,218	£67,827	£73,355	£73,355	£73,355	£220,064	This is the amount minus the 5% increase that was implemented in 2023/24

Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested for 24-27	Individual Year for Approval			Total Recommended for Approval	Additional Comments
					2024/25	2025/26	2026/27		
NEF	Elie Harbour Trust	Upkeep and maintenance of harbour area	£1,872	£3,333	£1,928	£1,928	£1,928	£5,784	
NEF	Fife Contemporary Arts & Craft	Partners providing specialist expertise in arts and crafts	£32,550	£32,550	£33,527	£33,527	£33,527	£100,580	
NEF	Fife Folk Museum	Provision of Museum	£4,416	£4,416	£4,548	£4,548	£4,548	£13,645	
NEF	Forgar Arts Centre	Providing arts and craft classes and courses	£7,875	£7,500	£8,111	£8,111	£8,111	£24,334	
NEF	Ladybank Youth Club	Provision of youth work facilities	£7,204	£8,950	£7,420	£7,420	£7,420	£22,260	
NEF	Rio Community Centre	Supporting the provision of CLD and youth work	£18,656	£25,250	£19,216	£19,216	£19,216	£57,647	
NEF	Scottish Fisheries Museum	Provision of Museum – Fishing, Heritage and Culture	£46,725	£95,200	£48,127	£48,127	£48,127	£144,380	Advance payment of £30,000 transferred in January 2024. To be deducted from 2024/25 award.

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested for 24-27	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
NEF	St Andrews Botanics Garden	Management and operation of St Andrews Botanic Garden and delivery of botanical, horticultural and environmental education programmes.	£286,362	£286,382	£294,953	£294,953	£294,953	£884,859	
NEF	St Andrews Harbour Trust	Helps with the cost of revenue expenses	£9,363	£16,815	£9,644	£9,644	£9,644	£28,932	
NEF	Tayport Community Trust	Supporting the provision of CLD and youth work	£0	£8,000	£8,936	£8,936	£8,936	£26,808	CLD activity moved from the Dolphin Centre to the Larick Centre, Tayport
NEF	Tayport Harbour Trust	Upkeep and maintenance of harbour area	£1,785	£1,785	£1,839	£1,839	£1,839	£5,516	
NEF	Tayside Institute	Provides CLD, youth activities	£23,623	£71,164	£24,332	£24,332	£24,332	£72,995	Awaiting the signing of lease
Rural Halls	Abdie Village Hall	Provision of community facilities and events	£197	£780	£203	£203	£203	£609	
Rural Halls	Anstruther Improvements Association	Provision of community facilities and events	£197	£1,000	£203	£203	£203	£609	

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested for 24-27	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
Rural Halls	Arncroach Church Hall	Provision of community facilities and events	£197	£800	£203	£203	£203	£609	
Rural Halls	Balmullo Village Hall	Provision of community facilities and events	£197	£185	£203	£203	£203	£609	This is the amount minus the 5% increase that was implemented in 2023/24
Rural Halls	Blebo Craigs Village Hall	Social, cultural gatherings and public meeting room	£197	£250	£203	£203	£203	£609	
Rural Halls	Burnturk & Kettlehill Com Trust	Main focus point in village for community events	£197	£200	£203	£203	£203	£609	
Rural Halls	Cameron Parish Hall	Provision of community facilities and events	£197	£197	£203	£203	£203	£609	
Rural Halls	Ceres Memorial Hall	Provision of community facilities and events	£197		£203	£203	£203	£609	
Rural Halls	Colinsburgh Town Hall	Provision of community facility for all ages	£197	£188	£203	£203	£203	£609	This is the amount minus the 5% increase that was implemented in 2023/24
Rural Halls	Collessie Village Hall	Provision of community facilities and events	£197	£283	£203	£203	£203	£609	
Rural Halls	Craigrothie Village Hall	Provision of community facilities and events	£197	£197	£203	£203	£203	£609	

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested for 24-27	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
Rural Halls	Crail Town Hall	Provision of community facilities and events	£197	£188	£203	£203	£203	£609	
Rural Halls	Crail British Legion Hall	Provision of community facilities and events	£197	£188	£203	£203	£203	£609	
Rural Halls	Dairsie War Memorial Hall	Provision of community facilities and events	£197	£200	£203	£203	£203	£609	
Rural Halls	Dunbog Parish Hall	Provision of community facilities and events	£197	£250	£203	£203	£203	£609	
Rural Halls	Dunshalt Community Association	Provision of community facilities and events	£197	£250	£203	£203	£203	£609	
Rural Halls	Gateside & District Community Association	Provision of community facilities and events	£197	£250	£203	£203	£203	£609	
Rural Halls	Giffordtown Village Hall	Provision of community facilities and events	£197	£197	£203	£203	£203	£609	
Rural Halls	Kettle Memorial Hall	Provision of community facilities and events	£197	£197	£203	£203	£203	£609	
Rural Halls	Kilmany Parish Hall	Provision of community facilities and events	£197	£188	£203	£203	£203	£609	This is the amount minus the 5% increase that was implemented in 2023/24

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested for 24-27	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
Rural Halls	Kingsbarn Memorial Hall	Provision of community facilities and events	£197	£1,500	£203	£203	£203	£609	
Rural Halls	Largo Parish Church Hall (Durham Hall)	Provision of community facilities and events	£197	£400	£203	£203	£203	£609	
Rural Halls	Largoward Public Hall	Provision of community facilities and events	£197	£650	£203	£203	£203	£609	
Rural Halls	Letham Village Hall	Provision of community facilities and events	£197	£200	£203	£203	£203	£609	
Rural Halls	Luthrie Village Hall	Provision of hall to the benefit of groups, etc	£197	£197	£203	£203	£203	£609	
Rural Halls	Montrave Hall	Provision of community facilities in Lundin Links	£197	£390	£203	£203	£203	£609	
Rural Halls	Morison Duncan Hall	Provision of community facilities and events	£197	£1,000	£203	£203	£203	£609	
Rural Halls	New Gilston & Woodside Village Hall	Provision of community facilities and events	£197	£360	£203	£203	£203	£609	
Rural Halls	Newton of Falkland Village Hall	Provision of community facilities and events	£197	£200	£203	£203	£203	£609	

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested for 24-27	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
Rural Halls	Pittenweem New Town Hall	Provision of facility for organisations	£197	£197	£203	£203	£203	£609	
Rural Halls	Simpson Institute	Provision of community facilities and events	£197	£5,000	£203			£203	
Rural Halls	Strathmiglo Village Hall	Provision of community facilities and events	£197	£10,930	£203	£203	£203	£609	
Rural Halls	Strathkinness Village Hall	Provision of community facilities and events	£197	£13,000	£203	£203	£203	£609	
SWF	Kincardine Community Association	Provides CLD, youth activities	£32,063	£32,063	£33,025	£33,025	£33,025	£99,074	
Fife Wide	CARF	Free confidential independent and impartial advice to help resolve problems. Resources for welfare benefit tribunal representation and dealing with complex benefits issues	£1,955,191	£2,882,335	£2,013,847	£2,013,847	£2,013,847	£6,041,540	

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested for 24-27	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
Fife Wide	Digital Fife	Supporting people to get online and develop community content.			£927	£927	-	£1,854	To cover shortfall in amount awarded for 2023/26. Can be covered through existing resources (includes 3% uplift).
Fife Wide	Disability Sports Fife	Supporting part-time Administration post	£9,374	£22,000	£9,655	£9,655	£9,655	£28,966	
Fife Wide	Fife Centre for Equalities	Fifes independent third sector equalities hub which engages with equalities groups in Fife across all 9 of the protected characteristics across Fife as defined in the equalities act 2010	£137,344	£182,025	£141,464	£141,464	£141,464	£424,393	
Fife Wide	Fife Society for the Blind	Contribution of 1/3rd cost of employing Project Worker	£5,478	£389,856	£5,642	£5,642	£5,642	£16,927	
Fife Wide	Fife Pride	Support Fife Pride Event	£10,500	£10,500	£10,815	£10,815	£10,815	£32,445	
Fife Wide	Workers Educational Association	Promoting adult education, Fife-wide provision	£44,680	£95,515	£46,020	£46,020	£46,020	£138,061	

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested for 24-27	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
Fife Wide	Youth 1st	Supporting and developing high quality youth work. Fife-wide provision	£69,077	£111,915	£71,149	£71,149	£71,149	£213,448	
Total			£3,212,318	£5,062,750	£3,320,712	£3,263,946	£3,263,019	£9,847,677	

**Recommended Awards for 2024/27
Housing Services**

Service Monitoring Officer: Gavin Smith, Service Manager (Gavin.Smith@fife.gov.uk)

Ending Homelessness Together					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Grant requested for 24/25	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
	Disabled Persons Housing Service (DPHS)	Provide information and advice for disabled people at risk of losing their home	-	£78,151.00	£80,109	-	-	£80,109	To be reviewed after 6 months.
UK Gov grant funding	Fife International Forum - Building Bridges	Provides housing advice and guidance to migrants who are unable to access mainstream services due to language barriers.	£92,520.82	£105,561.70	£105,561.70	-	-	£105,561.70	1 year funding sought
RRTP	Link Living - Smartliving	Blended programme of independent living skills and wellbeing workshops for young people in 1st year onwards	£38,444.76	£39,982.56	£39,982.56	-	-	£39,982.56	1 year funding sought
RRTP	YMCA - Connect Fife	The digital inclusion project supports individuals in Fife who are experiencing or have lived experience of homelessness	£29,716.33	£54,993.50	£54,993.50	-	-	£54,993.50	1 year funding sought
Total			£160,681.91	£278,688.76	£280,646.76	-	-	£280,646.76	

Short Term Housing Support					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Grant requested for 24/25	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
General Fund	Bethany	Visiting Short Term Housing Support (STHS)	£139,724.61	£135,261.00	£135,261.00	£142,024.00	£149,125.00	£426,410.00	3 year funding sought
General Fund	Energi	Visiting Short Term Housing Support (STHS)	£57,244.74	£66,870.34	£66,870.34	-	-	£66,870.34	1 year funding sought
General Fund	Frontline Fife	Visiting Short Term Housing Support (STHS)	£595,470.78	£564,751.91	£564,751.91	-	-	£564,751.91	1 year funding sought
General Fund	Link Living	Visiting Short Term Housing Support (STHS)	£613,905.69	£638,462.00	£638,462.00	-	-	£638,462.00	1 year funding sought
General Fund	Penumbra	Visiting Short Term Housing Support (STHS)	£372,837.51	£407,112.00	£407,112.00	£427,468.00	£447,655.00	£1,282,235.00	3 year funding sought
Total			£1,779,183.33	£1,812,457.25	£1,812,457.25	£569,492.00	£596,780.00	£2,978,729.25	

Accommodation					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Grant requested for 24/25	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
General Fund	Frontline Fife	Shared Accommodation Properties (SAP), Core and Cluster	£438,718.15	£405,523.39	£405,523.39	-	-	£405,523.39	1 year funding sought
General Fund	Kingdom Support & Care	Hunter House, Kirkcaldy and assertive outreach	£311,947.41	£235,324.67	£235,324.67	-	-	£235,324.67	1 year funding sought
General Fund	Kingdom Support & Care	West Fife Homeless Prevention	£411,455.27	£426,090.57	£426,090.57	-	-	£426,090.57	1 year funding sought
General Fund	Link Living	West Bridge Mill supported accommodation, Kirkcaldy	£93,519.54	£97,260.00	£97,260.00	-	-	£97,260.00	1 year funding sought
General fund/HRA	Trust in Fife	Craig House (Oasis) hostel and Valley Accommodation Unit, Kirkcaldy	£551,536.26	£618,824.00	£618,824.00	-	-	£618,824.00	1 year funding sought
General fund/HRA	YMCA Glenrothes	ARCH, Shared Accommodation Properties (SAP), Farmhouse	£717,444.31	£784,984.00	£784,984.00	-	-	£784,984.00	1 year funding sought
Total			£2,524,620.94	£2,568,006.63	£2,568,006.63	-	-	£2,568,006.63	

Older People					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Grant requested for 24/25	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
General Fund	Kingdom Care & Repair	Care & Repair	£222,639.00	£267,177.00	£222,639.00	-	-	£222,639.00	1 year funding sought. Recommended that this is awarded at last years grant award
General Fund	Kingdom Care & Repair (small repairs service)	Service for homeowners and private tenants over the age of 60 to assist with minor repairs. The service is also available for disabled people over the age of 50	£65,296.00	£72,109.00	£65,296.00	-	-	£65,296.00	1 year funding sought. Recommended that this is awarded at last years grant award
General Fund	Kingdom Support & Care	Housing support to older people over the age of 55 across Fife and to the Chinese community at Saunders Court, Kirkcaldy	£258,060.00	£269,997.63	£269,997.63	-	-	£269,997.63	1 year funding sought Potential to transfer funding to H&SCP for 25/26
General Fund	Trust HA	Housing support services at Whitelaw Court, Dunfermline and Viewforth Court, Kinghorn	£121,037.00	£163,484.00	£163,484.00	-	-	£163,484.00	1 year funding sought Potential to transfer funding to H&SCP for 25/26
Total			£667,032.00	£772,767.63	£721,416.63	-	-	£721,416.63	

Housing Advice					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Grant requested for 24/25	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
General Fund	Fife Law Centre	Provides advice, information and representation for people, particularly in relation to eviction, homelessness and accommodation	£41,714.40	£40,430.00	£40,430.00	-	-	£40,430.00	Committed funding
General Fund	Fife Law Centre	Provides advice, information and representation for people, particularly in relation to domestic situations, children's hearings and adult protection	£80,369.10	£92,595.00	£92,595.00	-	-	£92,595.00	Committed funding
General Fund	Fife Law Centre	Provides advice, information and representation for people, particularly in relation to welfare reform	£61,918.50	£60,081.00	£60,081.00	-	-	£60,081.00	Committed funding
General Fund	Frontline Fife	Provides housing options advice and information supporting people to understand their rights and responsibilities	£307,795.95	£341,714.19	£341,714.19	-	-	£341,714.19	1 year funding sought
General Fund	Disabled Persons Housing Service (DPHS)	Fife-wide provision of information, advice, and assistance to disabled persons. Right to Adapt Project	£75,842.00	£80,109.00	£0.00	-	-	£0.00	No recommendation due to non-compliance of monitoring and evaluation during 23/24. Further information to be submitted before decision made
Total			£567,639.95	£614,929.19	£534,820.19	-	-	£534,820.19	Excluding DPHS

Housing First					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Grant requested for 24/25	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
General Fund	Bethany Christian Trust	Supporting individuals aged 25+ who have a history of recurring homelessness and multiple complex needs access secure housing and support them to stay in it.	£217,379.36	£187,250.00	£187,250.00	-	-	£187,250.00	Committed funding
General Fund	Fife Women's Aid	Supporting women and families who have a history of recurring homelessness and multiple complex needs access secure housing and support them to stay in it.	£113,347.99	£107,765.00	£107,765.00	-	-	£107,765.00	Committed funding
R RTP	Rock Trust	Supporting individuals aged 16-25 who have a history of recurring homelessness and multiple complex needs access secure housing and support them to stay in it.	£214,805.12	£348,135.00	£348,135.00	-	-	£348,135.00	1 year funding sought

Housing First					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Grant requested for 24/25	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
R RTP	Turning Point Scotland	Provide support to young people 25 years+, who have experienced or are at risk of homelessness with multiple complex needs	£309,900.00	£300,000.00	£300,000.00	-	-	£300,000.00	Committed funding
R RTP	Turning Point Scotland - Whole Systems Approach	This service is still very much in its infancy. When fully operational this will allow for a more integrated approach and will ensure that support to individuals will be coordinated and underpinned by effective communication and information sharing arrangements.	£90,387.50	£87,500.00	£87,500.00	-	-	£87,500.00	Committed funding
Total			£945,819.97	£1,030,650.00	1,030,650.00	-	-	£1,030,650.00	

Fife Women's Aid					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Grant requested for 24/25	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
General Fund	Fife Women's Aid	Visiting Support, Refuge Management & Domestic Abuse Information & Support	£900,482.64	£871,716.30	£871,716.30	-	-	£871,716.30	Committed funding
Total			£900,482.64	£871,716.30	£871,716.30	-	-	£871,716.30	

External/TRAs					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Grant requested for 24/25	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
HRA	ADTRA	Tenants & Residents Payment of rent for community flat	£5,250.00	£6,072.78	£6,072.78	-	-	£6,072.78	Committed funding
HRA	FFOTRA	Fife wide forum activities	£111,688.92	£110,318.00	£111,688.92	-	-	£111,688.92	Committed funding. Recommendation that due to costs attached to parking that they are awarded the same amount as 23/24
HRA	North East Fife Tenants and Residents Federation	East Area federated tenant association activity	£42,047.00	£38,385.00	£38,385.00	-	-	£38,385.00	1 year funding sought
HRA	Tenants Forum		£20,000.00	£21,000.00	£21,000.00	-	-	£21,000.00	1 year funding sought
HRA	Greener Kirkcaldy (Cosy Kingdom)	Supports people through fuel poverty by providing free impartial energy advice to	£210,000.00	£210,000.00	£210,000.00	-	-	£210,000.00	Committed funding

External/TRAs					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Grant requested for 24/25	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
		households across Fife							
HRA	Greener Kirkcaldy (Cosy Kingdom)	Cosy Communities - Damp and Mould project for Fife Council tenants	£0.00	£91,000.00	£91,000.00	-	-	£91,000.00	1 year funding sought to fund shortfall. To be funded directly by HRA to focus on FC tenants
Total			£388,985.92	£476,775.78	£478,146.70	-	-	£478,146.70	

Private Sector					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Grant requested for 24/25	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
General Fund	Trust in Fife - Fife Private Rental solutions	Assist the public and landlords with advice and guidance around private renting	£331,391.00	£338,115.00	£338,115.00	-	-	£338,115.00	1 year funding sought
Total			£331,391.00	£338,115.00	£338,115.00	-	-	£338,115.00	

				Individual Year for Approval				
			Grant Award 23/24	Grant requested for 24/25	2024/25	2025/26	2026/27	Total Recommended for Approval
Total for Housing Service			£8,255,937.66	£8,764,106.54	£8,635,975.46	£569,492.00	£596,780.00	£9,802,247.46

Recommended Awards for 2024/27
Education & Children's Services – Core Grant Monies
 Service Monitoring Officer: Mike Bell, Team Manager (Mike.Bell@fife.gov.uk)

Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested by Organisation	Individual Year for Approval			Total Recommended for Approval	Additional Comments
					2024/25	2025/26	2026/27		
E&CS Core Grant	Aberlour	Respite & Whole Family Supports to Children affected by Disability	£532,097 + £3,868	£532,097	£548,060	£548,060	£548,060	£1,648,048	
E&CS Core Grant	APEX	Employability Supports to Care Experienced Young People	£56,128	£56,128	£57,812	£57,812	£57,812	£173,436	
E&CS Core Grant	Barnardos	Advocacy Supports to Looked after Children	£315,000 + £3,868	£315,000	£324,450	£324,450	£324,450	£977,218	
E&CS Core Grant	Barnardos	Whole Family Supports to Families with a Child aged 0 to 8	£472,500	£472,500	£486,675	£486,675	£486,675	£1,460,025	
E&CS Core Grant	Barnardos	Whole Family Supports to Families affected by Substance Use	£153,195	£153,915	£157,791	-	-	£157,791	
E&CS Core Grant	Birthlink	Contribution to Adoption Contact Register (Scotland)	£5,211	£5,211	£5,367	£5,367	£5,367	£16,101	
E&CS Core Grant	CHAS	Supports to Children with a Life Limiting Condition	£54,226	£54,266	£55,853	£55,853	£55,853	£167,559	

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested by Organisation	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
E&CS Core Grant	Clued Up	Supports to young people affected by Substance Use	£161,805 + £9,668	£161,805	£166,659	-	-	£176,327	
E&CS Core Grant	The Cottage	Whole Family Supports to Children & Families experiencing Poverty	£315,973 + £9,668	£365,063	£375,771	£375,771	£375,771	£1,136,981	
E&CS Core Grant	Cross Roads	Respite Support to families affected by Disability	£34,688 + £10,411	£33,067	£35,729	£35,729	£35,729	£117,598	
E&CS Core Grant	DAPL	Counselling to young people affected by Substance Use	£66,150 + £3,868	£66,150	£68,135	£68,135	£68,135	£208,273	
E&CS Core Grant	DAPL	Schools Counselling	£472,500	£472,500	£486,675	£486,675	£486,675	£1,460,025	
E&CS Core Grant	Early Years Scotland	Capacity Building Supports to Child Carers	£51,400	£55,007	£52,942	£52,942	£52,942	£158,826	
E&CS Core Grant	Families First	Befriending Supports to young people in North Fife	£42,162 + £10,411	£44,270	£43,427	£43,427	£43,427	£140,692	
E&CS Core Grant	Families Outside	Whole Family Supports to families affected by Prison	£14,700 + £10,411	£25,000	£15,141	£15,141	£15,141	£55,834	
E&CS Core Grant	Fife Gingerbread	Whole Family Supports to Children & Families	£195,929 + £9,668	£226,603	£233,169	£233,169	£233,169	£709,175	

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested by Organisation	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
		experiencing Poverty							
E&CS Core Grant	Fife Women's Aid	Support to Children & Young People affected by Domestic Abuse	£500,910 + £3,868	£500,910	£515,937	£515,937	£515,937	£1,551,679	
E&CS Core Grant	Fife Women's Aid	MARAC Funding (ECS Contribution)	£126,983	£126,983	£130,792	£130,792	£130,792	£392,376	
E&CS Core Grant	Fife Women's Aid	MARAC Funding (Housing Contribution)	£69,300	£69,300	£71,379	£71,379	£71,379	£214,137	
E&CS Core Grant	Fife Women's Aid	MARAC Funding (NHS Contribution)	£31,500	£31,500	£32,445	£32,445	£32,445	£97,335	
E&CS Core Grant	Fife Young Carers	Supports to young people with Caring Responsibilities	£157,402 + £9,668	£157,402	£162,124	£162,124	£162,124	£496,040	
E&CS Core Grant	Homestart Cowdenbeath	Whole Family Supports to Children & Families experiencing Poverty	£79,418 + £10,411	£91,636	£94,385	£94,385	£94,385	£293,566	
E&CS Core Grant	Homestart Dunfermline	Whole Family Supports to Children & Families experiencing Poverty	£91,503 + £10,411	£105,724	£108,898	£108,898	£108,898	£337,105	
E&CS Core Grant	Homestart Glenrothes	Whole Family Supports to Children & Families	£82,664 + £10,411	£98,311	£98,476	£98,476	£98,476	£305,839	

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested by Organisation	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
		experiencing Poverty							
E&CS Core Grant	Homestart Kirkcaldy	Whole Family Supports to Children & Families experiencing Poverty	£85,593 + £10,411	£98,946	£101,914	£101,914	£101,914	£316,153	
E&CS Core Grant	Homestart Leven	Whole Family Supports to Children & Families experiencing Poverty	£75,445 + £10,411	£85,391	£89,662	£89,662	£89,662	£279,397	
E&CS Core Grant	Homestart North	Whole Family Supports to Children & Families experiencing Poverty	£67,390 + £10,411	£77,661	£79,991	£79,991	£79,991	£250,384	
E&CS Core Grant	Includem	Whole Family Supports to Families with a child aged 8 to 21	£554,736 + £3,868	£554,736	£571,378	£571,378	£571,378	£1,718,002	
E&CS Core Grant	NSPCC	Contribution to Child Line Scotland	£1,680	£4,000	£1,730	£1,730	£1,730	£5,190	
E&CS Core Grant	Relationship Scotland	Family Mediation Support to parents experiencing marital conflict	£33,634 + £10,411	£44,825	£34,643	£34,643	£34,643	£114,340	
E&CS Core Grant	Relationship Scotland	Counselling Supports to Parents	£24,150 + £10,411	£24,150	£24,875	£24,875	£24,875	£85,036	

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested by Organisation	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
E&CS Core Grant	Scottish Child law Centre	Free legal advice to Young People & Families	£2,319	£2,319	£2,389	£2,389	£2,389	£7,167	
E&CS Core Grant	SCMA	Child Minding Supports to children who are Looked After	£34,146 + £10,411	£38,497	£35,170	£35,170	£35,170	£115,921	
E&CS Core Grant	SEAL Association	Youth Work Supports to Children in South West Fife	£30,025 + £10,411	£27,334	£30,926	£30,926	£30,926	£103,189	
E&CS Core Grant	SENSE	Support sensory learning experiences to Children affected by disability	£33,377	£36,015	£34,378	£34,378	£34,378	£103,134	
Total			£5,219,194 £5,375,769.82	£5,214,222	£5,335,148	£5,010,698	£5,010,698	£15,549,899	

Recommended Awards for 2024/27
Education & Children's Services – Schools Counselling
 Service Monitoring Officer: Mike Bell, Team Manager (Mike.Bell@fife.gov.uk)

Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested by Organisation	Individual Year for Approval			Total Recommended for Approval	Additional Comments
					2024/25	2025/26	2026/27		
E&CS OMM	DAPL	School Counselling Service	£683,650		£191,000	-	-	£191,000	There is a high level of demand on additional, specialist supports for young people's mental health. In line with this work is underway to create a shared understanding across services of individual service's referral processes supported by the sharing of current service data. Learning and recommendations from this work will be used to inform proposals for service modifications and for reviewing the potential for additional services. To allow time for this work to be undertaken a temporary extension of £191,000 up until the end of this academic year is being proposed.
E&CS OMM	Venture Trust	Outdoor therapy			£200,000	-	-	£200,000	Jointly funded with CMH&WB fund
Total					£391,000	-	-	£391,000	

Recommended Awards for 2024/27
Education & Children's Services – Pupil Equity Fund
 Service Monitoring Officer: Mike Bell, Team Manager (Mike.Bell@fife.gov.uk)

Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested by Organisation	Individual Year for Approval			Total Recommended for Approval	Additional Comments
					2024/25	2025/26	2026/27		
E&CS PEF	Drug and Alcohol Project Ltd (DAPL)	Counselling and Support service - St Joseph's school	£25,000		£25,000	-	-	£25,000	Funded by Scottish Government attainment Challenge Fund via Education Service
E&CS PEF	Drug and Alcohol Project Ltd (DAPL)	Counselling and Support service - St Kenneth's primary school	£28,500		£28,500	-	-	£28,500	Funded by Scottish Government attainment Challenge Fund via Education Service
E&CS PEF	Drug and Alcohol Project Ltd (DAPL)	Counselling and support service - Queen Anne High School	£15,300		£15,300	-	-	£15,300	Funded by Scottish Government attainment Challenge Fund via Education Service
E&CS PEF	Drug and Alcohol Project Ltd (DAPL)	Counselling Service at Lynburn Primary School	£18,900		£18,900	-	-	£18,900	Funded by Scottish Government attainment Challenge Fund via Education Service
E&CS PEF	YMCA – In - Sync Mentoring Programme (Kirkcaldy High School)	Mentoring programme	£14,000		£14,000	-	-	£14,000	Funded by Scottish Government attainment Challenge Fund via Education Service

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested by Organisation	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
E&CS PEF	YMCA – In-Sync Mentoring Programme (Viewforth High School)	Mentoring Programme	£30,755		£30,755	-	-	£30,755	Funded by Scottish Government attainment Challenge Fund via Education Service
E&CS PEF	Clued – Up (Levenmouth Academy)	Support for young people with substance misuse and other concerns	£5,546		£5,546	-	-	£5,546	Funded by Scottish Government attainment Challenge Fund via Education Service
Total			£138,001		£138,001	-	-	£138,001	

Recommended Awards for 2024/27
Education & Children's Services – Whole Family Wellbeing Fund
 Service Monitoring Officer: Mike Bell, Team Manager (Mike.Bell@fife.gov.uk)

Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested by Organisation	Individual Year for Approval			Total Recommended for Approval	Additional Comments
					2024/25	2025/26	2026/27		
E&CS WFWF	Fife Voluntary Action	Support a programme of co-production for children, young people & families and third sector organisations	£150,000	£37,500	£37,500	See Comments	See Comments	£37,500	Agreed for 24-25 - no confirmation of WFWF allocation from Scottish Government for the financial year 2025-26.
E&CS WFWF	Fife Voluntary Action	Post to strengthen the connections between the third sector and the interface with the public sector	£50,000	£39,000	£39,000	See Comments	See Comments	£39,000	Post for a two-year period and which commenced January 2023. Undecided for 2025-26 until Scottish Gov't confirm funding.
E&CS WFWF	Fife Voluntary Action	Partnership Web Site Development	N/A	£65,000	£65,000	-	-	£65,000	One off payment
E&CS WFWF	Fife Voluntary Action	Resource to undertake a Training Needs Analysis & development of training programme	N/A	£30,000	£30,000	-	-	£30,000	One off payment
E&CS WFWF	Making it work for Families	Employability support to families	£78,293.50	£78,293.50	£78,293.50	See Comments	See Comments	£78,293.50	Undecided for 25-26 until confirmation of funding from SG.
E&CS WFWF	Sleep Scotland	Support to families around Sleeping Routines	N/A	£108,665.00	£108,665.00	See Comments	See Comments	£108,665.00	Undecided for 25-26 until confirmation of funding from SG.
Total			£278,293.50	£358,458.50	£358,458.50	-	-	£358,458.50	

Recommended Awards for 2024/27
Education & Children's Services – Community Mental Health & Wellbeing Fund
 Service Monitoring Officer: Mike Bell, Team Manager (Mike.Bell@fife.gov.uk)

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested by Organisation	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
Community Mental Health and Wellbeing Framework	Includem	Direct targeted intervention of 1:1 support through a bespoke mentoring model for young people who are experiencing distress.			£174,400	-	-	£174,000	Extension of current grant award until March 2025 to align with the Monitoring and Evaluation Framework.
Community Mental Health and Wellbeing Framework	Scottish Autism	Support, advice and signposting to Parents and Carers of Young People with neurodevelopmental difficulties			£33,400	-	-	£33,400	Extension of current grant award until March 2025 to align with the Monitoring and Evaluation Framework.
Community Mental Health and Wellbeing Framework	Venture Trust	Outdoor therapy			£50,000	-	-	£50,000	Jointly funded with school counselling.

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested by Organisation	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
Community Mental Health and Wellbeing Framework	Love & Harmony	LGBT Support			£33,400	-	-	£33,400	Short term funding until July 2024
Community Mental Health and Wellbeing Framework	TBC commissioning process completed on 8th February 2024	Wellbeing in Fife 1. Short term 1:1 targeted support for children and young people. 2. Provision of targeted group work for parents and carers and their families. 3. Deliver training and development sessions to partner agencies.			£350,000	-	-	£350,000	Currently in the commissioning process. Due for completion on 8th January with start date for provision on 1st April 2025
Total					£591,200	-	-	£207,400	

Recommended Awards for 2024/27 Roads & Transportation Services

Service Monitoring Officer: Anne Cowan, Lead Consultant Accessible Transport & Concessions (Anne.Cowan@fife.gov.uk)

					Individual Year for Approval				
Area	Organisation	Project Description	Grant Award 23/24	Annual Grant Requested by Organisation	2024/25	2025/26	2026/27	Total Recommended for Approval	Additional Comments
Dunfermline Glenrothes Kirkcaldy	Fife Shopmobility Ltd	Lending powered and manual wheelchairs and electric scooters to people with mobility difficulties free of charge. Provide a long-term hire of manual equipment. The organisation also provides escorted shopping services for vulnerable people and those with visual impairments.	£158,331	£183,750	£163,080	-	-	£163,080	Whilst Roads and Transportation Services fully supports this initiative as it meets a primary aim of targeting support to the most vulnerable in our communities there is no additional money available to meet the full funding request. The service only recommends maintaining the Grant within current budget levels for one year only.
East Fife	RVS East Fife	Targeting support to vulnerable older residents who are unable to access mainstream public transport due to some form of reduced mobility or isolation. This is in the form of both transport and support to individuals ensuring people remain active and supported in their local communities.	£46,725	£47,859	£47,859	-	-	£47,859	Roads and Transportation Services fully supports this initiative as it meets a primary aim of targeting support to the most vulnerable in our communities. The service recommends maintaining the Grant within current budget levels for one year only.
Total			£205,056	£231,609	£210,939	-	-	£210,939	

Kelty Car Park, Kelty

Report by: Paul Vaughan, Head of Communities and Neighbourhoods Service

Wards Affected: Ward 7

Purpose

The purpose of this report is to provide members with an update on the progress of the business plan approach to the development of a new car park in Kelty. This proposal is for a one-off investment to facilitate the provision of car parking for the benefit of the community and to alleviate parking congestion for residents in the community.

Recommendation(s)

The Cabinet Committee is asked to:

- (1) note the allocation of £0.250m funding towards the construction of a car park for Kelty community centre as agreed in the council's capital investment plan 2023/33;
- (2) agree to, instead, provide a grant to Kelty Hearts Football Club to construct and operate a new car park for the benefit of the community; and
- (3) note there will be an agreement to facilitate the project between Fife Council and Kelty Hearts FC drawn up before works start on site in terms which are to be acceptable to the Head of Communities and Neighbourhood Services and the Head of Legal and Democratic Services.

Resource Implications

Confirmed investment from Fife Council for this project equates to £0.250m. The investment was approved by full Council on 22 June 2023 as part of the Capital Investment Plan 2023-2033.

Legal & Risk Implications

An agreement between Fife Council and Kelty Heart Football Club will be drawn up outlining the terms of the financial contribution towards the car park. This will ensure the car park is constructed to the agreed specification.

Due diligence has been undertaken in line with the monitoring and evaluation framework to mitigate risk.

A State Subsidy assessment has been made and this grant will fall within the scope of Minimum Financial Assistance, so there are no significant State Subsidy risks.

Impact Assessment

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

The project has been the subject of local discussion and engagement which includes elected members, Kelty Community Centre users, Kelty Heart Football Club and local residents.

1.0 Background

Kelty Community Centre

- 1.1 The opening of Kelty Community Centre and the Kelty Primary School extension in May 2016 enabled Fife Council to expand its provision of services in Kelty and the surrounding areas through delivery of enhanced, integrated community facilities. The centre is well used and provides a connected series of services (Education, Customer Services, Library, Childcare and Community Learning and Development) alongside high quality spaces for community activity to take place. The integrated nature of the operational model has increased public access to the facility significantly both by expanding the operating hours of core council services to the public and by providing extensive new spaces for self-directed activity.
- 1.2 The outlook of the centre remains bright, with visitor numbers and public access increasing, with the local primary schools accessing facilities during the day and after school. Since returning from the pandemic, visiting numbers to the facility continue to grow and the centre saw a 30% increase in five months from April to September in 2023.
- 1.3 The centre operates seven days a week, accessed by all age ranges in the community, not least due to the direct connection to the primary school and Kelty Hearts Football Club. Sporting activity attracts a wide range of patrons to the centre, both on the external 3G pitch and the internal spaces which are used for an extensive selection of groups for their core activities, larger events and functions, particularly at the weekend.
- 1.4 The public reaction to the facilities and services is extremely positive but is not without challenges, such as the high demand for car parking spaces during extremely busy periods in the evening, at weekends and during school drop off/pick up times. With many services accessing the facility, issues like the misuse of accessible parking bays by non-blue badge holders arise at peak times. In partnership with the local primary school, Community Use staff continue raising awareness to visitors via social media, posters, polite notices and SMS texts sent to all parents from Kelty Primary School to respect other patrons whilst using the car park.

2.0 Kelty Hearts Football Club

- 2.1 Kelty Hearts Football Club has grown significantly over the years and plays an important part in the Kelty Community. Since joining the SPFL, attendance has increased and they now average attendance of 500-700 per game with the bigger games attracting in the region of 1,200 supporters. The facilities also attract school games, amateur cup finals and friendly games from all over Fife as well as providing a venue for school proms, social events and local activities. Where appropriate, the club provide this facility at reduced rates or, if possible, free of charge.
- 2.2 The club brings in people from Kinross, Dunfermline, Cowdenbeath and neighbouring villages. This, in turn, benefits the local economy as supporters visit local shops, cafes and bars.

- 2.3 Kelty Hearts Football Club work closely in the community as a key contributor to the area and, as part of the community club, they offer free passes to young people from the Kelty area, provide facilities for community training (e.g. employability training) and support with local events such as Kelty Gala day by allowing the use of facilities for changing rooms, toilet facilities, etc.
 - 2.4 Although this is a great success story of growth and development, like the growth of the community centre and the extension of Kelty Primary School, the users of the club can also create parking challenges for residents within the town.
-

3.0 Current Situation

- 3.1 Parking congestion occurs due to the volume of people accessing the Kelty Community Centre, Kelty Primary School and Kelty Hearts Football Club. Residents report they cannot park near their properties with congestion present on various streets including Bath Street, Main Street, Oak Street, Kelty Hill Road, Dewars Avenue and Aitken Avenue. This also has an impact on emergency vehicles and public transport trying to pass through these streets.
- 3.2 There is land at the side of Kelty Community Centre, locally known as the Trotting Track, which has been identified as a potential car park to support Kelty as a community. This development would alleviate parking issues for the local residents and patrons of the community centre, school and football club.
- 3.3 The Trotting Track land is currently owned by Persimmon Homes. A historic S75 clause states that Fife Council must be given the opportunity to purchase the land if Persimmon wished to sell it. Subject to the council discharging this obligation, Persimmon have indicated that they are happy to sell the trotting track to allow it to be developed for an alternative purpose.
- 3.4 Fife Council commissioned a ground inspection of the site and initial sketch designs of a potential new car park have been drawn up. The inspection identified the potential need to carry out some work to the site and this advice has informed the proposals for the car park.
- 3.5 Fife Council propose they work in partnership with Kelty Hearts Football Club and support the facilitation of the purchase of the land by Kelty Hearts for them to build and develop a car park for use by the full community. This is conditional on Kelty Hearts being able to secure the site and appropriate planning permission.
- 3.6 £0.250m has already been approved to develop a car park for the Kelty community centre. Agreeing to Kelty Hearts FC delivering the work would see the transfer of approved funds to Kelty Hearts, allowing them to lead the project. If Kelty Hearts wish to carry out the additional works on the remainder of the site in the future, it is estimated to cost in the region of a further £0.350M. The £0.250m already secured from Fife Council could act as a key element in securing external funding if Kelty Hearts chooses to develop the site to its full capacity.

4.0 Issues and Options

- 4.1 Delivering a new car park in Kelty will provide much needed car parking facilities for use by Kelty Community Centre, Kelty Hearts Football Club and Kelty Primary School which supports the increased use of all facilities and provides much needed space to reduce congestion within the community and the streets previously identified.

- 4.2 In the current economic climate, cost inflation is a risk for all capital projects. This approach ensures the council's exposure is limited to the £0.250m already approved. Kelty Hearts, as the lead partner, will assume the responsibility of developing the site.
- 4.3 Given the high number of large-scale capital projects currently underway in Fife at this time, this partnership approach allows the project to proceed in a timelier manner with Kelty Hearts potentially able to secure third party grant or other financial support.
- 4.4 Agreement from the committee for this approach would see the transfer of the funds to Kelty Hearts. Funds would be released to Kelty Football club in instalments based on valuation of work completed to the agreed specification.
- 4.5 This approach could provide an opportunity for Kelty Hearts to access additional funding that may not be available to Fife Council if they chose to further develop the site. It also has the potential to secure procurement of the site at a reduced cost to build the car park.
- 4.6 On completion, this will create a valuable asset for the area which will be available for use by Kelty Hearts, Kelty Community Centre customers and Kelty Primary school parents at drop off/pick up times or when school events are taking place. Although Kelty Hearts will then own the site and be responsible for the upkeep, future maintenance and management of the site, it will be clear this is a shared asset for the community. The new car park will support 70 new spaces which will alleviate parking congestions within the town.
- 4.7 A grant agreement will be concluded with the Club. As well as the usual Fife Council grant terms it will cover:
- Provisions to secure the use of the car park free for the benefit of the wider community
 - Payment of the grant for work done and against project milestones
 - A phased release of the grant
 - Phase 1 to address site investigation reports, design and other expert reports and cost estimates, etc.
 - Phase 2 – the construction phase.
- We will only advance to Phase 2 if the results of Phase 1 confirm the delivery of the car park on the terms contained in this report remain achievable and if the site investigation reports do not indicate serious issues for the wider community if the land were to be owned by the local football club.
- An appropriate state subsidy clause

5.0 Conclusions

- 5.1 It is recommended that Cabinet Committee note and approve this change of approach to Kelty Hearts Football Club developing the new car park for the benefit of the local community and agree to the staged transfer of £0.250m funding to Kelty Hearts Football Club for delivery of the project creating 70 car park spaces.
- 5.2 This project aligns with the Cowdenbeath Area Local Community Plan priorities, such as raising aspiration within the community through improving local amenities which helps promote well-being, a sense of pride and ensures we have a high- quality community offer.

- 5.3 This project supports the key priorities contained within the Plan 4 Fife including leading economic recovery, creating thriving places and supporting community-led services.

List of Appendices

1. Proposed Car Park Layout
2. Proposed Block Plan

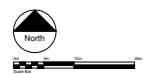
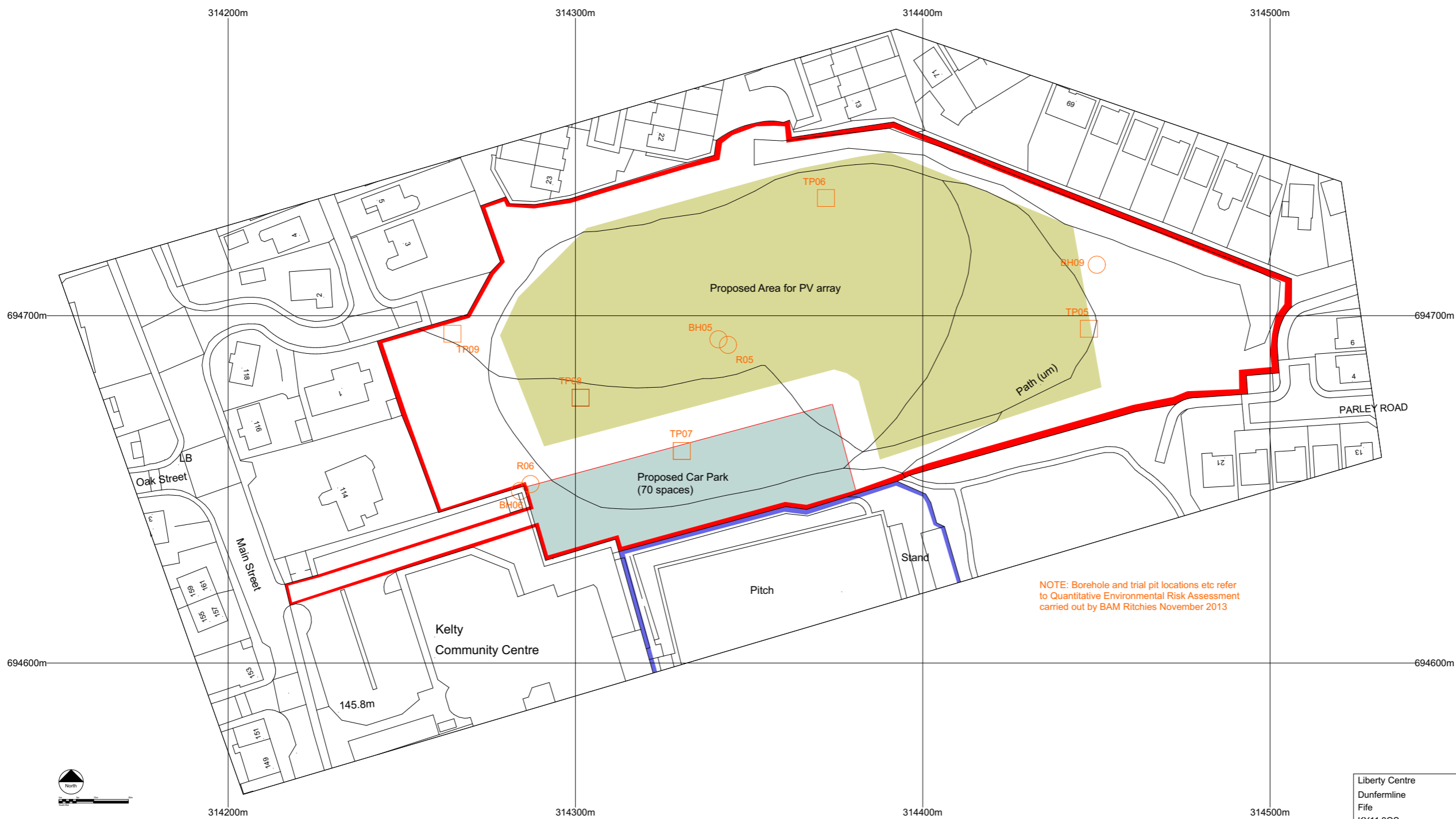
Background Papers

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

- Council Capital Investment Plan 2023-33 agreed in June 2023

Report Contact

Anne Marie Vance
Community Manager (Cowdenbeath)
Brunton House
Email – anne-marie.vance@fife.gov.uk

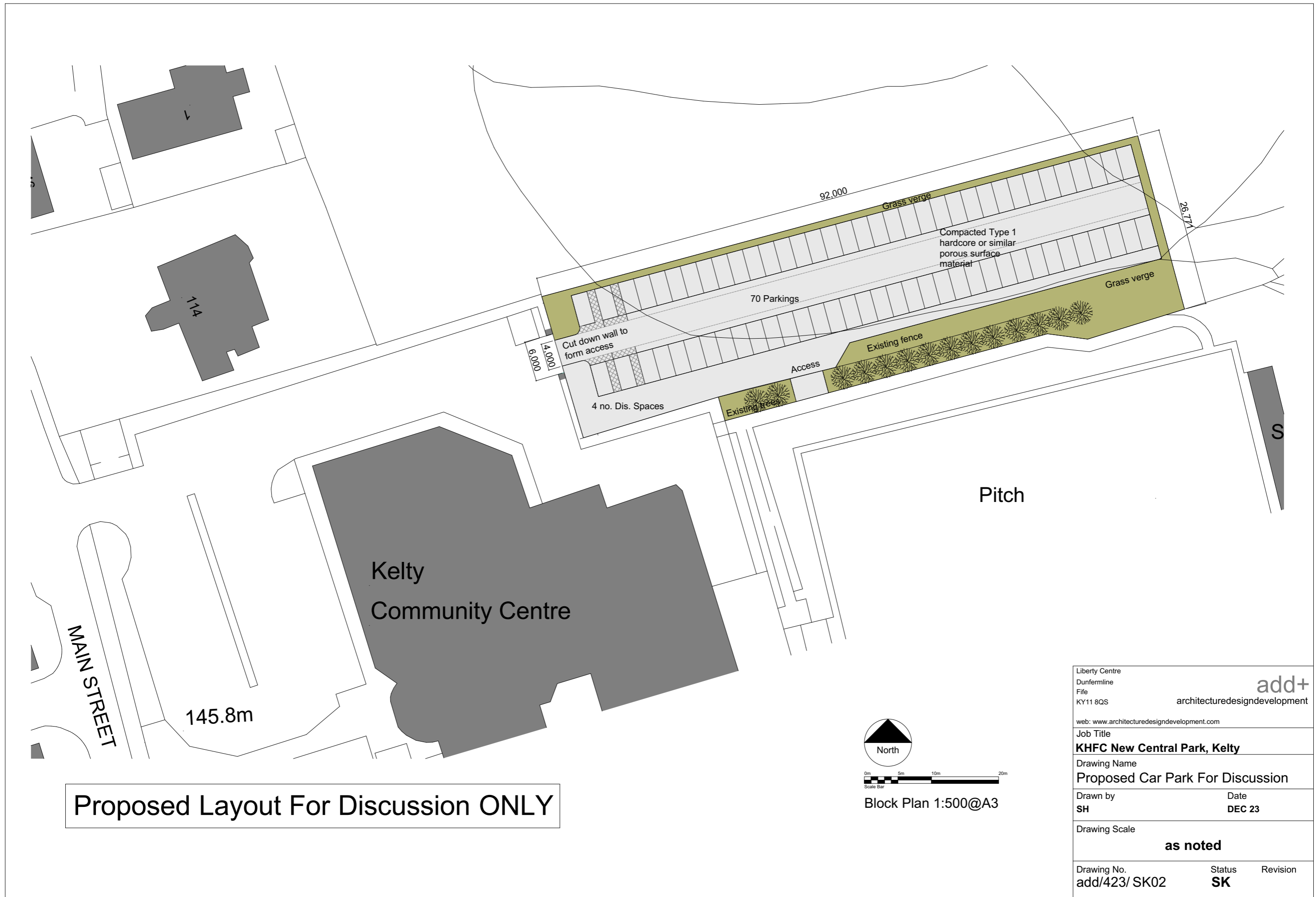


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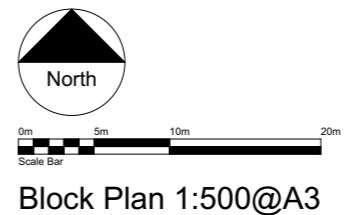
Location Plan 1:1250@A3

Proposed Layout For Discussion ONLY

Liberty Centre Dunfermline Fife KY11 8QS		add+ architecturedesigndevelopment
web: www.architecturedesigndevelopment.com		
Job Title KHFC New Central Park, Kelty		
Drawing Name Proposed Layout For Discussion		
Drawn by SH	Date DEC 23	
Drawing Scale as noted		
Drawing No. add/423/ SK01	Status SK	Revision



Proposed Layout For Discussion ONLY



Liberty Centre Dunfermline Fife KY11 8QS		add+ architecture design development
web: www.architecturedesigndevelopment.com		
Job Title KHFC New Central Park, Kelty		
Drawing Name Proposed Car Park For Discussion		
Drawn by SH	Date DEC 23	
Drawing Scale as noted		
Drawing No. add/423/ SK02	Status SK	Revision

South and West Fife – Community Use Arrangements

Report by: Paul Vaughan, Head of Communities and Neighbourhoods Service

Wards Affected: 1, 2, 3, 4, 5 and 6

Purpose of Report

The purpose of this report is to outline options to be considered for community use as part of the replacement of Inverkeithing High School.

Recommendation

The committee is asked to agree:-

- (1) the options to be assessed for community use in South and West Fife at paragraph 2.2; and
- (2) a further report to Cabinet in Autumn 2024.

Resource Implications

Consideration of options will require modelling of resource implications as part of the capital budget review and the council's budget setting process.

Legal & Risk Implications

There are no specific legal and/or risk implications.

Impact Assessment

An Equality Impact Assessment is not required as the report is not proposing any changes to existing policies and practices. Impact Assessment will be undertaken as part of the options appraisal process.

Consultation

Education and Children's Services have undertaken Statutory Consultation, in terms of the Schools (Consultation) (Scotland) Act 2010. In respect of the proposal to relocate Inverkeithing High School from the existing school site of Hillend Road, Inverkeithing to a new site, south of the A985 (Admiralty Road, Rosyth), The Fleet Grounds, Rosyth, a report was considered by Cabinet with agreement to proceed with the recommendations.

1.0 Background

- 1.1 Community Use at Inverkeithing High School supports a range of community learning and development, physical activity and sport and cultural provision.
- 1.2 Within the existing Inverkeithing High School, the range of community use facilities include a sports hall, gym and swimming pool providing community access for the “Bridgehead and wider South and West Fife area”.
- 1.3 The public consultation on the replacement High School noted the intention to move the community use provision to the replacement site and stated that no pool would be provided as part of the replacement High School. This led to concerns expressed in the consultation responses regarding the capacity of swimming pool provision within West Fife, with there being no replacement pool at the new “Joint Learning Campus” in Dunfermline and the availability of community facilities within Inverkeithing.
- 1.4 A request for analysis of options for the scope of future physical activity, sport and community facilities was requested for South and West Fife.

2.0 Issues and Options

- 2.1 The options proposed for consideration will take account of:
 - The impact of the loss of the school to Inverkeithing
 - The strong community desire to retain or replace the existing community use and sports facilities in Inverkeithing
 - The findings of the Fife-wide review of leisure, cultural services and facilities being undertaken to inform future strategy and service delivery.
- 2.2 The options to be included are:
 1. Retention and refurbishment of The Wing (including pool, community facilities, grass and synthetic pitches) at the existing Inverkeithing High School.
 2. Construction of a new pool with community facilities at Inverkeithing High School site.
 3. Construction of a new stand-alone pool at the Inverkeithing High School site.
 4. Construction of a new pool at the replacement High School on the Fleet Grounds site.
 5. Construction of community facilities without a pool within Inverkeithing.
 6. Provision of grass and synthetic turf pitches within Inverkeithing.
- 2.3 The Community Use Team is undertaking usage analysis of The Wing at Inverkeithing High School and will progress customer consultation as part of the options appraisal. Information on the wider availability and use of community venues in the area is also being collated including those facilities managed by Fife Sports and Leisure Trust and the voluntary sector.
- 2.4 SportScotland are undertaking research using their facilities planning model including provision across the South and West Fife and City of Dunfermline areas. A Fife report from their model, as part of a Scotland report, considering the demand for and location of leisure facilities, including swimming, is expected in the next few months. This will provide information for the options appraisal information and inform the scope the Fife-wide review of leisure, cultural services and facilities.

- 2.5 The council has allocated funding for supporting a community facility within Inverkeithing of £1m in the Capital Programme 2023-2033.

3.0 Conclusion

- 3.1 The plans for the replacement secondary school to replace Inverkeithing HS include community facilities but no replacement for the current swimming pool.
- 3.2 This report identifies six options for appraisal with a future report to Cabinet. Resource implications will be considered as part of the capital budget review and the council's budget setting process.

Background Papers

- Council Capital Investment Plan 2023-2033 agreed in June 2023

Report Contact:

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Heat in Buildings Bill Consultation Response

Report by: Pam Ewen, Head of Planning Services

Wards Affected: All

Purpose

The purpose of this report is to seek approval of Fife Council's consultation response to the Scottish Government's [Heat in Buildings Bill Consultation](#).

Recommendation(s)

It is recommended that the committee approve the response to the Heat in Buildings Bill Consultation (Appendix 1) and submit to Scottish Government.

Resource Implications

Approval of the consultation response does not result in any direct financial implication or commitment.

There are potential resource implications arising from some of the proposals in the bill:

- Staff time and budget to carry out additional analysis/modelling; and
- Funding, budget, and staff resources to achieve a 2038 deadline requiring all buildings owned by a Scottish public authority to be using clean heating systems.

The existing estimated cost to switch the council's non-domestic portfolio to clean heating systems by 2045 is £131.6m of which £13.6m is budgeted for in the 10-year capital plan. The additional cost associated with this new accelerated deadline is estimated to be between £20m-£30m.

The existing estimated cost to retrofit the council's housing stock is £325m as outlined in the Energy Efficiency Standards for Social Housing 2 (EESH2) / Social Housing Net Zero Standard (SHNZS) – Delivery Plan Update on the agenda of this committee. There is currently no allocation for these costs or any changes to this estimate arising from this consultation in the Housing Revenue Account Capital Plan.

All costs are indicative and at current prices. Inflation costs are difficult to predict due to recent market volatility and limited market capacity and are likely to be significant.

Legal & Risk Implications

There are no legal or risk implications in responding to the consultation as it is a response to an invitation to comment on the implementation of Scottish Government legislation.

Impact Assessment

An Equality Impact Assessment and other impact assessments are not required because this is a consultation response to proposed implementation of Scottish Government legislation. The Scottish Government undertakes relevant Impact Assessments in relation to legislative changes (noted in the Scottish Government's report Appendix 1, section 8.2).

The Heads of Service for Planning, Property, Housing and Business and Employability were consulted when drafting this response. In addition, representatives from Legal and Finance Services were also asked to review the response.

1.0 Background

- 1.1 The Scottish Government launched the Heat in Buildings Bill consultation on 28 November 2023. The deadline for responses is 8 March 2024.
- 1.2 The consultation focuses on new laws around the energy efficiency of buildings and the transition to non-polluting heating systems – including heat pumps and district heat networks.
- 1.3 The bill proposals builds upon the Scottish Government’s [Heat in Buildings Strategy \(2021\)](#).
- 1.4 The main proposals in the consultation are as follows:
 - Reconfirming the use of polluting heating systems by 2045 will be prohibited.
 - As a pathway to 2045, require those purchasing a home or business to end their use of polluting heating systems within a fixed period following completion of the sale.
 - Setting a minimum energy efficiency standard – with private landlords and privately owned homes needing to meet this by the end of 2028 and 2033, respectively.
 - Potential for exemptions and extended deadlines for certain property types, businesses, and demographic groups, as well as a potential cost-cap.
 - Providing local authorities (and Scottish Ministers) with powers to require buildings in a Heat Network Zone to end their use of polluting heating systems by a given date.
 - Providing local authorities (and Scottish Ministers) with powers to requiring developers to connect new buildings in Heat Network Zones to a heat network.
 - Provision of waste heat from businesses, and related data, to support heat networks.
 - A requirement for all buildings owned by a Scottish public authority to be using clean heating systems by 2038.
 - Further requirements which could be placed on public sector organisations, including forbidding replacing a polluting heating system with another; production of building decarbonisation plans; and a new statutory reporting duty.
 - Monitoring and enforcement of the targets and energy efficiency standard.
- 1.5 The proposals in the consultation will have an impact on ongoing modelling to support key strategies (e.g. the Local Heat & Energy Efficiency Strategy) and statutory requirements (e.g. designation of heat network zones under the [Heat Networks \(Scotland\) Act 2021](#)).
- 1.6 Some of the proposals place new powers or statutory duties on local authorities.

2.0 Summary of Consultation Response

- 2.1 The full response to the consultation is provided in Appendix 1.

- 2.2 The majority of proposals and questions in the consultation are primarily technical in nature. As such, the council's response to these is focussed around:
- The considerations needed to support ongoing analysis, monitoring and delivery of improving the energy efficiency of buildings and decarbonising heat sources.
 - The significant impacts of insufficient electricity grid capacity, and the risks this may have on delivery – with large scale roll-out of electric heating systems being reliant on the grid also expanding.
 - The significant impacts of insufficient supply chain capacity to meet the increased demand.
 - Challenges around targeting measures and how understanding building archetypes could help with this including how these should be incorporated into the proposals.
 - The correct energy efficiency measures to include in any proposed standard.
 - Potential impacts related to the requirement to end the use of polluting heating following a property purchase (delayed property sales, impacts on property market).
 - Relying on market and financial product mechanisms to help achieve compliance.

2.3 Question 14 and 15 of the consultation (Appendix 1) propose to provide local authorities (and Scottish Ministers) with powers:

- To require buildings in a Heat Network Zone to end their use of polluting heating systems by a given date.
- Requiring developers to connect new buildings in Heat Network Zones to a heat network.

The council's suggested response is to "somewhat support" these proposals. The council's response notes this proposal would provide a degree of certainty when determining network viability and future expansion planning. It would also reduce carbon emissions and impact on air quality. The council's response also states the importance of ensuring a Just Transition and the need for detailed analysis to understand capacity and capability to avoid unintended consequences – this may have resource implications in terms of staff capacity and funding for analysis. Finally, clarification is requested in regard to impacts on the council's duties within the Heat Networks (Scotland) Act 2021.

2.4 Question 24 (Appendix 1) suggests a requirement for all buildings owned by a Scottish public authority to be using clean heating systems by 2038. The council's suggested response is to "somewhat support" this. Further comments are provided noting:

- funding, resources, capacity of the supply chain, and technical challenges are potential barriers,
- the additional cost to the Council associated with this new accelerated deadline is estimated to be between £20m-£30m,
- 2045 is a more realistic target unless a rapid increase in deployment of low carbon heating systems is supported, and
- the additional operating costs of low carbon heat sources leave less available budget to upgrade other buildings.

2.5 Question 25 (Appendix 1) suggests further requirements which could be placed on public sector organisations:

- from 2025, prevent replacing a polluting heating system with another (unless impractical),
- a new duty to develop and implement a plan to decarbonise their buildings,
- a new statutory reporting duty to demonstrate progress towards the 2038 target, and
- place no more statutory requirements (other than the above) - instead, relying on organisations' ability to plan alongside Government delivery and funding programmes to meet the 2038 target.

The council's suggested response agrees with the above, noting:

- the council are already working to replace, or heavily offset, polluting heating systems as part of a planned maintenance programme,
- clear guidance will be required defining when it will be "impractical" to replace a polluting a heating system with a zero/low polluting system,
- a decarbonisation plan would be a useful tool to gain an understanding of budgets required to meet the targets and at least portray a scale of the challenge,
- most of the data required for statutory reporting is already captured in current carbon reporting requirements to Scottish Government, and
- the need for funding programmes to meet the targets.

3.0 Conclusions

3.1 Cabinet members are asked to consider and agree the final proposed responses as set out in Section 2.0 and Appendix 1 and agree that these are submitted to Scottish Government as the formal response from Fife Council to the consultation report on the Heat in Buildings Bill.

List of Appendices

1. Fife Council's Response Heat in Buildings Bill Consultation

Background Papers

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

- [Heat in Buildings Bill Consultation](#)
- [Heat in Buildings Strategy](#)
- [Heat Networks \(Scotland\) Act 2021](#)
- [Fife's Local Heat & Energy Efficiency Strategy](#)

Report Contact

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Appendix 1 – Fife Council’s Response: Heat in Buildings Bill Consultation

Changing the way we heat our homes and buildings – A consultation on proposals for a Heat in Buildings Bill



Scottish Government
Riaghaltas na h-Alba
gov.scot

Respondent Information Form

Please Note this form **must** be completed and returned with your response.

To find out how we handle your personal data, please see our privacy policy:
<https://www.gov.scot/privacy/>

Are you responding as an individual or an organisation?

Individual

Organisation

Full name or organisation’s name	Fife Council
Phone number	N/A
Address	Fife House, North Street, Glenrothes
Postcode	KY7 5LT
Email address	hamish.martin@fife.gov.uk

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

Publish response with name

Publish response only (without name)

Do not publish response

Information for organisations:

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the analysis report.

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Yes

No

Questionnaire

Responses for tick boxes are in bold and highlighted.

Question 1

To what extent do you support our proposal to prohibit the use of polluting heating systems in all buildings after 2045?

- Strongly support**
- Somewhat support
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

The Council are supportive of prohibiting the use of polluting heating systems in all buildings after 2045.

As noted in the consultation report, the most likely solutions will be heat pumps, storage heaters and heat networks. The roll-out of these will place a significant strain on the electricity grid - with major upgrades and investment required to increase capacity. Coordination with District Network Operators will be required.

The national methodology for Local Heat & Energy Efficiency Strategies did not provide a robust enough process to identify building level actions which took account of current grid constraints. Fife Council have been developing an alternative optioneering approach to tackle this issue.

An assessment tool (section 2.16) to help property owners understand suitability of heating systems for their building is an ambitious proposal. Any tool will require incorporation of building archetypes, a key mechanism to support retrofit planning. A methodology for creating archetypes is still being developed – with multiple projects looking at this including Local Heat & Energy Efficiency Strategies; Edinburgh Climate Change Institute; Energy Efficiency Standard for Social Housing 2 review sub-groups; and private companies. A joined-up approach on archetypes is needed to ensure any assessment tool is consistent. The tool will need to recognise the range of measures needed for different archetypes.

Question 2

To what extent do you agree that we should introduce a minimum energy efficiency standard to be met by private sector landlords by the end of 2028 (even if they are already using clean heating)?

- Strongly support
- Somewhat support**
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

In principle, the Council are supportive of a set of easily understandable measures which can improve the energy efficiency of a privately rented home. Any standard should be aligned to building archetypes, with different archetypes requiring different energy efficiency/heat decarbonisation measures. If the wrong measures are installed or installed incorrectly (see Q4/5) this may damage buildings and health, or increase fuel poverty.

The target date of 2028 is the same as the Heat in Buildings Strategy – so would place no additional time pressures on private landlords.

One concern is how standard would vary from the Heat in Buildings Strategy target of EPC C. There are less than four years to achieve the target, with many private landlords likely to already be improving their properties to meet EPC C. If the standard places additional requirements this may disincentive landlords from making further improvements and lead to an increase in vacant properties. A prompt decision is needed on the measures to include, and these would need widely promoted.

The opportunity for a rates exemption to incentivise private sector landlords to undertake energy efficiency measures/decarbonise heating could be explored as a mechanism to help prevent vacant properties. This could also make buildings more attractive to potential occupiers.

Question 3

To what extent do you agree that we should introduce a minimum energy efficiency standard to be met in owner occupied homes (which still have a polluting heating system) by the end of 2033?

- Strongly support
- Somewhat support**
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

In principle, the Council are supportive of a set of easily understandable measures which can improve the energy efficiency of a home. It is critical fairness is considered in any standard. This includes fairness around knowledge and understanding by ensuring any changes property owners make to their property have no unintended consequences.

A simple list of measures provides a basic understanding of what is beneficial to improve a property. Following on from this, the next logical step is to consider archetypes to fill any gaps. Any standard should be aligned to building archetypes, with different archetypes requiring different energy efficiency/heat decarbonisation measures. If the wrong measures are installed or installed incorrectly (see Q4/5) this may damage buildings and health or increase fuel poverty.

The target date of 2033 is the same as the Heat in Buildings Strategy – so would place no additional time pressures on owner occupied homes.

One concern is how the standard would vary from the Heat in Buildings Strategy target of EPC C, and whether it places additional requirements. There will be less than 9 years to achieve this target. A prompt decision is needed on the measures to include, and these would need widely promoted.

Question 4

Do you agree with our proposal to set a minimum energy efficiency standard that can be met by either installing a straightforward list of measures, or showing a good level of energy efficiency based on a reformed EPC fabric efficiency metric?

- Strongly support
- Somewhat support**
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

Fife Council support the principle of a minimum energy efficiency standard or for a good level of energy efficiency to be shown via a reformed EPC fabric efficiency metric. Both approaches need the below to be considered. Some of these were highlighted in the Council's EPC Reform Consultation response.

Archetypes are a key mechanism to support retrofit planning. Different archetypes will require different energy efficiency measures. The basic measures are known (and broadly captured in the provided list in the consultation). How these should combine in different building types is still not understood. The wrong combination may increase fuel cost, fuel poverty, in building damp, and inter-wall damp. More research is required on building archetypes and the combinations of energy efficiency measures. This will need to be considered in the development of any list.

The standard and EPC fabric efficiency metric will also be used by Local Authorities and Registered Social Landlords to make informed decisions on appropriate building level actions which would not put people into fuel poverty (by installing inefficient heat pump), or cause damage to buildings. To achieve this a range of detailed information is required, which is not currently captured via EPCs or the proposed standard. Data which plays a role in choosing the most appropriate decarbonised heating option, and would be helpful for modelling, include:

- Location and amount of insulation in critical areas of heat loss. Experts informed us this is particularly important at key joins such as: wall to roof, rafter joints in walls, floor to wall. Understanding in this area is said to be critical to understanding risks around damp and mould to building and occupants.
- Access to locations to install insulation.
- Space constraints (e.g. room for hot water tank/ Solar PV with battery)
- Suitability of pipes/radiators for decarbonised heating options.
- Air tightness and presence of mechanical ventilation
- Disrepair of property – as outlined in the Scottish House Condition Survey.
- Decarbonised heating option size suitable for the property, and size suitable if measures are undertaken (larger heat pumps appear to be less efficient)
- How much heat is needed for the decarbonised heat options (higher temperatures have disproportionate impact on efficiency)

The Council understands the reasons why owner-occupied homes who have ended their use of polluting heating by 2033 will not be required to meet the minimum energy efficiency standard. However, there will need to be strong messages focussing on how improved energy efficiency can help lower running costs of heat pumps and other decarbonised heating options. The Council is supportive of strong incentives being offered to homeowners to invest in energy efficiency.

For many commercial premises, there is a risk they could become obsolete unless an alternative standard is provided. Many of these are essentially metal boxes with low EPCs. It is unlikely the measures suggested will greatly improve their energy efficiency.

Question 5

What is your view on the initial proposed list of measures to meet the minimum energy efficiency standard?

- Strongly support
- Somewhat support
- Neither support nor oppose**
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

Any list of measures must be clear and understandable for the public to use. The list provided in the consultation, limited to six measures, meets this requirement. However it also has some challenges.

- Double/triple glazing is missing (7% of Fife homes have single glazing).
- Consideration could be given to including solid floor insulation (where appropriate).
- As mentioned in Q4 the basic measures to improve energy efficiency are known. However, how these should combine in different building types is still not understood – with potential risks to the property and occupants. Some measures may have fewer challenges; however, understanding is still mixed.
- The combination of energy efficiency measures needed to ensure a heat pump runs efficiently for each building archetype is not fully understood. This coupled with gaps in sector knowledge on effective installation and use, may result in inefficient performances - leading to higher utility bills, increasing fuel poverty levels. The provided list is not enough to ensure a building is heat pump ready – and could be misleading for householders/ businesses. Other measures which will be important for this are noted in Q4.
- The list should not be used as an indicator of heat pump suitability for a property. Otherwise this may cause inefficient heating and increases in energy bills – potentially leading to fuel poverty.

The above challenges will need to be sufficiently tackled to ensure the effectiveness of any minimum energy efficiency standard.

Question 6

Do you think that properties for which most or all of the measures on the initial proposed list are not relevant should be required to meet an equivalent minimum energy efficiency standard?

No – these properties should be considered compliant once they have installed all the measures that are appropriate for their building type, even if this is few or no measures.

Yes – they should be required to meet the standard and additional measures should be included on the list (such as solid wall insulation, solid floor insulation and flat roof insulation), and they should be required to install all of these where feasible

Yes – they should be required to meet the standard and additional measures should be included on the list (such as solid wall insulation, solid floor insulation and flat roof insulation), but they should only be required to install some of these where feasible and cost effective

Yes – they should be required to meet the standard and additional measures should be included on the list (such as solid wall insulation, solid floor insulation and flat roof insulation), but they should only be required to install some of these where feasible, and they should be allowed additional time to do so

Please include any additional comments below.

There is likely to be building archetypes for which the measures are unsuitable (see Q4/5). These would require a modified list. Clarification is required as to whether this question is focussing solely on historical and traditional buildings – with the example in the consultation report focussing on solid walls. Retrofitting historical buildings is a challenge, due to:

- Repair work needed prior to retrofit and preventing damage when retrofitting.
- Cost of retrofitting.
- Listed status and conservation areas, and the restrictions these entail.
- Ensuring air flow and water vapour dispersal are not compromised to the building's detriment.
- Consideration of using natural materials better able to buffer moisture and prevent condensation.
- Maintaining historic character, such as use of lime render.
- Presence of lath and plaster potentially restricting internal wall insulation options.

There is also a lack of granular data on historical buildings. This is needed to determine the most appropriate measures to include in any energy efficiency standard for different historical archetypes (noting some may be too expensive to install).

The Council welcomes Scottish Government working with expert partners such as Historic Environment Scotland. It is hoped this would help provide more granular data, research and guidance which considers a whole building approach and archetypes. This would help direct the creation of equivalent minimum energy efficiency standards for historic archetypes.

Question 7

Do you think that an alternative approach to setting the minimum energy efficiency standard is required?

- Yes
- No**
- Don't know

Please include any additional comments below.

As mentioned in Q2/3 the Council, in principle, support a set of easily understandable measures which can improve the energy efficiency of a home. However, the standard will need to vary by broad building archetypes, and recognise the potential risk to buildings, health, and fuel poverty if the measures are installed wrong or installed incorrectly (see Q4/5).

Question 8

Do you agree that the use of bioenergy should continue to be permitted in certain circumstances?

- No, it should be prohibited in all cases
- Yes, it should be permitted for those buildings already using it
- Yes, it should be permitted for those buildings who have no other clean heating system available.**
- Yes, it should be permitted for those buildings already using it and for those buildings who have no other clean heating system available.
- Yes, it should be used in wider circumstances (please describe these).

Please include any additional comments below.

A more flexible approach to allow bioenergy for buildings who have no other clean heating system available is sensible.

Question 9

To what extent do you support the requirement to end the use of polluting heating following a property purchase?

- Strongly support
- Somewhat support
- Neither support nor oppose**
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

The Council understands the aim of ending the use of polluting heating following a property purchase. This could be a mechanism which works; however it raises some concerns:

- To save money buyers may only install the decarbonised heating system, and not the necessary the fabric improvements. This might lead to increased fuel bills, fuel poverty, and buildings being impossible to heat.
- Point 3.11 in the consultation notes this approach will avoid “any risk that people are stuck in their home when they may need to move urgently.” The Council disputes this as presence of a polluting heating system in a house is still likely to delay a sale for a seller. Reasons include buyers: losing interest in a property; only bidding for buildings with decarbonised heating already installed; bidding lower than the sale price; negotiating for longer on price.
- The approach will either increase values of buildings with decarbonised heating, or lower values of those without. This may have negative impacts on the property market, with a full risk assessment required.
- For businesses, significantly lower purchase offers and value sales transactions to reflect investment needed by the purchaser may undermine the ongoing commercial operational financial viability of the selling owner. This could result in business closure, rather than relocation and growth, resulting in reduced business sustainability and job losses.
- Property owners may decide to sell properties earlier to avoid compliance.
- Retrofitting non-polluting technology/heating systems to older non domestic/commercial stock, whilst feasible, may not be financially viable without financial support from Government. Where resourcing is not available the non-domestic property market may drag/contract with the potential of increased abandonment and demolition of buildings particularly listed buildings where retrofitting can be more challenging.

Consideration could be given to the provision of financial incentives where appropriate to allow the purchaser to make the necessary investment in replacing heat systems. This could include a reduction in Land and Buildings Transaction Tax.

Consideration could also be given to introducing a decarbonised heating bond, following a similar process to stamp duty. This bond could “lock-in” the commitment to end the use of polluting heating. Consideration would need to be given as to how this would affect sale values, however it could add an incentive to current owners to upgrade their heating systems.

Question 10

We are proposing to give those purchasing a property a 'grace period' to end their use of polluting heating. Do you agree with this proposal?

- Yes - the grace period should be two years
- Yes – the grace period should be three years
- Yes – the grace period should be four years
- Yes – the grace period should be five years**
- No, please provide reasons for your view.

A longer grace period would be a more realistic option. This would allow people time to review their property options and install archetype specific measures and a decarbonised heating system. This proposal is likely to significantly increase demand for building surveys; insulation installers; and decarbonised heating engineers. The workforce in Scotland is not large enough to meet this demand at the current time. A longer grace period will allow time for available skills to catch up.

The 5-year grace period for non-domestic buildings would enable businesses to follow a 5-year transition investment plan. This would allow for associated capital investment to be factored in to support businesses with the Just Transition. Furthermore, businesses already facing challenging trading conditions will be able to maintain operations (and jobs) whilst working towards a defined end goal following a phased investment plan route. Incentivisation for earlier transition within the grace period could be supported by fiscal incentives e.g. non-polluting systems capital allowance and/or non-polluting systems relief on non-domestic rates.

The consultation report notes commercial long-term leases may be required to change to decarbonised heating. This is not something which would have a significant impact on Fife Council. Further details would be required regarding the specific ask for long-term commercial leases, such as timescales to meet the requirement.

Question 11

To what extent do you support our proposal to apply a cost-cap where people are required to end their use of polluting heating following a property purchase?

- Strongly support**
- Somewhat support
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't know

Please provide reasons for your view.

Clarification is required on whether a cost-cap is just for ending use of polluting heating systems, or whether it also includes meeting the standard. Paragraphs 3.25 and 3.26 indicate the cap would include both – whereas this question is focussed on polluting heating systems. A cap will be important to ensure people are not spending over their means to improve their home. How this cap is applied is potentially complex, considering the wide variety of potential building archetypes (see Q12).

Question 12

Which of the following methods of applying a cost-cap do you support?

- A flat cost-cap
- A size-based cost-cap
- A purchase price-based cost-cap
- None
- Another, please suggest below**

Please provide alternative

The Council do not view any of the above potential options as suitable:

- A flat cost-cap – the Council agrees with the consultation report that this could lead to fairness issues with older/larger buildings likely to exceed a cost cap more frequently.
- A size-based cap - the Council agrees with the consultation report that size is not a good indicator of costs of changing heating and improving energy efficiency. Furthermore the council agrees that non-domestic properties often have large sections of buildings which are not heated.
- A purchase-based cap – the Council agrees with the consultation report that this would not apply fairly across regions; and driving homes of lesser value towards heating systems which are cheaper to install, but generally much more expensive to run.

Any model for a cost-cap should take account of domestic and non-domestic building archetypes. This could also incorporate some elements of a size-based cap for heated space only (e.g. exclude unheated warehouse floor area).

Question 13

To what extent do you support the proposal that the Scottish Ministers should be given powers to extend the circumstances in future (beyond a property purchase) in which people could be required to end their use of polluting heating?

This could be, for example, preventing the installation of new fossil fuel boilers when replacing the heating in your home or business premises.

- Strongly support
- Somewhat support**
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

Whilst Fife Council are supportive in principle, this proposal cannot be supported carte blanche. There needs to be careful consideration against a backdrop of a mixed measure approach to avoid the transition to net zero becoming unjust for both domestic and non-domestic properties and their owners with unintended consequences for socio-economic fabric of Scotland.

Question 14

To what extent do you support our proposal to provide local authorities (and Scottish Ministers) with powers to require buildings within a Heat Network Zone to end their use of polluting heating systems by a given date?

- Strongly support
- Somewhat support**
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

Whilst Fife Council are supportive in principle, caution needs to be exercised to ensure a Just Transition and can only progress if additional funding is required. A place-based assessment of capacity and capability of any Heat Network Zone and demand intensity will be needed to avoid unintended consequences for the socio-economic fabric of Scotland. This may have resource implications in terms of staff capacity and funding for analysis.

This proposal would provide a degree of certainty (guaranteed connections) when determining viability of heat networks and future planning of expansions. This would encourage owners of assets to connect to a network. It would also reduce carbon emissions and impact on air quality. Guaranteed connections may also reduce cost of finance for local authorities.

Requiring connection to decarbonised heat networks would also help reduce carbon emissions, impact on air quality, and increase heat network viability.

Clarification will be required as to how this proposal interacts with the requirements in sections 47/48 of the Heat Networks (Scotland) Act 2021 – to review and designate Heat Network Zones. The Act and accompanying guidance give a degree of flexibility to Local Authorities when determining what makes an area particularly suitable for a heat network zone. If Local Authorities are provided with this power, will this have to be supported by stronger evidence than what is required in the Act? Otherwise there is a risk to local authorities arising from legal challenges.

With any expansion of a heat network, Councils will have to ensure the cost of heating is fair. Higher costs may result in fuel poverty, which must be avoided. Heat networks offer an opportunity to tackle fuel poverty. One such method could be the Danish model whereby high-value areas (e.g. large non-domestic buildings) are paired up with areas with lower rates of return (e.g. social housing). This would ensure an average rate of return, which still provides economic value to heat network operators whilst ensuring Council priorities are still met.

Other points of clarification include:

- Will Scottish Government have the power to override Local Authority decisions?
- How will buyers of property be made aware the building they are buying is in a designated heat network zone? Being in a zone does not necessarily mean a property will be connected to a heat network, for example if the pipe goes in the opposite direction.
- How will this work with different operating/delivery models for heat networks – e.g. privately owned; joint ventures; community owned?
- How would the potential cost of connection/supply be managed? If an asset is connected but eventually becomes unviable this could have consequences on town centres if it is uneconomic for owners to comply and assets become stranded.
- If a property uses a different low polluting system rather than connect to a heat network zone, will appropriate guidance be provided on recommended energy efficiency measures to also install.

Question 15

To what extent do you support our proposal to provide powers to local authorities (or Scottish Ministers) that require developers to connect new buildings within Heat Network Zones to a heat network?

- Strongly support
- Somewhat support**
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

See response to Q14. The heat demand-based analysis used in the Local Heat & Energy Efficiency Strategy is solely based on existing heat demand. There is no national methodology for incorporating potential new heat demands into the modelling – e.g. for new housing/business developments.

Therefore most designated heat network zones across Scotland are unlikely to cover areas where there will be large new developments. Instead they will cover existing business/industrial parks; town centres; hospitals; etc. A methodology is required to capture potential new heat demands in the process to ensure Local Authorities have the evidence if they choose to exercise the power.

When a local authority applies this power, it would have to give due consideration to whether this would impact the viability of a development. If deemed unviable, but the power is still implemented, this could result in loss of investment. Guidance will be required as to what needs to be qualified before making any obligation.

Question 16

To what extent do you support our proposal to require occupiers of non-domestic properties to provide information about unused heat on their premises?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

Fife Council would strongly support this. Most available data on waste heat from non-domestic properties is based on models/estimates. Access to accurate data will be essential when designing/expanding heat networks.

Clarification is required as to whether this would be on request, or if a national data collection exercise is required similar to the Building Assessment Reports. If the latter, this would need collated in a manner which is compatible with GIS mapping software.

Any additional demands for data collection/analysis/modelling on local authorities will need resourced and funding provided.

Question 17

To what extent do you support our proposal to potentially require buildings with unused heat to provide this to a local heat network?

- Strongly support**
- Somewhat support
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

Fife Council are supportive of this, assuming the choice would remain with the Local Authority/Scottish Government/heat network operator.

Question 18

We will need to have a way to monitor if people are meeting the Heat in Buildings Standard, and discussed two options for this. Which do you support?

- Submitting EPCs alone
- Sampling a percentage of buildings
- A combination of the two**
- None, there should be no monitoring
- Another method, please suggest below or explain your selected answer

Fife Council are supportive of access to real data (EPCs). This would allow for more accurate monitoring of progression towards targets and modelling to support strategy development. This would also help tackle one of the current issues with available data – EPCs not being updated following retrofit works.

Fife Council responded to the EPC reform consultation and made recommendations for additional metrics which should be included in EPCs (See Q4/5 for examples).

Requiring submission of EPCs could potentially increase the frequency of when EPCs are updated for houses – increasing the accuracy of key datasets used by Local Authorities.

However, the Council recognises there may be certain circumstances where submitting EPCs may be prohibitive:

- Cost for rural and island communities.
- Local Authorities/Registered Social Landlords with large housing stocks – with additional funding to support monitoring required to ensure this can be progressed.

Clear guidance would be required as to where this would be the case and where sampling could be used instead. Any sampling would need to consider different building archetypes and be supported by a robust methodology. Consultation with expert stakeholders will also be required when drafting this.

Question 19

We will need to have a way to enforce the Heat in Buildings Standard. We discussed possible options to help achieve compliance. What are your views on these ideas?

I support relying on market and financial product mechanisms such as mortgages or home/ building insurance

- I support extra Council Tax and Non-domestic Rates charges, in future, for those who don't comply
- I support the introduction of civil penalties, in future, if compliance is not achieved
- I support a mixture of the above options
- I do not support any form of enforcement

Please explain your answer:

Fife Council are supportive of the reasons set out in the consultation response to making complying with laws relating to a property a condition of mortgage and/or home and buildings insurance. As mentioned, this would give property owners an incentive to do so and ensure compliance.

Caution should be applied if relying on market led mortgage and insurance to regulate compliance with the standard. This will especially be case within any grace period granted to ensure property purchasers can adequately fund the purchase/insure the building as part of a Just Transition to enable people to stay in homes, and businesses to continue to operate across the grace period.

Consideration could be given to the provision of financial incentives where appropriate to allow the purchaser to make the necessary investment in replacing heat systems. This could include a reduction in Land and Buildings Transaction Tax.

Reference is made in the consultation document to Business Energy Scotland. The opportunity to expand zero interest loans to businesses to help support compliance should be explored.

Question 20

To what extent do you support our proposals to modify the Standard or exempt certain people from the need to meet the Heat in Buildings Standard?

- Strongly support
- Somewhat support**
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

Fife Council understand there will be groups of people, due to personal circumstances, who may need exempted from the standard/have a modified standard. The Council is supportive of this to ensure everyone has a fair opportunity. Criteria for

this will need to be consulted on with expert stakeholders to ensure fairness and equality. Any such process may need a mechanism to check changes in personal circumstances. However, this would contain high-risk personal data. If this is tied to a household this may restrict Councils' ability to analyse, model and publish domestic data.

Regarding a modified version of the standard for certain building types, the Council is again supportive. However, there needs to be a joined-up approach across all stakeholders to archetypes (See Q4/5), with different archetypes requiring different measures. Detailed analysis will be required for each agreed upon archetype to determine which will require either a modified standard and/or additional time. This will need to be accompanied by clear guidance and communications.

Question 21

Which people, businesses, or types of buildings, if any, should be eligible for a modified standard or exemptions?

Criteria for people, businesses, or types of buildings will need to be consulted on with expert stakeholders.

For people, this could be linked with certain protected characteristic groups who may require higher temperature heating (e.g. certain disabilities). The criteria would likely need to be quite stringent to ensure any exemption is not abused.

For businesses, this could include those due for demolition (taking account of embodied carbon) or having planned significant building works. Clear evidence will need to be provided to gain any exemption/modification. Engagement will also be required with Business Energy Scotland.

For some older industrial and commercial properties it may not be viable to invest in new systems if the rest of the remaining useful life is limited. This could lead to abandonment/demolition. Due consideration will be needed for this.

For archetypes detailed analysis will be required to determine which archetypes will require a modified standard. The current analysis used for Local Heat & Energy Efficiency Strategies currently classifies the majority of flats as being unsuitable for heat pumps, and therefore would require alternative decarbonised heating solutions which may be harder to acquire. Historic and traditional buildings will likely require modified standards to reflect the niche measures which may be required.

Areas constrained in terms of electricity supply should also be considered for exemption or extra time to comply.

Question 22

To what extent do you support our proposals to give certain people extra time to meet the Heat in Buildings Standard?

- Strongly support
- Somewhat support**
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

See response for Q20.

Question 23

Which people, businesses or types of buildings, if any, should be eligible for extra time?

See response for Q21.

Question 24

To what extent do you support our proposal to require all buildings owned by a Scottish public authority to be using clean heating systems by 2038?

- Strongly support
- Somewhat support**
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

The Council supports this proposal in principle however funding, resource, supply chain capacity, and technical challenges are a major barrier to achieving this deadline. The additional cost to the Council associated with this new accelerated deadline is estimated to be between £20m-£30m. Currently the Council are working at capacity to decarbonise our buildings. This year Fife Council are targeting low carbon heating systems in ten buildings, and to meet the 2030 interim target this figure needs to increase to circa 15 buildings per year on average. 2045 is a more realistic target at this stage unless a rapid increase in deployment of low carbon heating systems is supported. The added pressure is that low carbon heat sources cost more to run than fossil systems currently so more of Council budgets will be consumed to operate buildings. This will leave less budget available to upgrade other buildings. Furthermore, current tender prices may well increase beyond standard inflation due to market capacity. This could have a significant impact on Council budgets.

Question 25

We are considering the following further duties on public sector organisations to support planning for the transition by 2038: [Multiple choice boxes]

- Placing a new duty on public sector organisations which would, from 2025, prevent them from replacing a polluting heating system with another (unless impractical)**
- Creating a new duty for each public body to develop and implement a plan to decarbonise their buildings**
- Placing a new statutory reporting duty on public sector organisations to demonstrate progress towards their 2038 objective (with the potential for the 2038 then to be non-statutory); and/or**
- Placing no further statutory requirements on public sector organisations (instead relying on their ability to plan alongside our delivery and funding programmes to meet the 2038 objective)**

Please include any additional comments below.

Fife Council agrees in principle with all of the above proposals. Where possible, the Council are already working to replace, or heavily offset, polluting heating systems as part of a planned maintenance programme. Clear guidance will be required defining when it will be “impractical” to replace a polluting a heating system with a zero/low polluting system.

A decarbonisation plan would be a useful tool to gain an understanding of budgets required to meet the targets and at least portray a scale of the challenge. It is difficult to predict costs for construction programmes over such long terms as material cost inflation is unpredictable in the current market, although it would present a good starting point.

In terms of a statutory reporting duty most of the data which would be required for this is already captured in the Councils’ current carbon reporting requirements to Scottish Government. Therefore we would be keen to avoid any duplication of work. The 2038 target is not in our current plan as with current resource levels the Council do not feel this is achievable. Fife Council are working to meet the statutory 2030 and 2045 targets.

In regard to the final proposal and the above, funding programmes will be essential to meet the targets as existing planned maintenance budgets are heavily committed to dealing with compliance duties and reactive maintenance repairs. Again, the target Fife Council are working towards is net zero by 2045, for smaller organisations the 2038 target may be achievable, however having different targets runs the risk of adding confusion to our collective nationwide objectives.

Question 26

Do you agree with our proposals to include powers in the proposed Heat in Buildings Bill to change the current requirement in legislation for a narrowly-defined renewable heat target?

- Yes
 No
 Don't know

Please include any additional comments below

Progress is already being made by multiple stakeholders/organisations to meet the Heat in Buildings Strategy targets – including the renewable heat target. There is limited time remaining to meet this target.

One of the reasons in the consultation report as to why this change is needed is increased understanding. However, the current targets for carbon reduction are easy to understand (and meet the justification in the consultation report of being a narrowly defined target). Reporting a reduction of carbon against a baseline year is easy to manage, with data already captured for current carbon reporting requirements. Changes to this methodology will cause confusion and potential delays – and could damage stakeholder/community buy-in.

The time required to establish an alternative target or new metrics will mean there is less time to achieve the target prior to 2045, or the interim target date of 2038 is delayed. There is a need for consistent targets and milestones leading up to 2045. Changing/moving existing targets generates delays and confusion.

Question 27

Do you agree that the Heat Networks (Scotland) Act 2021 should be amended in light of the passage of the Energy Act 2023?

- Yes**
 No
 Don't know

Please include any additional comments below

The Council are supportive of this. Councils would require clarification on the impact this may have on the Heat Network Zone designation process (sections 47 and 48 of the Act), which many Councils will complete in 2024.

Question 28

Are there any further amendments to the Heat Networks (Scotland) Act 2021 that the Scottish Government should consider?

No comment

7 March 2024
Agenda Item No. 11

Energy Efficiency Standards for Social Housing 2 (ESSH2) / Social Housing Net Zero Standard (SHNZS) – Delivery Plan Update

Report by: John Mills, Head of Housing Services

Wards Affected: All

Purpose

This report is a follow-on from the previous report to the Cabinet Committee in October 2022. As agreed by that committee, an ESSH2 Board was stood up comprising Fife Council and Housing Associations and work to detail the requirements to meet the standard has been ongoing in 2022. The draft delivery plan has been on hold awaiting the Scottish Government's ESSH2 review. The current Government consultation exercise proposes replacing ESSH2 with SHNZS. The Government's Consultation is appended to this report (Appendix 1). Fife Council's proposed response to the Consultation is appended (Appendix 2).

Recommendations

Members are asked to:

1. note the proposed replacement of ESSH2 with SHNZS;
2. agree the financial outcome from the HRA Business Plan 2023 review that the current requirement to meet SHNZS 2033 is not affordable based on a rent-based funding model;
3. agree the draft Consultation Response as outlined in Appendix 2 to this report; and
4. agree that a further report will be brought back to Cabinet later in 2024 following the outcome of the Scottish Government's SHNZS consultation is confirmed and the new requirements assessed and costed.

Resource Implications

Based on the analysis completed by the Energy Saving Trust and Changeworks, Housing and Finance Services are currently estimating that compliance with ESSH2 will cost the council £325m to meet the original target date of December 2032. Depending on the recommendations from the SHNZS consultation process and the standard adopted by the Scottish Government, the financial commitments may be similar but delivered over a longer timeframe or reduced if the revised standard is adopted.

Legal & Risk Implications

Prior to the Scottish Government Review, there was a legal requirement to achieve ESSH 2 by 2032. This was suspended pending the outcome of the Review in Summer 2023 with the revised SHNZS revised standard targets of 2033 & 2040 being proposed.

Impact Assessment

There is no requirement for an EQIA as the proposed programme of improvements does not constitute a change of policy.

An Environmental Assessment has been carried out using the Fife Environmental Assessment Tool (FEAT) for the EESSH2 approach. No negative environmental impacts were assessed. A range of beneficial and mixed impacts were identified. There is a potential short-term impact due to construction process and activities. Long term benefits resulting from the provision of high quality, energy efficient affordable homes result in lower carbon emissions and increased health and wellbeing of tenants. The proposed SHNZS is the same work stream as EESSH2.

In relation to the Fife Climate Plan, there would be a beneficial impact of moving a significant number of council houses to zero-carbon heating systems and as part of the LHEES, moving to expanded heat networks in Dunfermline and Glenrothes and potentially new heat networks in the identified heat networks zones in Fife.

Consultation

Meetings and discussions have been held with the Fife Environmental Partnership, EESSH 2 Board and the Addressing the Climate Emergency Board.

The ongoing development of the EESSH2 / SHNZS Delivery Plan will involve continued consultation with the Fife Tenant Forum, Scottish Government, CoSLA and the Association of Local Authority Chief Housing Officers in Scotland (ALACHO).

The Housing Service will provide collated feedback from internal and external partners to the Scottish Government's request for consultation comments to the Fife Housing Partnership by May 2024.

1.0 Background

- 1.1 The Scottish Social Housing Charter sets out that social landlords must make sure that when homes are allocated, they "meet the Scottish Housing Quality Standard (SHQS), any other building quality standard in place throughout the tenancy and also meet the relevant Energy Efficiency and Zero Emission Heat Standard". The new SHNZS will be the relevant zero emission heat standard for the purposes of the Charter.
- 1.2 The first standard for energy efficiency in social housing in Scotland was included in the Scottish Housing Quality Standard in 2004. The SHQS set out a minimum standard for specific housing elements such as insulation, boiler efficiency and the presence of a central heating system.
- 1.3 The Energy Efficiency Standard for Social Housing (EESSH 1) was launched in March 2014 and aimed to encourage social landlords to help remove poor energy efficiency as a driver of fuel poverty and contribute to achieving the Scottish Government's climate change emissions reductions targets. EESSH 1 replaced the energy efficiency elements of SHQS.
- 1.4 The first EESSH milestone required social landlords to meet an energy efficiency rating equivalent to Energy Performance Certificate (EPC) Band C and D (Energy Efficiency rating) by 2020.
- 1.5 EESSH was reviewed in 2018-19 and set a new milestone for 2032. This was known as EESSH2 and required that all social housing landlords meet, or could be treated as meeting, EPC band B, or be as energy efficient as practically possible, by the end of December 2032 within the limits of cost, technology and necessary consent.

- 1.6 The Climate Change (Scotland) Act 2009, as amended in 2020, sets a statutory target to reach net zero carbon emissions by 2045. The Scottish Government committed in its 2021 Heat in Buildings Strategy to reviewing EESSH2 in 2023 with a view to aligning it with Scotland's net zero targets. The independently chaired ZEST group recommended that the EESSH2 review be accelerated to bring it into line with net zero and provide clarity for social landlords.
- 1.7 The review of EESSH2 also takes account of the Scottish Government's proposals for the reform of Energy Performance Certificates, as well as the consultation on proposals for a Heat in Buildings Bill and the recommendations of the Scottish Parliament Climate Change Committee.
- 1.8 The EESSH2 Review Group began work in September 2022. The group's remit was to propose a new target for reducing climate change emissions from social housing which is aligned with Scotland's 2045 net zero target and which ensures a just transition so that people are not left behind.
- 1.9 To help achieve the 2045 net zero target, social housing will need to use 'zero direct emissions heating systems' to provide heat and hot water. These systems – such as heat pumps and heat networks – don't produce any greenhouse gas emissions at the point of use. Modern, efficient electric storage heaters can also perform the same role, as can wet electric heating and other direct electric heating technologies.
- 1.10 The new SHNZS promotes conversion to zero emission heating systems as a key component of its strategy and proposes several adjustments to the standards to be achieved and the means of reporting.

2.0 Scottish Government Review of EESSH2 / SHNZS

- 2.1 The consultation seeks views on the proposals for a new SHNZS to replace EESSH2. The Scottish Government will commission an independent analysis of the responses to this consultation to help inform its decision making. The EESSH2 Review Group will also be asked to consider the design of the new SHNZS which is arrived at following the consultation.
- 2.2 When a final decision has been reached and the new SHNZS is published, the Scottish Housing Regulator will engage with social landlords on the Charter indicators which will be needed for reporting performance against the target. The Scottish Government will also publish guidance for landlords on how to comply with the SHNZS.

3.0 Proposed Social Housing Net Zero Standard

- 3.1 The principle of the new standard is proposed to:-
 - Be compatible with and enable progress towards net zero targets
 - Be compatible with Scotland's fuel poverty targets
 - Be compatible and consistent with our proposals for other domestic buildings
 - Support a just transition
 - Set a timescale for meeting the SHNZS which recognises the pressures on social landlords
 - Support the Scottish Government's heat network targets
 - Take a realistic view of the whole system costs
 - Address concerns about the Standard Assessment Procedure as the underlying methodology for a new metric, noted in the consultation on EPC

- Provide flexibility for specific circumstances while still requiring action
- Property that cannot meet that standard cannot be let to new tenants

3.2 The proposed options for the new standards are:-

Fabric Efficiency Rating

Option 1 - Target range of fabric energy efficiency as either:-

- 112 – 162 kWh/m² /year (space heating and domestic hot water; or
- 71 – 120 kWh/m² /year (space heating demand)

Option 2 – A two-stage target for improving energy efficiency:-

- All homes to reach an EPC C equivalent level of fabric efficiency rating (71-120kWh/m² /year) by 2033
- A second, more demanding level (an EPC B equivalent level of fabric efficiency rating (71kWh/m² /year or better), by a second backstop date (2040)

Minimum Fabric Efficiency Standard

3.3 This would require social landlords to install as many of the listed measures as is technically feasible and cost effective for a property. The measures would be listed in the guidance for compliance with the SHNZS, and potentially include measures such as:

- 270 mm loft insulation.
- cavity wall insulation.
- draught proofing.
- heating controls.
- 80 mm hot water cylinder insulation.
- suspended floor insulation.

Air Quality

3.4 Where energy efficiency improvements increase the air tightness of a building, monitoring air quality can have an important role in preventing unintended consequences. Where such a risk exists, landlords should also consider the need for Mechanical Ventilation with Heat Recovery (MVHR).

Clean Heating

3.5 It is proposed to require the installation of a clean heating system in social homes by a backstop date of 2045:-

Option 1 – milestones which would require proportions of each landlords' stock to have had clean heating installed by target dates, for example: 10% by 2030; 70% by 2040; 100% by 2045 (illustrative figures).

Option 2 – an interim target for properties off-gas or using other fossil fuels.

Heat networks

3.6 Where housing stock not already using a clean heating system is offered a connection at a reasonable cost, and where there is sufficient capacity in the network to accommodate, landlords should be encouraged to adopt this option for the primary heating source.

3.7 Exemptions

Social – primarily where there are mixed tenure challenges.

Heat network – where properties are in a network area and will be connected by 2045 it is exempted until that time.

Legal – primarily where there are legitimate legal challenges to proposed improvements.

Disposal – where properties are confirmed for demolition or sale.

SHNZS to mixed tenure properties.

- 3.8 Where local authorities are not in sole, or majority ownership of blocks should the SHNZS be applied across all tenures.

Gypsy / Traveller sites

- 3.9 It is proposed that the SHNZS apply to Gypsy / Traveller site. The SHQS and EESSH did not apply to chalet and amenity blocks on Gypsy / Traveller sites.

4.0 Conclusions and Next Steps

- 4.1 The committee is asked to consider the detail of this report.
- 4.2 The Housing Service has collated a draft response to the consultation questions detailed in Appendix 2 to this report. The Scottish Government consultation response will be sent to the Government by the return date of 8 March 2024 when the consultation closes.
- 4.3 The outcome of the current Scottish Government Review, anticipated by late Summer/Autumn 2024, will then allow Housing Services and Building Services staff to assess compliance with the new SHNZS and develop costed delivery plans as part of the Housing Revenue Account Business Plan reviews in 2024/25 and 2025/26.

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List of Appendices

- 1 – Scottish Government Consultation on SHNZS
2 – Draft Social Housing Net Zero Fife Consultation Response

Consultation on a new Social Housing Net Zero Standard in Scotland

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Ministerial Foreword

I am delighted to publish the Scottish Government's consultation on a Social Housing Net Zero Standard that will replace the second Energy Efficiency Standard for Social Housing (ESSH2).

I confirmed in our publication last year of the Scottish Government's response to the Zero Emissions Social Housing Taskforce (ZEST) report that we would accelerate our review of ESSH2. This was to establish a new standard that matches our net zero ambition, and to provide much needed clarity for social landlords to guide retrofit and investment planning.

This review has been taken forward with representatives and tenants of the Scottish social rented sector, and has been considering both energy efficiency upgrades and the need to deploy clean heating systems. I am very grateful for the work, time and support generously given by the members of our ESSH2 review group.

We are also publishing this consultation at around the same time as a related consultation on proposals for a Heat in Buildings Bill, which sets out similar requirements for the rest of Scotland's homes and buildings.

The Scottish Government wants all of our homes to be warmer, greener and more efficient, and is committed to ensuring that everyone in Scotland, no matter their financial situation, has access to good quality housing that they can afford to heat.

The social housing sector has been leading the way on energy efficiency in recent years. We intend to continue working in partnership to ensure that the sector understands its role in the transition to net zero and is equipped to make that happen.

Eighty-eight per cent of homes in the social rented sector now meet the requirements of the first Energy Efficiency Standard for Social Housing (ESSH1), broadly equivalent to EPC Band C or D. Continuing these efforts will be critical in the fight against fuel poverty, but we need to do more to meet our ambitious climate targets and to ensure that Scottish homes are fit for future generations.

There are approximately 600,000 homes in the Scottish social housing sector, with 500,000 gas boilers which will need to be changed by 2045 to clean heating systems such as heat pumps and heat networks. Social housing therefore has a significant contribution to make to meeting Scotland's climate change targets.

However, we recognise that current energy prices, especially electricity prices, might make the transition to clean heating difficult. The cost of living crisis and unprecedented surges in energy prices underline the challenge facing us. That cost of living crisis stems in large part from an over-reliance on fossil fuels, and so the changes we will all need to make to adopt clean heating systems are necessary to reduce those cost pressures in the longer term, as well as to reduce emissions.

But we are also determined to protect people from unacceptable short term costs, and to achieve our goal to reduce emissions at the same as supporting people facing wider financial pressures. These changes will help make our energy more affordable and secure, while eliminating energy efficiency as a driver of fuel poverty.

The Scottish Government has called repeatedly upon the UK Government to urgently fulfil its commitment to publish proposals designed to rebalance gas and electricity prices, and which will make climate friendly heating systems cost less to run than polluting heating systems.

There have also been calls from both industry and the third sector, as well as from the Scottish Government, for the introduction of a social tariff for energy consumers as a way of protecting those who are most in need of support. This could act as a form of transitional protection for social tenants during the switch to clean heating.

The Scottish Government believes that a social tariff mechanism is needed urgently to provide a much needed safety net for vulnerable consumers. The mechanism should be funded through taxing significant windfall gains rather than passing the cost on to taxpayers.

We are committed to the principle that meeting our climate change targets should be a just transition, and that the burden does not fall unfairly on those least able to pay. We have committed at least £1.8 billion over this parliament to support this transition and to scale up the deployment of clean heat and energy efficiency measures in buildings across Scotland. This investment will remain a priority, though specific amounts of grant funding available will depend on annual budget decisions. This process will be done in the usual manner. References in this document are to the existing funding offers available and may change in future.

We are engaging with local authorities and registered social landlords (RSLs) on the support needed for the social housing sector. This includes the £200 million Social Housing Net Zero Heat Fund, which has been designed to support and accelerate the delivery of energy efficiency measures and clean heating systems in social housing. We have also established the Green Heat Finance Taskforce to explore ways of encouraging a greater flow of private sector investment in energy efficiency and clean heating, and which has recently published its first report.

I would like to thank the social housing sector for its continued leadership on energy efficiency, and positive engagement with the review of EESSH2. I look forward to continued cooperation, and of course to hearing your views on the proposals in this consultation for a new Social Housing Net Zero Standard.

1. Introduction

1.1 Outline

This consultation seeks views on a new Social Housing Net Zero Standard (SHNZS). You can access and respond to this consultation online via Citizen Space. For information about the Scottish Government consultation process see Annex A below.

1.2 Background

1.2.1 The Scottish Social Housing Charter sets out that social landlords must make sure that when homes are allocated they “meet the Scottish Housing Quality Standard (SHQS), and any other building quality standard in place throughout the tenancy, and also meet the relevant Energy Efficiency and Zero Emission Heat Standard.”¹ The new SHNZS will be the relevant zero emission heat standard for the purposes of the Charter.

1.2.2 The first standard for energy efficiency in social housing in Scotland was included in the Scottish Housing Quality Standard in 2004. The SHQS set out a minimum standard for specific housing elements, such as insulation, boiler efficiency and the presence of a central heating system. Less than half of social housing met this minimum standard when it was introduced². By 2015, however, the independent Scottish Housing Regulator reported that over 90% of social homes met SHQS³.

1.2.3 The Energy Efficiency Standard for Social Housing (ESSH) was launched in March 2014, and aimed to encourage social landlords to help remove poor energy efficiency as a driver of fuel poverty and contribute to achieving the Scottish Government’s climate change emissions reductions targets⁴. ESSH replaced the energy efficiency elements of SHQS.

1.2.4 The first ESSH milestone required social landlords to meet an energy efficiency rating equivalent to Energy Performance Certificate (EPC) Band C and D (Energy Efficiency rating) by 2020.

1.2.5 ESSH was reviewed in 2018-19 and set a new milestone for 2032. This was known as ESSH2 and required that all social housing meet, or could be treated as meeting, EPC band B, or be as energy efficient as practically possible, by the end of December 2032 and within the limits of cost, technology and necessary consent. It also stated that no social housing below EPC Band D should be re-let from December 2025, subject to temporary specified exemptions⁵.

¹ [Scottish Social Housing Charter 4 Outcome - November 2022](#)

² [SHCS Key Findings 2007 - Figure 8](#)

³ [SHCS Key Findings 2015 - Paragraph 244](#)

⁴ [Energy Efficiency in Social Housing](#)

⁵ [ESSH Guidance for Social Landlords](#)

1.2.6 The Scottish Housing Regulator reports that 88% of homes in the sector met the first milestone of the Energy Efficiency Standard for Social Housing⁶. Latest figures show that 56% of homes in the social homes sector were rated Energy Performance Certificate (EPC) C⁷.

1.2.7 The Climate Change (Scotland) Act 2009, as amended in 2020, sets a statutory target to reach net zero carbon emissions by 2045⁸. The Scottish Government committed in its 2021 Heat in Buildings Strategy⁹ to reviewing EESSH2 in 2023 with a view to aligning it with Scotland's net zero targets. The independently chaired ZEST group recommended that the EESSH2 review be accelerated to bring it into line with net zero and provide clarity for social landlords¹⁰.

1.2.8 The review of EESSH2 also takes account of the Scottish Government's proposals for the reform of Energy Performance Certificates¹¹, as well as the consultation on proposals for a Heat in Buildings Bill and the recommendations of the Scottish Parliament Climate Change Committee¹². A summary of the proposals for domestic buildings other than social housing is set out in Annex B.

1.2.9 The EESSH2 Review Group began work in September 2022. The group's remit¹³ was to propose a new target for reducing climate change emissions from social housing which is aligned with Scotland's 2045 net zero target and which ensures a just transition so that people are not left behind¹⁴.

1.2.10 To help achieve the 2045 net zero target, social housing will need to use 'zero direct emissions heating systems' to provide heat and hot water (and which this consultation document will refer to from here as '**clean heating systems**'). These systems – such as heat pumps and heat networks – don't produce any greenhouse gas emissions at the point of use. Modern, efficient electric storage heaters can also perform the same role, as can wet electric heating¹⁵, and other direct electric heating technologies.

1.2.11 In contrast, heating systems which burn fossil fuels like gas, oil and liquid petroleum gas (LPG) boilers are 'direct emissions heating systems' because they do produce greenhouse gas emissions when we use them. (We will call these '**polluting heating systems**' throughout this consultation document).

1.3 Purpose and Objectives of this Consultation

⁶ [National Report on the Scottish Social Housing Charter - Headline Findings - 2021 -2022 | Scottish Housing Regulator](#)

⁷ [Scottish house condition survey: 2019 key findings](#)

⁸ [Climate Change \(Scotland\) Act 2009](#)

⁹ [Heat in Buildings Strategy](#)

¹⁰ [Achieving net zero in social housing: ZEST Report, Recommendation 4](#)

¹¹ [Domestic EPC Reform Consultation - Analysis Summary Report](#)

¹² [Letter: Reform of domestic EPC rating metrics to Patrick Harvie MSP](#)

¹³ [Energy Efficiency Standard for Social Housing Review Group: Terms of reference](#)

¹⁴ [Heat in buildings: Energy Efficiency Standard for Social Housing Review Group](#)

¹⁵ Such as an electric boiler which produces hot water that is distributed around the property, heating radiators and becoming available for use from hot taps and showers.

1.3.1 This consultation seeks views on the proposals for a new SHNZS to replace EESSH2.

1.3.2 The Scottish Government will commission an independent analysis of the responses to this consultation to help inform its decision making. The EESSH2 Review Group will also be asked to consider the design of the new SHNZS which is arrived at following this consultation.

1.3.3 When a final decision has been reached and the new SHNZS is published, the Scottish Housing Regulator will engage with social landlords on the Charter indicators which will be needed for reporting performance against the target. The Scottish Government will also publish guidance for landlords on how to comply with the SHNZS.

1.3.4 In order to avoid the cost and disruption of future retrofit of affordable homes, we will be accelerating¹⁶ the introduction of clean heating in all new build and conversion projects delivered by councils and RSLs through the Affordable Housing Supply Programme over the coming months.

1.3.5 This consultation document is structured as follows:

- Section 2 sets out the principles of a new SHNZS, and what is intended to be achieved by the new standard.
- Section 3 outlines the proposals of the new SHNZS. This includes feedback from stakeholders and working groups which helped form the proposals within the consultation.
- Section 4 outlines how the proposals apply to mixed tenure housing
- Section 5 outlines how the proposals apply to Gypsy/Traveller sites
- Section 6 outlines the cost and funding associated with the proposals
- Section 7 outlines the timetable for the new SHNZS

¹⁶ Applications for grant funding through the Affordable Housing Supply Programme from 1 December 2023 should contain homes that have clean heating systems – unless there are compelling reasons why the grant applicant considers that this would not be appropriate, or where a valid building warrant is already in place prior to that date.

2. Principles of a New Standard

2.0.1 We believe that a new standard for social housing must:

- **Be compatible with and enable progress towards net zero targets.**
- **Be compatible with Scotland’s fuel poverty targets.**¹⁷ The Scottish Government is committed to ending fuel poverty. Our vision is for everyone to have a warm, safe home that they can afford and which meets their needs in a place where they want to live.
- **Be compatible and consistent with our proposals for other domestic buildings.** The proposals outlined in the consultation on plans for a Heat in Buildings Bill will not apply to social rented housing because the latter is already regulated through the Scottish Social Housing Charter. However, the standards in different tenures must support each other in delivering the same outcomes.
- **Support a just transition.** Embedding the principle of a just transition to net zero in the social housing sector is a key recommendation of the Zero Emission Social Housing Taskforce (ZEST)¹⁸ and is set out in the terms of reference of the EESSH2 review group¹⁹. A just transition will mean, as a minimum, that the costs of working towards meeting climate targets do not fall disproportionately on tenants, but also that we do not accept leaving some people in housing that is hard to heat.
- **Set a timescale for meeting the SHNZS which recognises the pressures on social landlords.** These pressures include the challenge of meeting a standard for mixed tenure properties, the impact of the pandemic and pressure on rent increases. The transition away from gas and other polluting heating systems in social housing must be affordable.
- **Support the Scottish Government’s heat network targets.** Heat networks generate heat and use a network of pipes to supply it to nearby homes, businesses, and public buildings. The heat can be generated in different ways, depending on the resources and assets available in the area.

¹⁷ [Tackling Fuel Poverty in Scotland: A Strategic Approach](#)

¹⁸ [Achieving net zero in social housing: ZEST Report, Recommendation 1](#)

¹⁹ [Energy Efficiency Standard for Social Housing Review Group: terms of reference](#)

- **Take a realistic view of the whole system costs.** Funding support for the SHNZS should take account of more than just the costs of installation. It should recognise the need for ventilation, ongoing maintenance and address unintended impacts.
- **Address concerns about the Standard Assessment Procedure as the underlying methodology for a new metric,** noted in the consultation on EPC reform²⁰, and in the EESSH2 guidance²¹.
- **Provide flexibility for specific circumstances while still requiring action.** Where a standard allows for exemptions for difficult cases, there needs to be an absolute minimum standard, a backstop date after which property that cannot meet that standard cannot be let to new tenants.

²⁰ [Domestic Energy Performance Certificates \(EPC\) reform: consultation - Section 3 and 4](#)

²¹ [EESH Guidance for Social Landlords - Section 5](#)

3. The Proposed Standard

3.1 Overview

3.1.1 Our proposal for the new SHNZS is set out in the following box. This proposal has been co-developed as part of the review of EESSH2 and is consistent with plans for the wider housing stock as set out in the planned consultation on proposals for a Heat in Buildings Bill.

The proposed SHNZS (to replace EESSH2) includes the following:

- A fabric efficiency rating (which focuses on the amount of energy for heat consumed by a property) measured in kWh/m²/year [level and date TBC – see *Section 3.2*]
- A requirement to replace polluting heating systems with a clean heating alternative by a backstop date of 2045 [interim targets TBC – see *Section 3.4*]

We would be grateful for views on possible additional requirements to:

- Ensure good air quality - see *Section 3.3*
- Prevent a property which can't meet a minimum fabric efficiency standard by a certain date being relet after that date - see *Section 3.2*

The standard should be designed to enable²²:

- Discretion for landlords to determine in practice what is best for their housing stock, taking account of what is cost-effective, the views of tenants and the need to report on performance to the Scottish Housing Regulator;
- Variations to the ways in which the SHNZS and targets are to be met, in line with guidance issued by the Scottish Government. This might be achieved by either setting a lower performance target or a longer timescale for compliance in buildings that present additional challenges, including housing in remote and island areas, and historic buildings.

3.1.2 In addition, there are proposed interim targets set out in this consultation that have been developed in an attempt to set a minimum level which is broadly equivalent to what will be required in other Scottish homes, but with a more challenging aspiration target where it is possible and reasonable to go beyond that (see Sections 3.2 and 3.4). This supports the fabric first approach for which the sector has been calling, and helps align the new SHNZS to our fuel poverty targets, and should in turn help to reduce energy demand and bills.

²² It should be noted that the clean heating system will always be subject to the backstop date of 2045 to align with wider Scottish Government policy.

3.1.3 Meeting our net zero target will be helped by an approach that supports and enables the ability of the various supply chains to respond. This is why we have presented options here which we believe can encourage action to install clean heating in a phased way, with activity and investment taking place gradually as we move towards the 2045 backstop.

3.1.4 We know too that an outcome which requires people to make changes of this kind will depend on there being a sufficiently sized pool of reliable and skilled tradespeople and businesses who could advise upon and install the required systems and improvements. Our Heat in Buildings Supply Chain Delivery Plan²³, published in November 2022, recognises the key role that Government can play in this by sending the market signals about its intentions to which businesses across the supply chain could then respond.

²³ [The Heat in Buildings Supply Chains Delivery Plan](#)

3.2 A Fabric Efficiency Rating - Options for Consultation

3.2.1 Making our homes and buildings more energy efficient will help reduce energy demand and result in homes that are warmer and easier to heat. Energy efficiency improvements are also often important to ensure that some clean heating systems work as effectively and efficiently as possible. We would welcome views on the two options proposed below.

3.2.2 These options are not EPC based targets. The metrics currently shown on EPCs do not solely reflect the energy efficiency of the building fabric, and so do not drive the fabric energy efficiency improvements that are key to improving our housing stock. To address this, we propose to introduce a metric to reflect the fabric of the home, namely the fabric efficiency rating. This is primarily intended to support any future fabric energy efficiency standards. This would provide a clear rating of the dwelling's fabric efficiency.

3.2.3 Our review of EESSH2 explored an alternative to an EPC based target. This was the Fabric Metric²⁴ proposed by the Climate Change Committee (CCC) as part of its recommendations on domestic EPC reform²⁵, and which would be measured in kWh/m²/year. The 'fabric metric' will be referred to as 'fabric efficiency rating' throughout this consultation document.

Option 1

3.2.4 The EESSH2 review group expressed an interest in seeing a target set as a range. We have therefore explored setting the target range of fabric energy efficiency as either:

- 112 – 162 kWh/m²/year (space heating and domestic hot water [DHW] demand); or
- 71 – 120 kWh/m²/year (space heating demand)

These ranges are in line with options developed for metrics for a) fabric only and b) fabric and domestic hot water (DHW), and upon which the Scottish Government has recently consulted²⁶. The figures shown are based on the current EPC equivalent between B and C.

3.2.5 In line with the EPC reform consultation (and noted in the section below) we propose that the target is based on space heating demand only – i.e. it won't include the energy that tenants use for cooking, or for powering electrical devices unrelated

²⁴ Space heating demand intensity (kWh/m²/yr). This metric provides a clear indication of the underlying fabric efficiency of a home (excluding the impact of heating system choice). It accurately incentivises improvements to fabric efficiency when targeted by policy, and can be used to assess actual performance of existing building fabric and any improvements made.

²⁵ [CCC Letter: Reform of domestic EPC rating metrics to Patrick Harvie MSP](#)

²⁶ [Energy Performance Certificate \(EPC\) reform: consultation](#) The consultation paper stated: *while we recognise the benefits of including hot water demand, our proposal is that it should not be included in the fabric rating. This would ensure that the fabric rating has a clear meaning and role, and is not unexpectedly influenced by non-fabric changes.*

to heat etc²⁷. This would ensure that the fabric efficiency rating has a clear meaning and role, and is not unexpectedly influenced by non-fabric changes.

3.2.6 The proposal to use a target range was suggested to allow harder to treat properties to meet the lower end of the range (i.e. 120 kWh/m²/year), with those better able to do so aiming for the higher end (i.e. 71 kWh/m²/year).

3.2.7 An obvious issue in setting the target in this way is that the lower end of the range (i.e. 120kWh/m²/year) arguably becomes the de facto target since attaining that level would signify compliance and leave no real incentive to reduce energy demand further towards the higher end of the range (i.e. 71kWh/m²/year). It might also be difficult to incentivise those already at EPC C equivalent to progress to a better performance level.

3.2.8 The target in this option would need to be met by 2033, so that it is compatible with both our Fuel Poverty targets, where technically feasible and cost effective.

Option 2

3.2.9 An alternative approach would be to introduce a two-stage target for improving energy efficiency. This would encourage progress towards a good level of energy efficiency by an initial backstop date, but with an additional requirement to meet a higher standard at a later date.

For example:

- All homes to reach an EPC C equivalent level of fabric efficiency rating (71-120kWh/m²/year) by 2033 (which would be consistent with the date for owner-occupied houses) and
- A second, more demanding level (an EPC B equivalent level of fabric efficiency rating (71kWh/m²/year or better), by a second backstop date (2040)

This approach reflects the ambition in the fuel poverty strategy of achieving EPC C equivalent by 2033 and then EPC B by 2040, where technically feasible and cost effective.

3.2.10 An arguable drawback of this approach may be that it creates a potential incentive to stagger the required upgrades when it might be better and more cost-effective to do all works at once. However, where that is the case, then it would still be within the gift (and the interest) of the landlord to reach the higher standard by the earlier date.

²⁷ We suggest that when transitioning to an electrical heat solution that the best outcome is that gas is disconnected so that standing charges are no longer incurred.

Consultation Questions: Questions on a Fabric Efficiency Rating

1. To what extent do you support the use of a fabric efficiency rating, based on heat demand, in the SHNZS?

Strongly support – Somewhat support – Neither support nor oppose – Somewhat oppose – Strongly oppose – Don't know.

Please include any additional comments below.

.....Free text box.

2. Of the options presented for the fabric efficiency rating, which one do you support for the new SHNZS?

.....Free text box.

3. Are there additional options for the fabric efficiency rating that you think should be included? If yes, please describe these here:

.....Free text box.

Measuring performance

3.2.11 We recognise the potential benefits of using actual performance – that is, an accurate measure of the actual energy used to meet heat demand in a home – rather than an estimate which is generated by modelling. This would help to address some concerns about the performance gap between assessment and the real life behaviour of buildings. However, it would also add a layer of complexity to investment decisions because actual performance will not be known until a project is completed.

3.2.12 Factors such as the number of people living in the home and tenant behaviour will affect actual energy performance. Stakeholders have also raised concerns that it would be unrealistic to expect landlords to measure actual performance data in each and every property.

3.2.13 Therefore, and to ensure a level playing field, we continue to propose that the fabric rating is measured using modelled performance and using SAP^{28 29}.

3.2.14 It remains possible that an option allowing measurement of actual performance via a method to be agreed could be explored and established –

²⁸ The Standard Assessment Procedure (SAP) is the UK Government's National Calculation Methodology for assessing the energy performance of dwellings. It is used to facilitate various national, devolved and local government policies including Building Regulations and for the production of Energy Performance Certificates (EPCs).

²⁹ As noted in the EPC reform consultation, a major update to the SAP and RdSAP methodologies is under development by the UK Government, which will address many of the concerns stakeholders have raised about the accuracy of SAP. The launch of SAP 11 is expected to be in 2025.

potentially enabling a way of providing evidence in the case of exemptions, for example. The SHNZS can be kept under review in a way that keeps it open to such an option being used in the future.

Consultation Questions: Questions on Measuring Performance

4. What, if any, are your views on how performance against the fabric efficiency rating should be measured?

.....Free text box.

Minimum Fabric Efficiency Standard

3.2.15 The fabric efficiency part of the SHNZS may not be achievable for all parts of the social rented stock. For instance, it may be more challenging for landlords with harder to treat traditional properties, or tenement stock where remaining energy efficiency improvements may be more limited.

3.2.16 This is why we would like seek views on the retention of a minimum standard³⁰, which could be met by installing a ‘List of Measures’. This is consistent with the proposals in the HiB Bill consultation for the Private Rented Sector.

3.2.17 This would require social landlords to install as many of the listed measures as is technically feasible and cost effective for a property. The measures would be listed in the guidance for compliance with the SHNZS, and potentially include measures such as:

- 270 mm loft insulation
- cavity wall insulation
- draught proofing
- heating controls
- 80 mm hot water cylinder insulation
- suspended floor insulation.

3.2.18 We propose that social housing cannot be relet if the minimum fabric efficiency standard is not met by 2028 – although there may be situations where temporary exemptions would continue to apply (see section 3.5).

3.2.19 We would be grateful for views on the proposal that social housing which can’t be brought up to the minimum fabric efficiency standard by 2028, and that is not subject to temporary exemptions, should not be relet to social tenants. The purpose of this is to ensure, as far as possible, warmer homes and lower bills for all social tenants. However, we recognise the associated risk that stock which can’t meet this fabric efficiency standard may be lost from the social rented sector at a time when more stock is needed.

³⁰ EESSH2 included a minimum standard to prevent social housing being relet after 2025 if their energy efficiency performance is below EPC D.

Consultation Questions: Minimum Fabric Efficiency Standard

5. What are your views, if any, on the proposal for a minimum fabric efficiency standard?

.....Free text box.

6. What, if any, are your views on whether homes should not be relet if they cannot meet a minimum fabric efficiency standard?

.....Free text box.

3.3 Additional Requirements

Air Quality

3.3.1 Air quality is a key health issue affecting people, homes and energy efficiency. While improvements in energy efficiency can lead to improvements in health outcomes, particularly for older people, young children, and those with respiratory and other chronic health conditions, there is the potential for unintended consequences adversely affecting the air quality in a home.

3.3.2 Where energy efficiency improvements increase the air tightness of a building, monitoring air quality can have an important role in preventing unintended consequences. Where such a risk exists, landlords should also consider the need for Mechanical Ventilation with Heat Recovery (MVHR).

3.3.3 We therefore propose that landlords should be required to devise a ventilation and monitoring strategy to accompany energy efficiency interventions in cases where mechanical ventilation isn't installed.

Consultation Questions: Additional Requirements

7. What, if any, are your views on whether ventilation and monitoring strategies should be required where MVHR is not installed?

.....Free text box.

3.4 Clean Heating – Options for Consultation

3.4.1 We know that better insulation and other energy efficiency measures – where those improvements are possible – are a priority, but they will not be enough on their own to achieve net zero. We can only eliminate all emissions from heat by replacing polluting heating systems, which run on gas, oil (and other fossil fuel heating systems)³¹. These systems are used to heat approximately 80% of the social housing stock, which relies heavily on gas as its primary heating fuel.

3.4.2 We need to change these to clean heating systems, like electric heat pumps and district or communal heat networks in our buildings to reach net zero. Certain types of clean heating systems are more efficient than others, which is useful for social housing landlords to bear in mind as they consider and reach decisions about alternatives to their existing system.

3.4.3 This is important because a more efficient system uses less energy to deliver the same amount of heating or cooling as a less efficient system. This affects how much it costs to run and has implications for the wider energy system (for example, the amount of extra electricity needed to heat homes).

Proposal

3.4.4 We propose to require the installation of a clean heating system in social homes by a backstop date of 2045, in line with published Scottish Government policy and our consultation on proposals for a HiB Bill.

3.4.5 Encouraging Local Authorities and (RSLs) to act quickly rather than waiting until close to 2045 to undertake works will spread the investment and supply chain activity across a longer and more manageable period.

3.4.6 We are therefore seeking views on options for interim targets or milestones for the sector in order to phase in the required progress and investment in clean heating. We have identified the following options:

3.4.7 **Option 1** – milestones which would require proportions of each landlords' stock to have had clean heating installed by target dates,

For example: 10% by 2030; 70% by 2040; 100% by 2045 (illustrative figures).

3.4.8 **Option 2** – an interim target for properties off-gas, or using other fossil fuels.

There are approximately 124,000 SRS homes – or ~20% of the Scottish social rented sector – using electricity, oil, communal heating³², or solid mineral fuel as their primary heating fuel.

³¹ “Bioenergy” heating systems, e.g. those which use wood chips or other types of biomass or bioliquid (such as hydrotreated vegetable oil) also produce emissions when used to heat our homes – although there will be circumstances where these remain permissible.

³² Based on 2018 Heat Network Meter and Billing Regulations (HNMBR) data, the primary fuel source is natural gas for the large majority of communal heating.

3.4.9 To provide an example, the target under option 2 might require landlords' stock in off-gas areas to convert to clean heating systems by 2030. However, we know that rural and remote homes are more likely to be off-gas, and that these will have specific issues, costs or other circumstances that may require some additional time to make the transition. We intend to make sure that such flexibility exists and is applied in such circumstances.

Heat Networks

3.4.10 The mains gas network supplies the vast majority of Scotland's social rented sector. In future, there will be a greater variety of heating systems in our homes, with the potential for local outcomes that are determined by the circumstances and assets in a particular area. Heat networks are a good example of localised heating solutions; they generate heat and use a network of pipes to supply it to nearby homes, businesses, and public buildings.

3.4.11 Heat networks can play a significant role in decarbonising the social rented sector and in certain circumstances social housing can play a vital role in providing the heat demand needed to secure investment in new heat network development. Given this, and the Scottish Government's wider heat networks targets, we propose that the SHNZS set a requirement for heat network connections to be mandatory under certain circumstances.

3.4.12 For instance, where housing stock not already using a clean heating system is offered a connection at a reasonable cost, and where there is sufficient capacity in the network to accommodate the housing. What is considered a 'reasonable cost' would be subject to further analysis and engagement, but would include comparison with alternative clean heating systems.

Consultation Questions: Clean Heating

8. To what extent do you support the requirement to install a clean heating system by 2045)?

Strongly support – Somewhat support – Neither support nor oppose – Somewhat oppose – Strongly oppose – Don't know.

Please include any additional comments below.

.....Free text box.

9. Of the options presented for the interim targets, which one do you support for the SHNZS?

.....Free text box.

10. What are your views on whether neighbouring landlords could work together to reach such a target on a regional basis?

.....Free text box.

11. Are there any additional options for interim targets that you think should be included? If yes, please describe these here:

.....Free text box.

12. To what extent do you support the requirement for mandatory connections to heat networks under certain circumstances?

Strongly support – Somewhat support – Neither support nor oppose – Somewhat oppose – Strongly oppose – Don't know.

Please include any additional comments below.

.....Free text box.

3.5 Exemptions to the SHNZS

3.5.1 The experience of delivering EESSH1 and EESSH2 shows that landlords need to be able to make decisions based on what is best for their houses and tenants. This is because landlords also have a duty to communicate and explain their decisions to their tenants, while their overall performance is monitored by the Scottish Housing Regulator.

3.5.2 Ideally, the SHNZS would apply in the same way to all homes. However, we recognise that some buildings will face additional costs and other difficulties which mean that more time is needed before they are able to comply. In prescribed circumstances, landlords can report temporary exemptions for properties that can't meet the SHNZS.

3.5.3 We believe that an exemption to meeting the SHNZS may be appropriate under the following circumstances:

- **Social:** An exemption may be appropriate in circumstances where social landlords share buildings with other tenures, tenants or owner occupiers may refuse to participate in the installation of energy efficiency and heat upgrade works necessary to achieve the SHNZS by the target date. This situation can also arise in mixed tenure properties if owners are unwilling or unable to contribute to the cost of common works. In such instances the landlord must have made every reasonable effort to inform and explain to the tenant or owner occupier why the work is necessary, when it is being done, and why their participation and co-operation is so important. Landlords should also review the exemption when the property becomes vacant or owners move.
- **Heat network:** If the building(s) are within a designated Heat Network Zone, and have been notified of this, then they will be exempt if they commit to meet the SHNZS by connecting to a network by 2045. This will preserve the business case for a new heat network development by ensuring that buildings which are likely to connect are not forced to adopt another system before time. In a case like this the fabric efficiency rating part of the SHNZS will still need to be met. Additionally, the time limit to this exemption ensures that the transition to clean heating still occurs by 2045 should a heat network not be developed in time to meet the 2045 clean heating standard.
- **Legal:** There may be legal issues which need to be considered and addressed when embarking on a programme of energy efficiency, and heat upgrade works. If the necessary work required to achieve the SHNZS cannot be carried out legally or may be subject to a delay while these issues are resolved, then there are likely to be grounds for either an exemption or the granting of additional time.
- **Disposal:** In circumstances where a social landlord plans to dispose of a property through demolition or sale on the open market, and this has been formally agreed through the landlord's relevant governance arrangements,

then the property will be exempt from the requirement to achieve the standard.

- Long term void: If landlords are aware of any properties which will be void for a long period of time, and energy efficiency and heat upgrade investment would not be appropriate, then the property should be considered exempt from the requirement to achieve the standard until that is no longer the case.

3.5.4 These exemptions do not in any way absolve landlords from their responsibilities to their tenants regarding the minimum fabric efficiency standard.

Consultation Questions: Exemptions

13. To what extent do you support the need for landlords to have an element of discretion to ensure measures are cost effective and in the best interest of tenants?

Strongly support – Somewhat support – Neither support nor oppose – Somewhat oppose – Strongly oppose – Don't know.

Please include any additional comments below.

.....Free text box.

14. What, if any, are your views on whether targets should be varied by guidance from the Scottish Government in specific circumstances?

.....Free text box.

4. Applying the SHNZS to Mixed Tenure Housing

4.1.1 Existing work by local authorities on heat networks and Local Heat and Energy Efficiency Strategies³³ is already considering routes to decarbonise heating for flats and tenements.

4.1.2 Around 54% of social rented homes are flats³⁴, a figure which is higher for RSLs (62% flats) than local authorities (49%)³⁵. Many flats are in buildings where the social landlord is only one owner among others, including private landlords and owner occupiers. As outlined in Section 3.5 on Exemptions, one of the barriers social landlords face is cooperation between owners to carry out common works. Common works to improve houses usually require the consent of all the owners, though work to install insulation can often be done by a majority decision³⁶.

4.1.3 There are longstanding concerns about the challenges of undertaking communal work in flats and tenements, where there can be a mix of owners and tenures. These issues have been considered by the Parliamentary Working Group on Tenement Maintenance and the reformed Tenement Working Group³⁷ ³⁸. The independently chaired Tenements Short Life Working Group, including representatives from a variety of local authorities, has also looked at the challenges faced in undertaking work in flats and tenements. Their Final Report has been published and we welcome views on its recommendations.

4.1.4 To date, major retrofit work for whole blocks of flats and tenements has tended to be led by local authorities and RSLs, as a sole or majority owner. The Tenements (Scotland) Act 2004 improved the position in relation to the undertaking of communal work to flats and tenements. However, we recognise that further legislative improvements may be required so that flats and tenements in mixed tenure or mixed ownership blocks can be routinely maintained to a good standard and appropriate improvements can be undertaken.

4.1.5 The Scottish Government already provides advice and funding to owner occupiers and the private rented sector (PRS), to improve their energy efficiency and decarbonise heating. We are also interested in better understanding the work undertaken and challenges faced by owner occupiers and PRS landlords with communal works.

4.1.6 In order to support all owners of flats and tenements we are undertaking a range of work including:

- work to develop a whole building assessment methodology which would look at energy efficiency and clean heating options as block assets. This could

³³ [Local heat and energy efficiency strategies and delivery plans: guidance](#)

³⁴ [Scottish Household Survey Data Explorer - Table 3](#)

³⁵ [Scottish household survey 2019 - Annual Report: Section 3](#)

³⁶ [Missing shares powers guidance for RSLs - Paragraph 17](#)

³⁷ [Scottish Parliamentary Working Group on Tenement Maintenance](#)

³⁸ [Tenement Working Group - Built Environment Forum Scotland](#)

provide options for different clean heating system types and their suitability for individual flat and communal block asset solutions.

- Inviting the Scottish Law Commission to develop proposals for compulsory owner associations³⁹.

4.1.7 In relation to other tenures, namely the owner occupier sector and the PRS, Annex B sets out proposals in the planned HiB Bill consultation.

4.1.8 Taking account of the fact that there are many flats and tenements where there is not a sole or majority owner, the Tenements Short Life Working Group Final Report recommended that a phased approach be taken. This would require work on the energy efficiency of individual premises in the first phase, and work on energy efficiency measures and clean heating options across a variety of individual homes required in a second phase. This would allow time for any improvements to the legislation around communal repairs and development of assessment methodologies that cover whole buildings.

Consultation Questions: Mixed Tenure Housing

15. To what extent do you agree that the new SHNZS should apply to mixed tenure properties?

Strongly agree – Somewhat agree – Neither agree nor disagree – Somewhat disagree – Strongly disagree – Don't know.

Please include any additional comments below

.....Free text box.

16. Do you agree that for some blocks where the local authority or RSL is not a sole or majority owner, then a phased approach to retrofit work should be undertaken?

Strongly agree – Somewhat agree – Neither agree nor disagree – Somewhat disagree – Strongly disagree – Don't know.

Please include any additional comments below.

.....Free text box.

³⁹ [Scottish Law Commission, Tenement law: compulsory owners' associations](#)

5. Applying the SHNZS to Gypsy/Traveller Sites

5.1.1 The EESSH2 Review Group recommended that the new SHNZS should be extended to Gypsy/Traveller accommodation.

5.1.2 Public sector Gypsy/Traveller sites often provide a long-term home for residents. The amenity block typically consists of a kitchen, bathroom and small entrance hallway. In some cases there is also a living space where families can eat together. Construction varies with older units being breeze block or brick built.

5.1.3 These blocks are all post 1980 and built to meet non-domestic building standards. A small number of sites have chalets/mobile homes with sleeping accommodation. Some are poorly insulated, with consequent mould and damp problems.

5.1.4 Feedback from residents is that sites need amenity blocks with warm living space suitable for use throughout the day. Existing heating is often expensive LPG and storage heaters⁴⁰. Overall heating costs are increased because residents have to heat both their sleeping accommodation and the amenity block.

5.1.5 The SHQS and EESSH standards did not apply to amenity blocks because the scope was defined in terms of self-contained accommodation. There are existing energy efficiency targets for amenity blocks, but these are low (EPC band E)⁴¹, and in practice it is hard to measure performance for buildings that don't match traditional domestic use.

5.1.6 Gypsy/Travellers have poorer outcomes than the settled population across a range of outcomes such as health (including life expectancy), education and employment⁴². The Scottish Government and COSLA's joint Action Plan, Improving the Lives of Scotland's Gypsy/Travellers, published in 2019, committed to more and better accommodation for people who use the sites provided by local authorities⁴³. The Scottish Government's Gypsy/Traveller Accommodation Fund is providing up to £20 million in 2021-26 to develop a number of sites as demonstration projects, including consideration of energy efficiency and decarbonisation. The aim is to seek parity with social housing where this can be achieved and to apply the principles of Housing to 2040 to Gypsy/Traveller accommodation.

⁴⁰ [Interim Gypsy/Traveller site design guide](#)

⁴¹ [Improving Gypsy/Traveller sites: guidance on minimum sites standards](#)

⁴² [Gypsy/Travellers in Scotland - A Comprehensive Analysis of the 2011 Census](#)

⁴³ [Improving the lives of Gypsy/Travellers: 2019-2021](#)

Consultation Question: Gypsy/Traveller Sites

17. To what extent do you agree that the new SHNZS should apply to Gypsy/traveller sites?

Strongly agree – Somewhat agree – Neither agree nor disagree – Somewhat disagree – Strongly disagree – Don't know.

Please include any additional comments below.

.....Free text box.

6. Cost and Funding

6.1 Cost Overview

6.1.1 The cost of meeting ESSH2 by 2032 was estimated at £3.4 to £3.7 billion in 2018⁴⁴, with a similar estimate, modelled for housing associations, made by Changeworks⁴⁵.

6.1.2 However, we know that costs have increased since this modelling was done and that a new net zero standard would require replacing polluting heating systems where those are still in place.

Table 2: Social homes: primary heating fuel

Primary Fuel	No. of homes ('000s)	Percentage of stock
Mains gas	509	80
Electricity	88	14
Oil	2	<1
Solid mineral fuel	6	1
Communal heating ⁴⁶	28	4

Source: SHCS Key Findings 2019: table 5 ⁴⁷

6.1.3 The social housing sector is heavily reliant on gas as a heating fuel. As outlined above, there are around 633,000 SRS dwellings in Scotland, of which 511,000 use gas or oil as their primary fuel.

6.1.4 Heat pumps and heat networks can be deployed in many areas and buildings as no- or low-regrets interventions to reduce direct emissions from buildings. The capital cost of a heat pump alone is estimated at under £7,000; however, there are additional costs associated with decommissioning and water/thermal storage, which on average cost an additional £2,000. Much of the Social Housing stock will also need energy efficiency upgrades if heat pumps are to run as efficiently as possible, which are estimated at an average of around £4,500. Therefore, the average total estimated cost to convert a home to highly efficient clean heating is estimated at around £14,000⁴⁸.

6.1.5 Assuming a cost per ASHP of approx. £9,000, this suggests a total capital cost of around £4.6 billion for clean heating.

6.1.6 SRS dwellings are typically already fairly energy efficient, with 56% at C or above (compared to ~45% of all stock)⁴⁹. Assuming an average cost of ~£4,500 per home to reach upgrade improve the energy efficiency, this suggests a total capital cost to upgrade of around £1.28 billion.

⁴⁴ [Consultation on the Energy Efficiency Standard for Social Housing - Page 18](#)

⁴⁵ [EESH2 - Research and Modelling for the Scottish Federation](#)

⁴⁶ Based on 2018 Heat Network Meter and Billing Regulations (HNMBR) data, the primary fuel source is natural gas for the large majority of communal heating.

⁴⁷ [Scottish house condition survey: 2019 key findings](#)

⁴⁸ [Development of trajectories for residential heat decarbonisation to inform the Sixth Carbon Budget \(Element Energy\) - Climate Change Committee](#)

⁴⁹ [Scottish house condition survey: 2019 key findings](#)

6.2 Support and Funding

6.2.1 While the steps required to comply with EESSH have never been fully funded by the Scottish Government, landlords are encouraged to make use of available funding sources. These currently include the Social Housing Net Zero Heat Fund (SHNZHF) and other SG schemes. While the current funding offer is set out below, future levels of available funding will depend on decisions at those times.

6.2.2 The SHNZHF launched in August 2020 with at least £200 million available to social landlords until 2026 to support the retrofit of their existing housing stock.

6.2.3 The fund has undergone a review to ensure that it continues to provide the best support to RSLs in their transition to net zero. This includes, based on feedback from the sector, the extension of “Fabric First” funding support until 2026 so that RSLs can continue to undertake projects that support more energy efficient homes.

6.2.4 The intervention rate for the installation of clean heating has also been increased to 60%, meaning that RSLs will benefit from a reduced match funding requirement.

6.2.5 Social housing in rural and island communities faces different challenges when delivering decarbonisation projects, which is why the fund now includes grant uplifts. For projects in rural areas, grant funding will be increased by 11% and in remote areas by 22%. Rural and remote areas can be identified using the 6 Fold Scottish Government classification⁵⁰.

6.2.6 In 2023 we launched the Social Housing Net Zero Development Fund - designed to support the social housing sector with applications that can be completed by 31 March 2024. This £250,000 fund supported a range of development activities including feasibility studies, research, stock analysis and pre-capital support to support future capital bids to the SHNZHF. Although this fund is now closed to new applications we will continue to consider options for supporting the social housing sector plan and develop a pipeline of projects to decarbonise their housing stock in future financial years.

6.2.7 Our £300 million Heat Network Fund makes capital grant funding available to public and private sector organisations to support the roll out of zero emission heat networks across Scotland, and which we believe can play a significant role in enabling a large proportion of the social housing stock to convert to clean heating.

6.2.8 We have also established a Green Heat Finance Taskforce to explore ways to encourage a greater flow of private finance, complementing that available through the wider public sector, and which is designed to help property owners access the necessary investment in a form which works best for their individual circumstances.

⁵⁰ This distinguishes between urban, rural, and remote areas through six categories. See: [Scottish Government Urban Rural Classification 2020](#)

6.2.9 The Taskforce has brought social landlords and their representatives together with financial investors to discuss options for financing the transition of the existing social housing stock to net zero. The Taskforce's final report will be published in 2024 and will include consideration of financing options to enable social housing investment in clean heating solutions.

6.2.10 Retrofitting both energy efficiency measures and heating systems is challenging – both in terms of cost and disruption and requires relevant technical expertise and access to a skilled workforce. We will continue to work with social landlords to understand these challenges, and to explore and develop new ways to finance retrofit works, including the role of place-based or area-based delivery models.

6.2.11 Local authorities are developing Local Heat and Energy Efficiency Strategies (LHEES), which are long term plans for an entire local authority area to decarbonise heat and improve energy efficiency. LHEES will set out how each segment of the building stock needs to change to reach net zero and prioritise areas for the delivery. We would encourage social landlords to engage with local authorities as they develop and implement their LHEES.

7. Timetable for the SHNZS

7.1.1 This consultation will run from November 2023 to March 2024, following which the Scottish Government will commission an independent analysis of the feedback received. The EESSH2 Review Group will be asked to consider the final design of the proposed SHNZS based on the consultation and that analysis, ahead of the Scottish Government publishing its final response.

7.1.2 Once that final response is published, the Scottish Housing Regulator will engage with social landlords on the Charter indicators needed for reporting performance against the target. The Scottish Government will also publish guidance for landlords on compliance with the new SHNZS.

7.1.3 Charter indicators and guidance will be in place before landlords are asked to collect data for reporting purposes. Data collection will be aligned with landlord's business year (April to March).

7.1.4 Based on the anticipated timeline, we would expect that the new SHNZS is introduced in 2025 at the earliest.

Consultation Question: Timeline

18. What are your views on the timetable for introducing the new SHNZS?

Please include any additional comments below.

.....Free text box.

8. Other actions to be taken forward

8.1.1 The new SHNZS sets a target for social housing, but other action will be needed to ensure that it can be delivered effectively.

- Landlords surveys to understand options for stock
 - Social landlords should undertake stock condition surveys to assist in tracking previous retrofit measures and to assist with developing future retrofit solutions
 - The SHNZDF is in place to support activities like this that can be completed by 31 March 2024.
- Archetypes and pattern books
 - Research on developing key social housing archetypes has recently been published.⁵¹
 - The Scottish Government plans to work with the social housing sector in developing pattern book solutions for key archetypes, to be used as a resource for landlords
 - The Scottish Government will also publish and share case studies of social housing decarbonisation retrofit projects, including cost and carbon savings achieved and lessons learned
- Establish Net Zero Technical Steering Group
 - The Scottish Government plans to work with the social housing sector beyond the review of ESSH2 to provide guidance and clarity on technical solutions and share best practice across the sector

⁵¹ [Review of social housing archetypes to support ESSH2 review](#)

9. Review and Next Steps

We propose that the new SHNZS be monitored and reviewed to assess progress towards net zero, the cost of investment needed to meet the standard, and the aims of ensuring a just transition. We propose to carry out this review in 2029/30.

The Scottish Government will commission an independent report on responses to this consultation. We will reflect on this and publish a response setting out what we will do next.

The Scottish Housing Regulator (SHR), will have responsibility for monitoring social landlord's performance with SHNZS via the Annual Return on the Scottish Social Housing Charter.

Annex A: The Scottish Government consultation process

Consultation is an essential part of the policymaking process. It gives us the opportunity to consider your opinion and expertise on a proposed area of work. You can find all our consultations online: [Scottish Government consultations](#). Each consultation details the issues under consideration, as well as a way for you to give us your views, either online, by email or by post.

Responses will be analysed and used as part of the decision making process, along with a range of other available information and evidence. We will publish a report of this analysis for every consultation. Depending on the nature of the consultation exercise the responses received may:

- indicate the need for policy development or review
- inform the development of a particular policy
- help decisions to be made between alternative policy proposals
- be used to finalise legislation before it is implemented

While details of particular circumstances described in a response to a consultation exercise may usefully inform the policy process, consultation exercises cannot address individual concerns and comments, which should be directed to the relevant public body.

Please respond to this consultation using the Scottish Government's consultation hub, Citizen Space ([Scottish Government consultations](#)). You can save and return to your responses while the consultation is still open. Please ensure that consultation responses are submitted before the closing date.

If you are unable to respond using Citizen Space, please send your response, including the completed Respondent Information Form to: socialhousingheatdecarb@gov.scot.

If you respond using the consultation hub, you will be directed to the About You page before submitting your response. Please indicate how you wish your response to be handled and, in particular, whether you are content for your response to be published. If you ask for your response not to be published, we will regard it as confidential, and we will treat it accordingly.

All respondents should be aware that the Scottish Government is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would therefore have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

If you are unable to respond via Citizen Space, please complete and return the Respondent Information Form included in this document.

To find out how we handle your personal data, please see our privacy policy: [Privacy](#)

Where respondents have given permission for their response to be made public, and after we have checked that they contain no potentially defamatory material, responses will be made available to the public at [Scottish Government consultations](#). If you use the consultation hub to respond, you will receive a copy of your response via email.

Following the closing date, all responses will be analysed and considered along with any other available evidence to help us. Responses will be published where we have been given permission to do so. An analysis report will also be made available.

If you have any comments about how this consultation exercise has been conducted, please send them to the contact address above or at socialhousingheatdecarb@gov.scot.

Respondent Information Form

Please Note this form **must** be completed and returned with your response.

To find out how we handle your personal data, please see our privacy policy:
<https://www.gov.scot/privacy/>

Are you responding as an individual or an organisation?

Individual

Organisation

Full name or organisation's name

Phone number

Address

Postcode

Email

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

- Publish response with name
- Publish response only (without name)
- Do not publish response

Information for organisations:

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the analysis report.

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for the Scottish Government to contact you again in relation to this consultation exercise?

Yes

No

Annex B: Summary of proposals for domestic buildings, other than social housing

The consultation on Proposals for a Heat in Buildings Bill seeks views on a new statutory Heat in Buildings Standard which for privately owned homes would require:

- All privately rented homes to meet a minimum energy efficiency standard by the end of 2028;
- All other privately owned homes to meet a minimum energy efficiency standard by the end of 2033.
- The use of polluting heating systems to be prohibited by the end of 2045.

Minimum Energy Efficiency Standard

The consultation proposes that owners could meet the energy efficiency standard through installing a straightforward specified list of measures (like loft, wall or suspended floor insulation) that reduce the energy needed to heat the home. Any home that has installed these measures – or as many as are feasible for that property – would be considered to have reached a good level of energy efficiency and meet the standard.

As some people may have already undertaken work to improve the way their property uses energy or wish to make their own decisions on which measures are best for their home, the consultation also proposes an alternative option of meeting the standard based on the result of an EPC assessment. The addition of a new fabric metric to EPCs, which was recently consulted on, could be used to show that a property meets a good level of energy efficiency.

Any owner-occupied homes that had installed a clean heating system before the end of 2033 would not be required to meet the minimum energy efficiency standard as it would no longer be producing any emissions from its heating.

Prohibition on Polluting Heating

The consultation proposes that all privately owned properties would be prohibited from using polluting heating systems by 2045.

To drive uptake of clean heating before this date we are also proposing that those purchasing a property would be required to comply with the prohibition on polluting heating within a specified amount of time following completion of the sale. The consultation also proposes requiring buildings within a Heat Network Zone to end their use of polluting heating systems by a certain date, and with a minimum notice period.

Ensuring Fairness in the Standard

To ensure the standard is fair, proportionate and achievable for all households, the consultation also makes proposals and seeks views on exempting those who can't, or should not have to, meet the Heat in Buildings Standard. The proposals will also

provide extra time for those who need it to meet the Standard, or require that people comply with a modified version of the Standard which takes into account their building's characteristics or unique circumstances.

Annex C: Glossary of Terms and Acronyms

Annual Return on the Charter (ARC)	Annual return on the Scottish Social Housing Charter. Landlords must provide accurate information on the Charter indicators and contextual indicators to the Scottish Housing Regulator through their Annual Return on the Charter.
SHNZS	Social Housing Net Zero Standard
Direct Emission Heating System (DEHS)	A heating system that produces harmful gases into the atmosphere at the point of use within the building (direct greenhouse gas emissions), such as gas, oil and liquefied petroleum gas (LPG) boilers or burners, and bioenergy systems. Also called “polluting heating” for short, throughout this document.
Domestic Hot Water (DHW)	Potable water heated for uses other than space heating.
Domestic Property	A home, whether that is a house, flat or other. This includes owner-occupied homes, empty residential properties, private rented homes, holiday homes and short-term lets. We will develop details of regulations and how best to treat and categorise specific sectors and property types, including mobile residential homes and homes on agricultural tenancies.
Energy Performance Certificate (EPC)	A document which records the estimated energy performance of a building, as well as the main heating system(s) used within it. EPCs are a legal requirement whenever a home or non-domestic building is advertised for sale or let.
Heat in Buildings Strategy	This Strategy outlines the steps we will take to reduce greenhouse gas emissions from Scotland’s homes, workplaces and community buildings and to ensure that we remove poor energy performance as a driver of fuel poverty.
Heat network	Large systems of insulated pipes and heat generation supplying heat (in the form of hot water or steam) to homes and other premises, such as businesses and the public sector. They include both district and communal heating: a district heat network distributes heat from one or more sources to more than one building, while a communal heating system distributes heat to one building made up of several smaller dwellings or units. Depending on their fuel source, they can help reduce greenhouse gas emissions and in certain circumstances, can reduce energy bills and help to tackle fuel poverty.
Heat network zone	An area that a Council determines would to be suitable for a heat network, having considered a range of factors.
Kilowatt hour (kWh)	A unit of energy equal to 1,000 watt hours

kWh/annum	Kilowatt hours per year
LHEES	<p>Local Heat and Energy Efficiency Strategy – documents that local authorities must produce by end-2023 and which set out the long-term heating system(s) that are thought to be most-suited in different areas.</p> <p>This will include identifying heat network opportunities, which may later become official Heat Network Zones.</p>
Main Heating System	The main heating system is that which heats the largest proportion of dwelling. It is a heating system which is not usually based on individual room heaters (although it can be), and often provides hot water as well as space heating. This definition is used within SAP ⁱ .
Net zero	<p>Net zero means that the total greenhouse gas emissions are equal to or less than the emissions removed from the environment.</p> <p>In practice, this can be achieved by a combination of emission reduction (for example, by installing clean heating systems) and emission removal (for example, by nature).</p>
SAP	Standard Assessment Procedure
RdSAP	Reduced Data Standard Assessment Procedure
SHR	Scottish Housing Regulator
SHQS	Social Housing Quality Standard
Scottish Social Housing Charter	The Scottish Social Housing Charter ('The Charter') helps to improve the quality and value of services provided by social landlords in Scotland. It sets the standards and outcomes that all social landlords should aim to achieve when performing their housing activities.
Watt hour (Wh)	A unit of energy (or work) equal to the energy of one watt operating for one hour, equivalent to 3600 joules
Zero Direct Emissions Heating (ZDEH)	<p>Heating systems such as individual heat pumps, or connection to a heat network, or electric systems such as storage heaters which release no harmful gases into the atmosphere (direct greenhouse gas emissions) at the point of use within the building.</p> <p>Also called 'clean heating' for short, throughout this document.</p>
ZEST	Zero Emissions Social Housing Taskforce

ⁱ [SAP](#)



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Fife Council – Social Housing Net Zero Standard Consultation

Question 1

To what extent do you support the use of a fabric efficiency rating, based on heat demand, in the SHNZS?

- Strongly support**
- Somewhat support
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't Know

Please include any additional comments below.

The recognised industry standard for universal constant for assessment of home efficiency rating is the fabric efficiency rating. We would strongly support the use of this rating.

Question 2

Of the options presented for the fabric efficiency rating, which one do you support for the new SHNZS?

Option 1 Target range of fabric energy efficiency as either:

112 – 162 kWh/m² /year (space heating and domestic hot water [DHW] demand); or
71 – 120 kWh/m² /year (space heating demand)

Option 2 Two stage target

All homes to reach an EPC C equivalent level of fabric efficiency rating (71-120kWh/m² /year) by 2033

A second, more demanding level (an EPC B equivalent level of fabric efficiency rating (71kWh/m² /year or better), by a second backstop date (2040)

Fife is supporting Option 1 - 112 – 162 kWh/m² /year (space heating and domestic hot water [DHW] demand); or 71 – 120 kWh/m² /year (space heating demand) combined with district heating option as this would represent a significant improvement to the energy efficiency of the Council's housing stock.

Question 3

Are there additional options for the fabric efficiency rating that you think should be included? If yes, please describe these here:

There are no other options that are currently in scope to improve on options outlined in the Government's Consultation Paper.

Question 4

What, if any, are your views on how performance against the fabric efficiency rating should be measured?

Fife Council would urge that the SAP to establish the rating will offer a consistent assessment.

Question 5

What are your views, if any, on the proposal for a minimum fabric efficiency standard?

The potential measures would potentially include measures such as:

- 270 mm loft insulation
- cavity wall insulation
- draught proofing
- heating controls
- 80 mm hot water cylinder insulation
- suspended floor insulation.

The measures noted above are all reasonable measures to use for measuring the minimum fabric efficiency standard for social housing. are all reasonable measures.

If loft insulation is already at 200mm, the Council would suggest the top-up above this level would be of negligible benefit to the tenant or overall energy efficiency rating.

Question 6

What, if any, are your views on whether homes should not be relet if they cannot meet a minimum fabric efficiency standard?

The Council is fully supportive of tenants being able to enjoy warm and efficient homes. Every reasonable step should be taken within cost parameters to relet empty council houses which meet the standard.

Should costs be assessed as being unreasonable, or works are not easy to achieve, the Council should still be able to let the house to meet current housing and homelessness pressures. The Council doesn't see the point in leaving empty houses untenanted. The Council should offer financial and other support pending work to enhance the energy efficiency of the house.

Question 7

What, if any, are your views on whether ventilation and monitoring strategies should be required where MVHR is not installed?

The Council supports effective methods of controlling and improving internal air quality in council houses. Aligned to more effective heating, ventilation assist the tenant to control condensation and potentially black mould with assistance and support from the Council. This could include Humidistat fans and D-MEV systems.

The Council is currently testing Environmental Sensors in 180 council houses and notes that some other social landlords have significantly upscaled the use of Sensors to monitor air quality and moisture levels. The Council would strongly support the use of Sensors alongside more efficient and effective ventilation systems to aid tenants' management of their home.

Question 8

Option 1 – milestones which would require proportions of each landlords' stock to have had clean heating installed by target dates, 10% by 2030; 70% by 2040; 100% by 2045 (illustrative figures).

Option 2 – an interim target for properties off-gas, or using other fossil fuels.

To what extent do you support the requirement to install a clean heating system by 2045)?

- Strongly support**
- Somewhat support
- Neither support nor oppose

- Somewhat oppose
- Strongly oppose
- Don't Know

Please include any additional comments below.

To meet this intended timeline for installing clean heating would require significant Scottish Government or other Grant support to ensure that this burden was not passed onto council tenants through higher rent increases.

The Council's LHEES confirms that connecting council homes to district heating networks is our default position to heating homes. Again, significant grant assistance would be required to develop district network or electrical grid capacity upgrades to achieve these targets.

Question 9

Of the options presented for the interim targets, which one do you support for the SHNZS?

The Council supports Option 1 as presented.

Question 10

What are your views on whether neighbouring landlords could work together to reach such a target on a regional basis?

The Council would support a collaboration of social and private landlords to meet national targets on a regional basis but there would have to be tangible economic benefits in doing so.

Question 11 Are there any additional options for interim targets that you think should be included? If yes, please describe these here:

The Council does not currently believe that there are other options available.

Question 12

To what extent do you support the requirement for mandatory connections to heat networks under certain circumstances?

- Strongly support**
- Somewhat support
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't Know

Please include any additional comments below.

The Council together with the Scottish Government has already invested significantly in two large district heating networks at Dunfermline and Glenrothes. New housing developments (social and private sector housing) should be required to connect to the nearest district heating network if this is feasible and economically achievable.

Question 13

To what extent do you support the need for landlords to have an element of discretion to ensure measures are cost effective and in the best interest of tenants?

- Strongly support**
- Somewhat support
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't Know

Please include any additional comments below.

The Council, through its financial and stock condition assessment, will need to use discretion on the pace of delivery of the SHNZS to ensure the viability of the HRA Business Plan. The Council is of the view that the revised Standard is not affordable if it is to be solely or largely funded through tenants' rents.

Question 14

What, if any, are your views on whether targets should be varied by guidance from the Scottish Government in specific circumstances?

Social (mixed tenure), Heat network (to be connected), Legal objections or disposal

The Council supports flexibility in target setting where operating circumstances will be affected by external influences, such as inflation/costs of materials and delivery plans would be adjusted to account for the finance available to implement the standard.

Question 15

To what extent do you agree that the new SHNZS should apply to mixed tenure properties?

- Strongly support**
- Somewhat support
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't Know

Please include any additional comments below.

The Council is of the view that all tenures over time should comply with a Net Zero Standard. Why the standard should only apply to social housing is questionable as the financial burden will fall on tenants through increasing council tenants' rents. The application of the standard to all tenures would aid the Council in its statutory role to encourage the improvement of both public and private housing.

Question 16

Do you agree that for some blocks where the local authority or RSL is not a sole or majority owner, then a phased approach to retrofit work should be undertaken?

- Strongly support**
- Somewhat support
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't Know

Please include any additional comments below.

The process of negotiation with owners is problematic, time consuming and resource intensive. The proposed SHNZS will not apply to owners or private landlords, so some relief from the Council's statutory requirement is appropriate.

Question 17

To what extent do you agree that the new SHNZS should apply to Gypsy/traveller sites?

- Strongly support**
- Somewhat support
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't Know

Please include any additional comments below.

The Council is currently investing over £7.5 in HRA Capital to improve the Gypsy Traveller Sites in Fife by 2027. We have Scottish Government support to install renewable technologies to keep heating costs low for tenants. Chalet accommodation will replace amenity units and the improved housing will meet SHQS and SHNZS.

Question 18

What are your views on the timetable for introducing the new SHNZS?

The Council welcomes the outcome of the Review of ESSH and the extended timeline the Government has proposed. More time is required to evaluate financial support opportunities and technology development to assist the Council to meet the SHNZS.

Cabinet Committee

Outstanding Remits from Committees

Title	Service(s)	Comments
4th April, 2024		
Community Wealth Building	Business and Employability	Six monthly update – last update submitted t 05.10.23 Cabinet - para. 155 of 2023.CC.83 refers
Budget Planning 2024-27 - HRA Capital Plan Update	Finance and Corporate Services	As agreed at 08.02.23 Cabinet (para. 204 of 2024.CC.113 refers) (see also para. 11.5 of report)
Private Sector Tenants Housing Condition Report	Housing	As agreed at 04.05.23 Cabinet (para. 108 of 2023.CC.58 refers)
Annual Uplift in Payments to Foster Carers	Education and Children's Services	Annual report – last submitted to 09.03.23 Cabinet Committee - para. 85 of 2023.CC.46 refers
6th June, 2024		
Change Planning and Organisation Change	Communities	As agreed at 30.11.23 Cabinet meeting - para. 180 of 2023.CC.100 refers and para. 5.2 of report
12th September, 2024		
Housing Allocation Policy Review - Task & Finish Group Update	Housing	As agreed at 08.02.23 Cabinet meeting - para. 207 of 2024.CC.114 refers
7th November, 2024		
Anti-Bullying Policy	Education and Children's Services	As agreed at 02.11.23 Cabinet meeting – para. 169 of 2023.CC.93 refers – report to be brought back in a year's time
Housing Service – Domestic and Sexual Abuse Policy – Review	Housing Services	As agreed at 02.11.23 Cabinet meeting – para. 173 of 2023.CC.95 refers – report to be brought back in a year's time
6th February, 2025		
Local Heat and Energy Efficiency Strategy Delivery Plan	Planning	As agreed at 30.11.23 Cabinet meeting - para. 176 of 2023.CC.98 refers - detailed Delivery Plan to be reported to Cabinet by March 2025

Title	Service(s)	Comments
Unallocated		
Transfer of Development Land at North Fod, Dunfermline Update	Estates	As agreed at Cabinet 09.03.23 – para. 92 of 2023.CC.48 refers - Further report on the details surrounding the development of the site to be reported back in due course
Membership of Kimo UK	Executive Director (Enterprise and Environment)	As agreed at 16.03.23 Fife Council meeting – para. 60 of 2023.FC.68 refers
Wave Trust 70/30 Campaign	Education and Children's Services	As agreed at 16.03.23 Fife Council meeting – para. 60 of 2023.FC.70 refers
Houses in Multiple Occupation (HMO): Review of the Overprovision Policy	Housing Services	As agreed at 04.05.23 Cabinet meeting - para 107 of 2023.CC.57 refers – report to be presented during 2024
Short-Term Lets: Licensing Review and Control Areas	Planning / Protective Services / Housing Services	As agreed at 04.05.23 Cabinet meeting - para. 89 of 2023.CC.47 refers
Policy on the return of items of local, cultural or historical significance for local displays and heritage centres	Communities and Neighbourhoods	As agreed at 07.09.23 Cabinet meeting - para. 147 of 2023.CC.78 refers - Fife Tourism Strategy report
The Big Hoose Project – Update	Communities	As agreed at 05.10.23 Cabinet meeting - para. 153 of 2023.CC.83 refers - (see also para. 3.6 of Cost of Living - Winter Programme report)
Pay Strategy and Job Evaluation Project	Human Resources	As agreed at 30.11.23 Cabinet meeting - para. 188 of 2023.CC.103 refers (see also para. 4.1 of report - updates to be brought back to Cabinet)
Appointment of Chief Planning Officer (CPO)	Human Resources	As agreed at 11.01.24 Cabinet meeting - para. 195 of 2024.CC.107 refers - deferred to a future meeting
Pedestrian and Cyclist Access to Household Waste Recycling Centres	Environment and Building Services	As agreed at 11.01.24 Cabinet meeting - para. 199 of 2024.CC.110 refers - deferred to a future meeting
Mothballing of Milton of Balgonie Primary School - Consultation Report	Education and Children's Services	As agreed at 11.01.24 Cabinet meeting - para. 198 of 2024.CC.108 refers - consultation report to be brought back to committee
Allotment & Community Growing Strategy 2024-2028 Update	Communities and Neighbourhoods	As agreed at 08.02.24 Cabinet meeting - para. 209 of 2024.CC.115 refers