

Cabinet Committee

Council Chambers, 6th Floor, Fife House, North Street,
Glenrothes – Blended Meeting



Thursday, 7 November 2024 - 10.00 a.m.

AGENDA

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1. **APOLOGIES FOR ABSENCE**
2. **DECLARATIONS OF INTEREST** – In terms of Section 5 of the Code of Conduct, members of the Committee are asked to declare any interest in particular items on the agenda and the nature of the interest(s) at this stage.
3. **MINUTE** – Minute of meeting of the Cabinet Committee of 10 October 2024. 3 - 4
4. **REVENUE MONITORING 2024-25** – Report by the Executive Director (Finance and Corporate Services). 5 - 19
5. **CAPITAL INVESTMENT PLAN – PROJECTED OUTTURN 2024-25**– Report by the Executive Director (Finance and Corporate Services). 20 -31
6. **CHANGE PLANNING** – Report by the Chief Executive. 32 - 39
7. **SOUTH AND WEST FIFE - COMMUNITY USE ARRANGEMENTS** – Report by the Head of Communities and Neighbourhoods Service. 40 - 57
8. **DALGETY BAY COMMUNITY HUB** – Report by the Head of Communities and Corporate Development 58 -177
9. **HOUSING SERVICE - DOMESTIC AND SEXUAL ABUSE POLICY** – Report by the Head of Housing Services. 178 - 180
10. **STRATEGIC HOUSING INVESTMENT PLAN 2025-2030** – Report by the Head of Housing Services. 181 - 232
11. **FIFE DEVELOPMENT PLAN SCHEME 14** – Report by the Head of Planning Services. 233 - 257
12. **CLIMATE CHANGE - PUBLIC BODIES DUTY REPORT** – Report by the Head of Planning Services. 258 - 290
13. **TREASURY MANAGEMENT ANNUAL REPORT 2023-24 AND UPDATE 2024-25** – Report by the Executive Director Finance & Corporate Services 291 - 307
14. **CABINET COMMITTEE - OUTSTANDING REMITS FROM COMMITTEES** 308 - 310

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
North Street
Glenrothes
Fife, KY7 5LT

31 October, 2024

If telephoning, please ask for:

Michelle McDermott, Committee Officer, Fife House 06 (Main Building)
Telephone: 03451 555555, ext. 442238; email: Michelle.McDermott@fife.gov.uk

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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

Council Chamber, Fife House, North Street, Glenrothes

10 October 2024

10.00 am – 11.40 am

PRESENT: Councillors David Ross (Convener), David Alexander, Lesley Backhouse (substituting for Councillor Sarah Neal), Lynn Ballantyne-Wardlaw (substituting for Councillor John Beare), David Barratt, James Calder, Linda Erskine, Derek Glen, Brian Goodall, Peter Gulline, Judy Hamilton, Cara Hilton, Gary Holt, Allan Knox, Kathleen Leslie, Rosemary Liewald, Carol Lindsay, Donald Lothian (substituting for Councillor Fiona Corps), Gordon Pryde (substituting for Councillor Altany Craik), Ross Vettraino, Craig Walker and Jan Wincott.

ATTENDING: Ken Gourlay, Chief Executive; Eileen Rowand, Executive Director (Finance and Corporate Services), Les Robertson, Head of Revenue and Commercial Services, Caroline MacDonald, Procurement Service Manager, Revenue and Commercial Services, Lindsay Thomson, Head of Legal and Democratic Services, Helena Couperwhite, Committee Services Manager and Michelle McDermott, Committee Officer, Legal and Democratic Services, Finance and Corporate Services; Lauren Bennett, Project Manager (Community Wealth Building), Communities Directorate; Carol Connolly, Executive Director (Place), John Mitchell, Head of Roads and Transportation Service, Susan Keenlyside, Service Manager (Sustainable Transport and Parking) and Jane Findlay, Lead Consultant (Climate Change and Partnerships), Roads and Transportation Service and Grant Leaburn, Lead Officer, Employability and Employment.

APOLOGIES FOR ABSENCE: Councillors John Beare, Fiona Corps, Altany Craik and Sarah Neal.

291. DECLARATIONS OF INTEREST

No declarations of interest were submitted in terms of Standing Order No. 22.

292. MINUTE

The committee considered the minute of the Cabinet Committee meeting of 12 September 2024.

Decision

The committee agreed to approve the minute.

293. COMMUNITY WEALTH BUILDING - PROGRESS REPORT

The committee considered a report by the Head of Property Services providing a six monthly update in relation to the Community Wealth Building (CWB) Policy Framework approved by Cabinet Committee in April 2023.

Decision

The committee noted:-

- (1) the progress made to date to deliver Community Wealth Building; and
- (2) the priorities and next steps for 2025 and the intention to provide an annual report of future Community Wealth Building achievements.

294. SCHOOL CLOTHING GRANT - ELIGIBILITY CRITERIA

The committee considered a report by the Head of Revenue and Commercial Services proposing a review of eligibility criteria for School Clothing Grant to ensure that those currently eligible within the tax credits system would continue to receive clothing grant once they had migrated to Universal Credit. Universal Credit had a much higher threshold for school clothing grant than the tax credit system and some families currently in receipt of school clothing grant would therefore no longer be eligible.

Decision

The committee:-

- (1) agreed the changes to the School Clothing Grant policy contained within the report to ensure that no parents lost the grant due to migrating from tax credits to Universal Credit; and
- (2) noted that responsibility for maintaining the policy would transfer from the Education Service to Revenue and Commercial Services going forward.

295. FIFE COUNCIL ELECTRIC VEHICLE STRATEGY

The committee considered a report by the Head of Roads and Transportation Services seeking approval of the Electric Vehicle (EV) Strategy for Fife.

Decision

The committee:-

- (1) approved the Fife Council Electric Vehicle (EV) Strategy and delegated to the Head of Roads and Transportation Services to make any minor amendments prior to publication; and
- (2) agreed that further development be undertaken towards an On Street Charging Strategy.

296. CABINET COMMITTEE - OUTSTANDING REMITS FROM COMMITTEES

The committee noted the list of outstanding remits from committees.

7 November 2024
Agenda Item No. 4

Revenue Monitoring 2024-25

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 2024-25.

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 and pressures which continue to be managed by Services with an element of protection from financial risk being accounted for centrally;
- (iii) instruct Executive Directors to identify plans to mitigate overspends in order to manage within overall service budgets in the current year 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

Whilst the current forecast presents an overspend of £13.971m in the current year, a decrease of £2.701m since the last report, some specific service underspends of £6.373m will immediately be committed to ensure certain conditions of funding are met next year. To account for the ring-fenced nature of the variances, commitments against balances have been updated accordingly, resulting in the level of uncommitted balances being £3.055m which is below the policy minimum of 2% over a three-year rolling period.

There has been a decision to implement the non-teaching pay award, and the teaching pay award has been agreed. There are sufficient funds based on the provision we made for pay when we set the budget for 2024/25 and the amount we will receive from Scottish Government.

The scale of financial pressures on the council linked to the considerable cost pressures and service overspends going forward remain substantial and uncertain. Some services are managing large overspends and actions to minimise or mitigate these are currently being identified.

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 This report reflects the decisions taken in respect of the Revenue Budget 2024-25 and the Capital Plan Review 2023-33. The report focuses on the overall financial position of the council commenting on significant financial issues which impact on the overall 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 Significant overspends are now forecast across various services, with over half attributed to Health and Social Care. High level explanations are included in section 2 of this report, with further detail included in Appendix 2. The prolonged impact of higher inflation on all supply chains (notably energy, fuel, construction costs and other commodities) and employee costs continues to be a challenge.
- 1.3 More detailed financial reports will be 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 level of pay award for 2024-25 for teaching staff has been agreed and there is a decision to implement for non-teaching staff. Both of these will be paid to staff in November. The council has made provision for the pay award which is held in contingencies. Scottish Government has also made funding available of £77.5m to local authorities with a commitment to providing this on a recurring basis. Service budgets will be increased accordingly and the increased budgets will be reflected in the next report to this committee.

Other pressures – Economic/Cost of Living Crisis

- 2.2 The economic situation continues to cause concern in terms of the financial repercussions of previous high inflation and continuing high interest rates. These pressures mean the council is already experiencing increased costs, most notably, energy costs along with others such as food, fuel, other commodities and large contracts.

- 2.3 The cost-of-living crisis continues to affect households and, as such, additional funding was set aside as a reserve to meet excess demand in any of the welfare funds administered by the Council.

2024-25 Revenue Budget

- 2.4 The current revenue budget of £1.102m is shown in Appendix 1. Changes have been made to the budget since the last report reflecting allocation of commitments of general fund balances to services. The table below details these changes:

Table 1 – General Fund – Revenue Budget Movement

	Total Expenditure £m
2024-25 Budget (June 2024)	1,098.015
- Council Tax Income	0.038
- Budgets Funded from/(to) Balances	4.410
Current 2024-25 Budget (August 2024)	1,102.463

2024-25 Annual Forecast

- 2.5 The current forecast suggests an overspend in the current year of £13.971m. This is a combined result of service overspends of £15.841m (1.55% of budgeted expenditure) and an underspend of £1.870m in Additional Items as shown in the Table 2 below:-

Table 2 – General Fund – 2024-25 Summarised Forecast Statement

	Annual Budget	Forecast	Variance	Variance excluding cfwd commitments
	£m	£m	£m	£m
Service Totals	1,022.710	1,038.551	15.841	22.214
Additional Items	79.753	77.883	(1.870)	(1.870)
Total Expenditure	1,102.463	1,116.434	13.971	20.344
Financing	(1,102.463)	(1,102.463)	0.000	0.000
CONTRIBUTION (TO) / FROM BALANCES	0.000	13.971	13.971	20.344

- 2.6 The overspend of £15.841m on service expenditure is partially offset by an underspend of £1.870m in Contingencies. The Contingencies underspend is due to additional General Revenue Grant received from the Scottish Government.
- 2.7 Whilst the forecast position for the year is an overspend of £15.841m, there are some items that skew the reported position as they are ringfenced and funding must be made available in the next financial year for a specific purpose. Pupil Equity Fund (PEF) is the most significant example. To assist understanding of the underlying position, a column has been added to Appendix 1 which aims to highlight the likely position after the year end and the impact on general fund balances. Service underspends of £6.373m will be committed to ensure the conditions of funding and these will not increase uncommitted balances. This column shows that the final impact on the level of general fund balances will be a reduction of £20.344m. Section 4 of the report provides more information on the balances position.

The current forecast will be detrimental to the balances position, bringing the level of balances to £3.055m, which is below the policy position of holding balances of 2% over a three year period.

- 2.8 Given the forecasted position, it was previously recommended that Executive Directors identify plans to reduce the level of overspends to within budget. Further control measures will also be considered.
- 2.9 The service level variances and movement are set out and explained in more detail at Appendices 1 and 2 with higher level explanation as follows:

Within Education, a £5.682m overspend on non-devolved budgets is offset by a £3.883m underspend on devolved and the overall directorate position is an overspend of £1.799m. The main areas of overspend within non-devolved relate to maternity and long-term absence cover, Nursery Education and Special Education.

Health and Social Care are reporting a net projected overspend of £9.342m which assumes £4.049m will be received from the NHS as per the directions of the IJB. Adult Placements are reporting an overspend of £4.785m, the majority of which relates to non-achievement of savings. Other significant areas of overspend are Care at Home, £4.111m, mainly due an increase in care packages and Direct Payments and Older People Nursing & Residential, £3.098m mainly due to an increase in demand for Long Term Care and Assessment beds. There is movement of £2.521m which relates to an increase in the delivery of savings. A recovery plan was presented to IJB on 27 September, where the proposed direction was agreed, but should be noted that specific proposals were not approved.

Place Directorate is reporting an overspend of £3.181m with just over half relating to Sustainability due to supplementary management fee to be paid to Fife Resource Solutions as a result of unavoidable cost pressures mainly related to inflation, changes in legislation and an increase in waste volumes due to growth in houses across Fife. Facilities Management (Catering) is also reporting an overspend relating to a shortfall in income within schools.

Communities Directorate is reporting an overspend of £4.070m, which is mainly within the Children and Families Service. The service is reporting a net overspend of £3.916m, with Purchase Placements projecting an overspend of £5.365m. There is also an overspend reported of £0.798m relating to Children Affected by Disability (CABD) respite which is due to a new ongoing high-cost package. There are some offsetting underspends with a forecasted underspend of £2.375m reported in relation to staffing and £1.262m relating to the Whole Family Wellbeing funding which will be carried forward into 2025/26. The main areas of movement since previous reporting relate to staffing turnover, an increase in underspend of £0.825m, offset by the movement in forecast relating to CABD respite as noted above. Within Communities and Neighbourhood, the overspend mainly relates to Fife Sport and Leisure Trust, who are reporting an estimated deficit of £0.932m. Halls and Centres are also projecting an under-recovery of income of £0.540m.

Finance and Corporate Services is reporting an underspend of £2.526m, mainly relating to staff turnover/non-filling of vacancies. The directorate is facing significant recruitment challenges which is contributing to the level of vacancies.

Within Additional Items, contingencies is forecasting an underspend of £1.908m due to additional government grant received.

3.0 Financial Overview – Housing Revenue Account

Housing Revenue Account (HRA)

- 3.1 The Housing Revenue (HRA) Account forecast position is a nil variance as 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 £2.047m to offset overspends across the HRA. The main areas of overspend relates to £1.662m for Responsive Repairs, as a result of an increase in the cost of material and supply costs due to inflation and £1.520m for Hostel Expenditure. This continues to be a pressure for the HRA due to a sustained increase in demand for temporary accommodation. A forecasted underspend of £1.033m relating to efficiencies and improvements in the Change of Tenancy process partially offsets the overspends noted above.
- 3.3 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, accumulate funds for a specific or “earmarked” purposes and to mitigate against risk by providing a level of uncommitted reserves which can be drawn on to respond to “shocks” such as unforeseen cost increases. It is important to note balances are split into two categories – committed and uncommitted and the breakdown is detailed in the Appendix.
- 4.2 Over recent years, balances have been high as a direct result of grant funding received and not used in year. The opening balance for 2024/25 is £157.282m. Budgets of £33.945m have been transferred to Services and to Capital to fund the Capital Plan. The current year forecast overspend of £13.971m detailed in Section 2 will reduce the level of balances, with the estimated level before commitments being £109.366m.
- 4.3 As part of the Revenue Budget 2024-25, a full review of the commitments against balances was carried out. In doing so, commitments were updated to reflect the Council’s decision to use £14.250m for temporary investment and a further £5.260 to be set aside for future pressures.
- 4.4 Some of the current service underspends must be immediately committed to honour guaranteed carry forward arrangements such as Devolved School Management (DSM), Pupil Equity Funding (PEF) and Energy Management Revolving Fund (EMRF). There is an overspend of £13.971m that will reduce balances and in addition, carry forward of specific underspends will reduce balances available in future years by a further £6.373m.
- 4.5 During the year and in future, commitments against balances will be added to service budgets on the basis of need as it arises.

Earmarked and Commitments against Balances

- 4.6 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 the cost of living and the impacts of inflation and supply chain disruption.
- 4.7 Commitments represent items for which provision has been made but the costs are yet to be incurred.
- 4.8 £8.752m of commitments earmarked to deal with the financial consequences of Covid-19 has now been de-committed as recommended and approved in the previous report.
- 4.9 After taking account of all current earmarked balances and commitments, the forecast level of balances as at 31 March 2027 is expected to be £3.055m, which equates to approximately 0.28% 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. In order to work within the policy, the earmarked balances and commitments will be critically reviewed between now and December to assess whether any further funds can be de-committed. In addition, cost control measures will be introduced to reduce the level of overspend across services and improve the forecast balances position over the coming three years.
- 4.10 There is no plan, at this stage, to budget to restore balances given the potential scope to further de-commit items that have been earmarked and the ability to reduce the level of overspend as the year progresses. Given how precarious the current financial position is, this will be kept under close scrutiny and committee will be provided with regular updates in future reports.

HRA Balances

- 4.2 The opening HRA balance was £5.315m. There has been a transfer from balances totalling £2.722m, which is mainly to support the delivery of the Transitional Affordable Housing Programme, reducing the level of balances to £2.593m.

5.0 Conclusions

- 5.1 There is currently a forecast overspend of £13.971m. However, there are some service underspends which will need to be committed next year, meaning the projected impact on balances is more significant. Executive Directors are asked to plan and implement corrective/mitigating actions to bring costs down to a more sustainable to the budgeted level.
- 5.2 The positive balances position in the current financial year is providing the council with an immediate level of protection from significant cost increases and other financial risks but, given balances is one off in nature, will only assist the council's financial sustainability in the immediate term, leaving challenges ahead for the medium and longer term. Allowing for all commitments, the uncommitted level of balances is estimated as £3.055m in future years which is below the policy minimum. No plans are underway at the moment to budget to restore balances. This will be closely monitored over the year and a critical review of committed and earmarked balances will be undertaken.

- 5.3 The forecast position for the council's Housing Revenue Account in 2024-25 is a nil variance. The level of HRA balances, allowing for all commitments, is £2.593m which is in line with the policy minimum.

List of Appendices

1. General Fund Revenue Summary 2024-25
2. General Fund Variance Analysis
3. Housing Revenue Account Summary 2024-25
4. Housing Revenue Account Variance Analysis
5. Summary of Balances

Background Papers

None.

Report Contacts

Elaine Muir
Head of Finance
Finance & Corporate Services
Fife House
North Street
Glenrothes
Email: Elaine.Muir@fife.gov.uk

Tracy Hirst
Finance Operations Manager
Finance & Corporate Services
Fife House
North Street
Glenrothes
Email: Tracy.Hirst@fife.gov.uk

FIFE COUNCIL
GENERAL FUND REVENUE SUMMARY 2024-25

	Annual Budget £m	Forecast £m	Variance £m	Movement £m	Variance excluding funding commitments £m
EDUCATION					
Education (Devolved)	248.053	244.170	(3.883)	(0.412)	0.000
Education (Non Devolved)	176.402	182.084	5.682	1.233	5.682
	424.455	426.254	1.799	0.821	5.682
HEALTH & SOCIAL CARE					
Health & Social Care	233.150	245.921	12.771	(2.521)	12.771
H&SC Payment from Health per Risk Share		(3.429)	(3.429)	0.620	(3.429)
	233.150	242.492	9.342	(1.901)	9.342
PLACE					
Assets, Transportation and Environment	113.344	116.519	3.175	(0.143)	3.992
Planning	1.978	2.039	0.061	(0.167)	0.061
Protective Services	2.953	2.938	(0.015)	0.011	(0.015)
Business & Employability Service	6.180	6.140	(0.040)	(0.049)	(0.040)
Property Repairs and Maintenance	14.581	14.581	0.000	0.000	0.000
	139.036	142.217	3.181	(0.348)	3.998
COMMUNITIES					
Housing & Neighbourhood Services	16.886	17.264	0.378	0.262	0.378
Communities & Neighbourhood	56.294	57.265	0.971	(0.155)	0.971
Customer & Online Services	15.800	15.863	0.063	0.063	0.063
Children and Families	70.523	73.894	3.371	(0.545)	4.633
Criminal Justice Service	0.461	(0.252)	(0.713)	(0.089)	(0.713)
	159.964	164.034	4.070	(0.464)	5.332
FINANCE & CORPORATE SERVICES					
Assessors	2.127	1.955	(0.172)	(0.172)	(0.172)
Finance	5.582	5.250	(0.332)	(0.332)	(0.332)
Revenue & Commercial Services	16.472	15.559	(0.913)	(0.235)	(0.913)
Human Resources	7.908	7.005	(0.903)	(0.168)	(0.492)
Business Technology Solutions	20.030	19.872	(0.158)	0.108	(0.158)
Legal & Democratic Services	4.434	4.582	0.148	0.148	0.148
	56.553	54.223	(2.330)	(0.651)	(1.919)
Miscellaneous	0.099	0.099	0.000	0.000	0.000
Benefits and Taxation	5.607	5.607	0.000	0.000	0.000
Corporate and Democratic Core	3.527	3.331	(0.196)	(0.196)	(0.196)
	65.786	63.260	(2.526)	(0.847)	(2.115)
CHIEF EXECUTIVE					
Chief Executive	0.319	0.294	(0.025)	(0.025)	(0.025)
	0.319	0.294	(0.025)	(0.025)	(0.025)
SERVICE TOTALS	1,022.710	1,038.551	15.841	(2.764)	22.214
ADDITIONAL ITEMS					
Loan Charges (including interest on revenue balances)	56.591	56.591	0.000	0.000	0.000
Capital Expenditure Financed from Current Revenue	11.280	11.280	0.000	0.000	0.000
Obligations / Contingencies	11.882	10.012	(1.870)	0.063	(1.870)
	79.753	77.883	(1.870)	0.063	(1.870)
TOTAL EXPENDITURE	1,102.463	1,116.434	13.971	(2.701)	20.344
FINANCED BY:					
General Revenue Grant	(730.155)	(730.155)	0.000	0.000	0.000
Non Domestic Rates	(143.486)	(143.486)	0.000	0.000	0.000
Council Tax Income	(194.877)	(194.877)	0.000	0.000	0.000
Budgets transferred to/(from) Balances (previous years carry forwards etc)	(33.945)	(33.945)	0.000	0.000	0.000
TOTAL INCOME	(1,102.463)	(1,102.463)	0.000	0.000	0.000
CONTRIBUTION (TO)/FROM BALANCES	0.000	13.971	13.971	(2.701)	20.344

**FIFE COUNCIL
VARIANCE ANALYSIS**

GENERAL FUND					
Area	Current underspend / overspend	Provisional Outturn £m	Previous variance £m	Movement in variance £m	Commentary
EDUCATION					
Education (Devolved)	underspend	(3.883)	(3.471)	(0.412)	<ul style="list-style-type: none"> • Schools' devolved budgets (DSM) - (£1.472m) underspend reflects the level of carry forward from 2023-24. School budgets will be adjusted to reflect new rolls from August in due course. • Pupil Equity Funding (PEF) budgets - an underspend of (£2.000m) is estimated for 2024-25 based on previous years trends in expenditure across schools. • Pupil Support Service (£0.397m) underspend around staffing. This underspend is in relation to the achievement of a previous saving, and will be offset against a similar overspend under Special Education Non-Devolved where the saving is posted. Saving is implemented from August 2024. (£0.397m) movement from June as service were identifying where savings could be achieved.
Education (Non Devolved)	overspend	5.682	4.449	1.233	<ul style="list-style-type: none"> • Maternity and long term absence cover costs across schools +£2.977m overspend • Waste collection and grounds maintenance for schools projected costs showing an overspend of +£0.652m • Nursery Education projected overspend of +£1.593m due to additional staffing costs for nurseries and long term absence / maternity cover costs • Special Education - projected overspend of +£2.108m due to transport costs of +£1.350m in relation to transport of pupils projected overspend of +£0.454m on the Education Directorate share of the cost of secure placements and a further overspend of +£0.390m for payments to independent schools from tribunal decisions resulting in a young person attending independent school. • General Education - projected underspend of (£1.851m) due to budget setting for schools, which will be adjusted when school budgets are amended for the new session from August. Adjustments for the new teaching complement, including probationers, will be actioned and budgets updated as required per school rolls. The impact of this will be reported as part of the October monitor and included in future committee reports. Partially offsetting this is unachieved savings of £0.756m mainly in relation to income generation. • Movement is from increased overspend under Nursery Education of +£1.093m from updated pay forecasts for nurseries, including long term absence / maternity cover costs for early years officers (EYO's). Movement of +£0.652m from updated forecasts for waste collection & grounds maintenance not shown in June. This increased movement is offset slightly by some grant funding being projected as underspent at end of this financial year.
HEALTH & SOCIAL CARE					
Health & Social Care	overspend	12.771	15.292	(2.521)	<ul style="list-style-type: none"> • Adult Placements overspend +£4.785m, of this £2.2m is related to a greater volume of adult packages being commissioned, £0.739m increase in demand for taxis transporting service users to college or day care provision and £0.456m under-recovery on Housing Benefit income. £3.4m relates to the non achievement of savings - Commissioning and Transforming Overnight Care. Underspend of (£2m) for named individuals that are delayed in hospital outwith Fife; • Adults Supported Living underspend (£0.899m) due to vacancies across the service which will not be filled until the future design of the service is established; • Fieldwork Teams underspend (£1.222m) on older people packages for Respite / Daycare; • Care at Home (CAH) overspend +£4.111m, of this £2.386 is due to an increase in the commissioning of older people care packages, £0.660m on Fleet charges and smaller overspends on Meals on Wheels and Community Alarms. £0.750m relates to the partial non achievement of the Single Handed Care (SHC) saving; • Older People Residential & Daycare overspend +£1.812m due to increased agency costs which is partly offset by vacancies and catering and cleaning recharge; • Older People Nursing & Residential overspend +£3.098m, of this £5.3m is due to increased demand for LTC and £1.5m on Assessment beds, partially offset by (£4m) over-recovery on Income. £0.5m relates to the non-achievement of the Reprovision of Care saving; • Integrated Community Care overspend +£0.549m mainly due to purchase of equipment for the Fife Equipment Loan store; <p>The movement of (£2.521m) is mainly due to an increase in achievable savings; The IJB published a Recovery Plan in September that provides proposals to bring expenditure back in line with budget.</p>

**FIFE COUNCIL
VARIANCE ANALYSIS**

GENERAL FUND					
Area	Current underspend / overspend	Provisional Outturn £m	Previous variance £m	Movement in variance £m	Commentary
H&SC Payment from Health per Risk Share		(3.429)	(4.049)	0.620	

PLACE					
Assets, Transportation and Environment	overspend	3.175	3.318	(0.143)	<ul style="list-style-type: none"> • Environment and Building Services overspend of £0.385m due to continuing historical issue around transport, hires and repairs within Domestic Waste and Street Cleaning • Sustainability overspend of £2.346m relates primarily to an anticipated additional management fee paid from Fife Council (FC) to Fife Resource Solutions (FRS) due to arising and unavoidable cost pressures for FRS; • Property Services underspend of £0.817m relates to an anticipated underspend on the Energy Management Revolving Fund as a result of a number of jobs meeting the key criteria expected to materialise in 25/26; • Facilities Management (Catering) overspend of £1.410m relates mostly to School Catering where there is a shortfall of income mainly in Secondary Schools of +£0.600m, along with increased costs for food provisions as a result of inflationary pressures across all of Catering.

COMMUNITIES					
Communities & Neighbourhood	overspend	0.971	1.126	(0.155)	<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 £0.932m. Council officers continue to review the areas where the level of income received has been impacted by the pandemic. • Within Community Use and Halls and Centres there is a projected under-recovery of income of £0.540m. As part of the Community Use Plan, work continues to develop and implement a more targeted approach to 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 savings of £0.339m offset by an £0.398m underspend in Fairer Fife budget due to a reduction in the level of funding required by EPES • £0.271m external income received for expenditure incurred in 23/24 • The remaining overspend is offset by staffing vacancies across the service • The movement of £0.155m relates to the increased support required from FCT offset by the improved income position for Community Use and Halls & Centres and the income received for expenditure incurred in the previous financial year.
Children and Families	overspend	3.371	3.916	(0.545)	<ul style="list-style-type: none"> • Projected overspend of £5.365m on Purchased placements due to full year effect of placements made during the previous year. • Projected overspend of £0.488m on continuing care, £0.420m on Direct Payments, and £0.252m on throughcare rents, all in line with last year's spend. £0.798m on CABD respite due to a new ongoing high cost package. • Overspends are partially offset with projected underspends of £2.375m in pay costs due to staff turnover/reduction in residential staffing absences, and budget for permanent posts/staff who are currently undertaking other work, £0.336m overachievement of income for Unaccompanied Asylum Seeking Children, and £1.262m Whole Family Wellbeing funding which will be carried forward into 2025/26 to support the planned spend for next year. Movement - £0.825m on pay costs (excluding WFW), £0.440m on WFW funding, £0.795m CABD respite due to a new ongoing high cost package.

**FIFE COUNCIL
VARIANCE ANALYSIS**

GENERAL FUND					
Area	Current underspend / overspend	Provisional Outturn £m	Previous variance £m	Movement in variance £m	Commentary
Criminal Justice Service	Underspend	(0.713)	(0.624)	(0.089)	<ul style="list-style-type: none"> • Projected underspend on the permanent flexible element of CJS funding due to staff turnover creating vacant substantive posts as staff have been redeployed to undertake Covid and Bail Funded work. The funding for this work is temporary. The Service may require to fill some of these posts going forward so underspend may reduce. • Underspend also due to the fact that central support services are allowable within the grant funding, but are not charged out to services within this report.

FINANCE & CORPORATE SERVICES					
Revenue & Commercial Services	underspend	(0.913)	(0.678)	(0.235)	• Underspend mainly relates to higher than anticipated staff turnover/non filling of posts (£0.915m). The main areas are Business Support (£0.691m) and the Shared Service Centre (£0.135m).
Human Resources	underspend	(0.903)	(0.735)	(0.168)	• Underspend mainly relates to higher than anticipated staff turnover (£0.425m), the Youth Investment Fund (WYI) (£0.411m) and SCAVC NI savings (£0.116m). The Youth Investment Fund (£0.411m) would be carried forward to 2025-26.
Business Technology Solutions	underspend	(0.158)	(0.266)	0.108	• Underspend mainly relates to higher than anticipated staff turnover (£0.625m), partly offset by overspends on IT costs +£0.512m.

FINANCE & CORPORATE SERVICES					
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ADDITIONAL ITEMS					
Obligations / Contingencies	underspend	(1.870)	(1.933)	0.063	

**FIFE COUNCIL
HOUSING REVENUE ACCOUNT SUMMARY 2024-25**

	Annual Budget £m	Provisional Outturn £m £m	Variance £m	Movement £m
BUDGETED EXPENDITURE				
Repairs and Maintenance	46.239	46.913	0.674	0.674
Supervision and Management	21.579	21.461	(0.118)	(0.118)
Funding Investment:-				
Cost of Borrowing	39.153	39.049	(0.105)	(0.105)
Revenue Contribution (incl CFCR)	24.468	22.421	(2.047)	(0.913)
	<u>131.439</u>	<u>129.844</u>	<u>(1.596)</u>	<u>(0.462)</u>
Voids	2.571	2.262	(0.308)	0.000
Housing Support costs	(0.467)	(0.467)	0.000	0.000
Garden Care Scheme	0.446	0.387	(0.059)	(0.059)
Bad or Doubtful Debts	3.108	3.108	0.000	0.000
Other Expenditure	12.261	14.483	2.222	0.663
	<u>149.357</u>	<u>149.616</u>	<u>0.259</u>	<u>0.142</u>
FINANCED BY				
Dwelling Rents (Gross)	(139.112)	(139.112)	0.000	0.000
Non Dwelling Rents (Gross)	(3.774)	(3.722)	0.052	0.052
Hostels - Accommodation charges	(2.257)	(2.441)	(0.183)	0.000
Other Income	(1.492)	(1.620)	(0.128)	(0.194)
Budgets transferred to/(from) Balances (previous years carry forwards etc)	(2.722)	(2.722)	0.000	0.000
	<u>(149.357)</u>	<u>(149.616)</u>	<u>(0.259)</u>	<u>(0.142)</u>
CONTRIBUTION (TO) / FROM BALANCES	0.000	0.000	0.000	0.000

FIFE COUNCIL
VARIANCE ANALYSIS

HOUSING REVENUE ACCOUNT					
Area	Current underspend / overspend	Variance £m	Previous variance £m	Movement in variance £m	Commentary
Repairs and Maintenance	overspend	0.674	0.000	0.674	<p>• £1.662m overspend and movement relates to Responsive Repairs. The cost of repairs has been heavily impacted by increased material and supply costs over the previous years. The service is currently reviewing the volume and cost of various repairs with an intention to manage the overspend in year.</p> <p>• (£1.033m) underspend & movement relates to Change of Tenancy. Housing and Building Services have worked closely since 23-24 to make efficiencies and improvements to the COT process. This has led to reduced costs per COT and has generated the projected underspend in year.</p>
Revenue Contribution (incl CFCR)	underspend	(2.047)	(1.133)	(0.913)	<p>The underspend of (£2.047m) and movement of (£0.913m) relates to the overspends and movements across the HRA. An underspend on the CFCR results in the HRA Capital Programme receiving less funding from HRA Revenue and could lead the level of borrowing required to fund the HRA Capital Programme increasing. Therefore the impact on the overall HRA Capital Plan will need to be considered. The service will need to address the areas of overspend in year or find alternative mitigations for the CFCR to meet budgeted levels in year.</p>
Other Expenditure	overspend	2.222	1.559	0.663	<ul style="list-style-type: none"> • £1.520m overspend, movement £0.179m relates to Hostel Expenditure. Each hostel has high operating costs which have continued to represent a pressure for the HRA. Due to a sustained increase in demand for Temporary Accommodation, Hostels continue to be a required form of accommodation. To mitigate this cost, the service need to seek ways to reduce Hostel operating costs through alternative delivery models. • £0.265m overspend, movement £0.265m relates to High Rise Costs as a result of additional staffing and security costs at Swan & Memorial Court whilst works are underway to make improvements to the building. • £0.218m overspend, movement nil relates to Property Insurance which is estimated to be 20% higher than the previous financial year. • £0.127m overspend, movement £0.127m relates to a low staff turnover and additional staffing within Sheltered Housing in year.

FIFE COUNCIL
BALANCE - GENERAL FUND SERVICES

	2024-25 £m	2025-26 £m	2026-27 onwards £m
Balance at 1 April	(157.282)	(60.486)	(22.029)
Budgets transferred (to)/from balances	33.945		
Add Overall budget variance (Appendix 1)	13.971		
Estimated General Fund Balance at 31 March	(109.366)	(60.486)	(22.029)
Earmarked Balance			
Council Tax - Second Homes	6.900	3.926	0.000
Specific Carry Forwards			
DSM		1.883	
Energy Management Fund		0.817	
Pupil Equity Fund		2.000	(2.663)
Whole Family Wellbeing Fund		1.262	
Workforce Youth Investment		0.411	
Other Carry Forwards	0.050	0.402	0.098
Cost of Living Crisis Commitments:			
Business Support & Low Income Household	0.024		
Community Recovery Fund	0.772	4.876	0.000
COMIS/SWIFT delay	0.772		
Inflation - Supplies & Services	1.671		
Capital Investment Plan:			
CFCR	16.902		
Service Concessions	0.000	10.000	14.539
Capital Plan Review – Additional Funding	5.482		
Revenue Budget 2024-25 - Welfare Funding	0.300		
Revenue Budget 2024-25 - Unallocated	5.260		
Total Earmarked	38.133	25.577	11.974
	(71.233)	(34.909)	(10.055)
Commitments against balance			
Budget Carry Forward Scheme			
Change Programme	4.715	5.000	
Demographics/Pay/Pensions	5.330	5.000	3.000
Fife Job Contract		0.816	
Barclay Funding - Assessors		0.064	
Workforce Change	0.123	2.000	4.000
Lease Surrender - The Kirkcaldy Centre	0.150		
Election	0.342		
Other Commitments	0.087		
Total Commitments	10.747	12.880	7.000
Estimated uncommitted balance at 31 March	(60.486)	(22.029)	(3.055)

FIFE COUNCIL

Budgets transferred to/(from) Balances (previous years carry forwards etc)

	2024-25 £M	2025-26 £M	2026-27 onwards £M
Balance at 1 April	(5.315)	(2.593)	(2.593)
Budgets transferred (to)/from balances	2.722		
Add Overall budget variance 2024-25 (Appendix 3)	0.000		
Estimated uncommitted balance at 31 March	<u>(2.593)</u>	<u>(2.593)</u>	<u>(2.593)</u>

07 November 2024
Agenda Item No. 5

Capital Investment Plan–Projected Outturn 2024-25

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 2024-25 financial year.

Recommendations

The Cabinet Committee is asked to:

- i) approve the Capital Investment Plan re-profiling in Appendix 1 to deal with carry forward budgets from 2023-24 into later years of the plan;
- ii) note the projected outturn position and that the level of financial risk continues to be heightened due the impact of inflation and supply chain challenges;
- iii) instruct services to plan projects within the approved resource within the Capital Investment Plan;
- iv) note that more detailed capital outturn reports for 2024-25 will be submitted to relevant Scrutiny Committees of the council;
- v) note that budget variances will be managed by the appropriate directorate in conjunction with the Investment Strategy Group; and
- vi) note the updated prudential indicators provided.

Resource Implications

The overall projected outturn position for 2024-25 is total expenditure of £298.444m (98% of budget) which represents an increased level of capital investment compared to previous financial years. The level of investment is less than planned and there is expected slippage of £11.712m across the plan.

The rephased capital plan has resulted in increased levels of investment towards the early years of the plan to deal with some of the increased cost pressures being faced due to inflationary pressures and difficulties in supply chains. There is no increase to the value of the plan overall, however there is a reduction in later years to reflect the rephasing.

Additionally, interest rates remain at their highest level for 16 years which will likely have an impact on the cost of borrowing in future years of plan.

Legal & Risk Implications

Potential risks include continuing difficulties across supply chains, the impact of 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.

There is also a risk that due to the level of slippage that the cost of borrowing to finance the expenditure is greater than originally anticipated.

Impact Assessment

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

Consultation

The forecast positions are agreed in consultation with each directorate and are based around the expected progress and delivery of individual projects over the lifetime of the plan.

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 2024-25. The report also highlights the forecast over the life of major projects over £5.000m along with any potential risks associated with these projects. Section 2.1 highlights areas where there is deemed to be a greater level of financial risk linked to major projects. The Plan covers capital expenditure across 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

2.1 Major Projects

- 2.1.1 Appendix 1 provides a summary of the major projects within the Plan. There are 31 projects/programmes in this category with an overall budget of £826.717m.
- 2.1.2 At this stage, cost estimates suggest that there could be an overspend of £1.769m across the life of several major projects in the programme.

Methil Care Home is projecting a £0.800m overspend which is the last part of the estimated final bill for Methilhaven Care Home and relates to various elements including new fire safety measures and the emergent requirement regarding Legionella.

Anstruther Care Home is projecting a £3.342m overspend, this is due to the latest Stage Two Cost Plan reporting increased costs on individual components e.g. internal walls and partitions have more than doubled in cost at 166.3% and windows and doors at

71.6%. In addition, Cabinet agreed to bring forward the programme budget to meet the increases for Methilhaven and Cupar which has also impacted the budget remaining for Anstruther.

The overspends for both Methilhaven and Anstruther will be considered as part of the forthcoming Capital Plan Review.

Abbeyview Integrated Hub is projecting a (£2.373m) underspend as the tender returns were lower than anticipated.

2.2 Potential Risks and Issues

2.2.1 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.

2.2.2 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 (South and West Fife) 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 has concluded, with the schools opening to pupils as planned in August of this year. Through LEIP Phase 2 the council gained approval for a replacement for Inverkeithing High School which is due to open in August 2026, and work has now commenced on site. However, following the Scottish Government advising their decision in terms of LEIP Phase 3 projects, with the Glenrothes secondaries project not being successful, there is a requirement to consider alternative options in relation to the Glenrothes secondary schools alongside the wider school estate.

2.3 Financial Performance – 2024-25 Total Expenditure - Projected Outturn

Appendix 2 provides a summary by capital theme of projected expenditure and income for 2024-25 showing the total reprofiled expenditure budget of £310.156m and projected spend of £298.444m in the 2024-25 financial year, £11.712m slippage across the plan. Comparable expenditure for the previous three years was £242.073m (2023-24) £189.362m (2022-23) and £163.805m (2021-22).

This level expenditure is significant in comparison to previous years with an increase of 23% on expenditure compared to last year's outturn position.

3.0 Budgets and Funding

3.1 Budget

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 the 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 June 2024	309.867
CFCR/CFCR Swap	(0.137)
Increased Grant and Contribution Income	0.426
Current Capital Investment Plan as at August 2024	310.156

The increased level of grant and contributions income, in the main, relates to Capital Grant Allocation towards Coastal Change Adaptation £0.162m.

3.2 Expenditure

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

3.2.1 Opportunities for All

Health and Social Care – £0.650m

Methilhaven Care Home is projecting an overspend of £0.800m which is the last part of the estimated final bill for Methilhaven Care Home and relates to various elements including new fire safety measures and the emergent requirement regarding Legionella.

3.2.2 Thriving Places

Asset, Transportation and Environment – (£5.008m)

Leven Connectivity slippage of (£5.138m) relates to the River Park Routes Project due to delays in securing land from various landowners.

Area Community and Corporate Dev – (£3.139m)

Countryside Programme has slippage of (£0.530), (£0.366m) relates to Nature Restoration funding however this has been retracted by the Scottish Government. Sports and Golf Programme has an underspend of (£0.709m) due to the Golf Depot costs being less than anticipated. Community Facilities has a projected overspend of £0.929m, the majority of which relates to an advancement of enabling works on site for Templehall Integrated Community Hub.

Improving Health Through Leisure and Sport has slippage of (£0.562m), (£0.365m) relates to slippage within approved projects 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. (£0.198m) remains unallocated.

Sport & Leisure Facilities has slippage of (£1.814m), (£0.525m) is enabling works issues causing a delay to starting on site for Cowdenbeath Leisure centre. (£0.575m) remains unallocated. The remaining slippage is due to Synthetic Turf Pitch costs being less than anticipated alongside securing external funding.

3.2.3 Maintaining Our Assets – Rolling Programmes

Education and Childrens – (£1.339m)

Slippage of (£1.500m) under Education Rolling Programme for Freuchie PS Upgrades with a change in the financial profile of the project to meet the overall on-site delivery programme. The project is still anticipated to be completed on time next financial year.

Area Community and Corporate Dev – (£1.116m)

Plant and Machinery Replacement programme has slippage of (£0.466m), this is a result of a delay to the replacement of machinery with Fife Golf Trust. Discussions are ongoing to identify additional budget to enable the replacement programme to commence. Parks development projects have slippage of (£0.571m) due to the utilisation of the Play Park Renewal funding over core budget.

3.2.4 Maintaining Our Assets – Specific Programmes

Asset & Transportation & Environment – (£2.040m)

This is mainly as a result of slippage on Pathway to Net Zero of (£1.623m) due to slippage of a number of projects which were included within the original programme for 24-25. Whilst all of the 36 original projects are progressing, there continues to be a shortage of specialist contractor availability. It has become apparent that approximately 10 of the later projects, although started, will not be fully delivered until the early part of 2025-26.

3.3 Total Income

- 3.3.1 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).
- 3.3.2 Appendix 2 shows that there is a total income budget of £103.512m against a forecast of £96.938m giving a variance of £6.573m, which mainly relates to a reduction in grant income in relation to the Leven Connectivity project which reflects the slippage in para 3.2.2 above.

There are also variances in relation to the Housing Revenue Account, lower than planned CFCR contribution, £2.310m, partially offset by higher than planned Scottish Government Grants of £1.848m. 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.

The HRA has been awarded £1.848m in year to support the Property Acquisitions Programme. This has been received from the £80m, National Acquisition Programme announced by the Scottish Government in April 2024. The funding will be used to purchase properties in year with an aim to reduce time spent by families in temporary accommodation.

3.4 Total Funding

Within the total funding section of Appendix 2, there is an underspend on borrowing of £5.090m. 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. The underspend on borrowing reflects the slippage in t

he overall capital plan.

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.

The introduction of quarterly monitoring facilitates increased reporting to ensure that the council continues to operate within the indicators and boundaries approved.

4.3 Appendix 3 provides details of Fife Council's Prudential Indicators based on the Provisional Outturn figures. 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.

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

4.4.1 Capital Expenditure

This reflects the capital expenditure for 2024-25 along with the estimates for the next two financial years. The total expenditure has reduced by £12.942m from that reported to last committee and reflects the slippage in section 3 above.

4.4.2 Financing Costs

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.

4.4.3 External Debt

The projected external debt is in line with that previously reported to this committee and remains above the limit approved in April 2024 as noted in Appendix 3. 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 2024-27 and is not a cause for concern.

5.0 Conclusions

- 5.1 The current total expenditure budget for the financial year 2024-25 is £310.156m and the council is estimated to deliver £298.444m (96%) investment in the year, with slippage of £11.712m.
- 5.2 This level of expenditure represents continued progress on the delivery of a wide range of capital projects. Major capital investment by Fife Council continues, however, there is a level of uncertainty associated with speed of delivery and future costs.
- 5.3 There are 31 projects/programmes within the Plan which have a value of £5.000m or greater. The overall budget for these projects is £826.717m, with anticipated expenditure of £828.486m and an estimated overspend of £1.769m (0.21%).
- 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 requirement to report quarterly on the council's Prudential Indicators and to monitor these or 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

Report Contact

Tracy Hirst
Finance Operations Manager
Finance & Corporate Services
Fife House, North Street, Glenrothes
Email: tracy.hirst@fife.gov.uk

FIFE COUNCIL
CAPITAL INVESTMENT PLAN 2024-33
TOTAL COST MONITOR - MAJOR CAPITAL PROJECTS

Appendix 1

	Service	Original Approved Budget £m	Current Project Budget £m	Total Projected Outturn £m	Variance £m	Variance %	Current Project Status	Expected Project Completion Date
Opportunities for All								
Madras College Extension	E&CS		5.713	5.713	0.000	0.00%	Future Project	2027-28
Dunfermline Learning Campus	E&CS		120.678	120.678	0.000	0.00%	Completed Project	2024-25
Extension Secondary School - Viewforth	E&CS	5.989	6.335	6.335	0.000	0.00%	Future Project	2030-31
New Secondary School - Glenrothes /Glenwood	E&CS	27.532	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
Methil Care Home	H&SC	6.620	8.876	9.676	0.800	9.01%	Current Project	2024-25
Cupar Care Home	H&SC	5.580	10.254	10.254	0.000	0.00%	Current Project	2025-26
Anstruther Care Home	H&SC	6.145	8.864	12.206	3.342	37.70%	Feasibility	2026-27
		51.866	436.814	440.956	4.142	0.95%		
Thriving Places								
Northern Road Link East End	ATE		14.845	14.845	0.000	0.00%	Preparatory Works	2026-27
Western Distributer Road	ATE		9.299	9.299	0.000	0.00%	Future Project	2030-31
Northern Road A823	ATE		14.596	14.596	0.000	0.00%	Preparatory Works	2029-30
Levenmouth Reconnected	ATE	2.000	8.187	8.187	0.000	0.00%	Current Project	2027-28
Mountfleurie Bridge	ATE		8.500	8.500	0.000	0.00%	Preparatory Works	2025-26
River Park Routes	ATE		5.566	5.566	0.000	0.00%	Preparatory Works	2025-26
Glenrothes - Riverside Park	Bus & Employ	4.980	5.120	5.120	0.000	0.00%	Current Project	2024-25
Abbeyview Integrated Hub	Communities	1.500	9.506	7.133	(2.373)	-24.96%	Current Project	2024-25
Templehall Community Hub	Communities	1.500	15.304	15.304	0.000	0.00%	Current Project	2026-27
Cowdenbeath LC Phase 2	Communities	1.600	7.368	7.368	0.000	0.00%	Current Project	2025-26
East Sands LC Redevelopment Project	Communities	6.000	6.000	6.000	0.000	0.00%	Future Project	2026-27
		17.580	104.292	101.919	(2.373)	-2.28%		
Inclusive Growth and Jobs								
Fife Interchange Business Units - Phase 1 & 2	Bus & Employ	8.130	11.519	11.519	0.000	0.00%	Current Project	2024-25
John Smith Business Park Business Units	Bus & Employ	3.644	5.517	5.517	0.000	0.00%	Current Project	2025-26
		11.774	17.036	17.036	0.000	0.00%		
Housing Revenue Account								
Affordable Housing over £5m			205.092	205.092	0.000	0.00%	Future Project	2027-28
		0.000	205.092	205.092	0.000	0.00%		
Maintaining Our Assets								
Lochgelly Primary School	E&CS	9.000	8.984	8.984	0.000	0.00%	Completed Project	2024-25
Leven Railway Bridge & Bawbee Bridge	ATE	2.279	10.150	10.150	0.000	0.00%	Current Project	2025-26
Den Burn Bridge	ATE	2.120	10.710	10.710	0.000	0.00%	Preparatory Work	2028-29
Broad Street Bridge Cowdenbeath	ATE	3.678	11.808	11.808	0.000	0.00%	Preparatory Work	2028-29
Lyne Burn	ATE	1.217	6.217	6.217	0.000	0.00%	Future Project	2030-31
Local Area Network	BTS	7.200	7.314	7.314	0.000	0.00%	Current Project	2029-30
Balwearie High School	E&CS	8.300	8.300	8.300	0.000	0.00%	Future Project	2027-28
		33.794	63.482	63.482	0.000	0.00%		
Grand Total		115.014	826.717	828.486	1.769	0.21%		

**FIFE COUNCIL
CAPITAL INVESTMENT PLAN 2024-33
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	46.452	13.224	47.550	1.099	102%
Thriving Places	17.896	44.408	7.242	36.033	(8.375)	81%
Inclusive Growth and Jobs	11.116	6.906	1.132	7.205	0.300	104%
Maintaining Our Assets - Rolling Programmes	45.657	68.909	20.436	66.357	(2.552)	96%
Maintaining Our Assets - Specific Programmes	13.387	15.230	3.056	13.159	(2.071)	86%
Housing Revenue Account	100.315	121.514	44.939	121.402	(0.112)	100%
Corporate Items	14.597	6.737	0.000	6.737	0.000	100%
TOTAL EXPENDITURE	288.496	310.156	90.029	298.444	(11.712)	96%
Scottish Government Specific Capital Grants	(3.856)	(5.502)	0.464	(7.350)	(1.848)	134%
Other Grants and Contributions	(46.863)	(49.017)	(14.154)	(42.905)	6.111	88%
Capital Financed from Current Revenue (CFCR)	(61.426)	(48.993)	(11.080)	(46.683)	2.310	95%
TOTAL INCOME	(112.144)	(103.512)	(24.770)	(96.938)	6.573	94%
TOTAL NET EXPENDITURE	176.352	206.644	65.259	201.506	(5.138)	98%
Scottish Government General Capital Grant	(40.776)	(28.579)	(13.400)	(28.579)	0.000	100%
Capital Receipts	(5.024)	(1.275)	(1.435)	(2.632)	(1.357)	206%
NHT Loan Repayments	0.000	0.000	0.000	0.000	0.000	0%
Borrowing from Loans Fund - General Fund	(96.140)	(95.969)	0.000	(89.224)	6.746	93%
Borrowing from Loans Fund - HRA	(34.412)	(80.821)	0.000	(81.119)	(0.298)	100%
TOTAL FUNDING	(176.352)	(206.644)	(14.835)	(201.554)	5.090	98%

Fife Council PRUDENTIAL INDICATORS 2024-27

ACTUAL 2022-23	ACTUAL 2023-24
£m	£m
103.964	153.167
85.399	88.906
189.362	242.073
£m	£m
11.996	49.791
30.519	32.665
42.515	82.455
£m	£m
942.946	968.749
128.401	135.327
1,071.347	1,104.077
1.27%	5.14%
23.77%	24.14%
£m	£m
785.892	831.339
414.161	437.174
1,200.053	1,268.513
995.595	1,173.131
1,489.036	1,528.856
1,418.129	1,456.053
£m	£m
995.595	1,173.131
1,200.053	1,268.513
(204.458)	(95.383)
100%	100%
75%	75%
0%	0%

Affordability Indicators

Capital Expenditure
General Fund
Housing Revenue Account

Financing Costs
General Fund
Housing Revenue Account

Net Revenue Stream
General Fund
Housing Revenue Account

Ratio of Financing Costs to Net Revenue Stream
General Fund
Housing Revenue Account

The Capital Financing Requirement
General Fund
Housing Revenue Account

External Debt
Authorised Limit for Total External Debt
Operational Boundary for Total External Debt

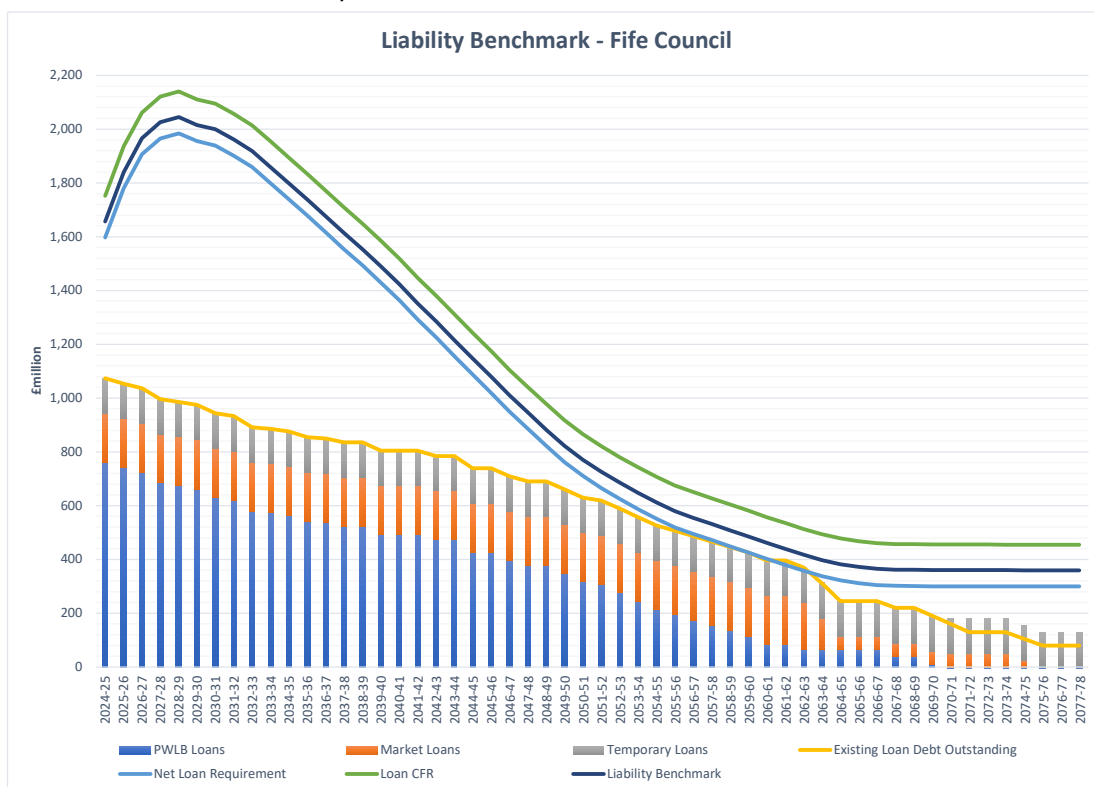
Prudence Indicators

External Debt and the Capital Financing Requirement
Forecast External Debt
Forecast Capital Financing Requirement

Adoption of the CIPFA Code on Treasury Management
Code adopted in 1996 and compliance maintained through the Treasury Management Strategy
Fixed Interest Rate Exposure Upper Limit
Variable Interest Rate Exposure Upper Limit
Total Principal Sums Invested Beyond 364 days Upper Limit

PROJECTION 2024-25	ESTIMATE 2025-26	ESTIMATE 2026-27
£m	£m	£m
177.042	194.160	135.257
121.402	137.399	128.446
298.444	331.559	263.703
£m	£m	£m
60.465	62.158	66.446
39.229	45.880	51.555
99.694	108.038	118.001
£m	£m	£m
1,068.503	1,038.338	1,038.338
142.748	148.828	156.200
1,211.251	1,187.166	1,194.538
5.66%	5.99%	6.40%
27.48%	30.83%	33.01%
£m	£m	£m
894.838	995.462	1,044.303
497.660	579.258	650.318
1,392.498	1,574.720	1,694.621
1,357.994	1,553.376	1,691.804
1,691.865	1,754.843	1,796.440
1,611.300	1,671.279	1,710.895
£m	£m	£m
1,357.994	1,553.376	1,691.804
1,392.498	1,574.720	1,694.621
(34.504)	(21.344)	(2.817)
100%	100%	100%
75%	75%	75%
0%	0%	0%

Debt Liability Benchmark



FIFE COUNCIL PRUDENTIAL INDICATORS 2024-27 - EXPLANATORY NOTE

CAPITAL EXPENDITURE

This reflects the budgeted capital expenditure for the next 3 financial years.

FINANCING COSTS

These are the costs to the Council of borrowing money to pay for capital projects and include principal repayments and interest charges which are charged against the relevant revenue budgets, known as Loan Charges. These costs will vary over time as capital expenditure estimates and interest rates change.

NET REVENUE STREAM

This provides details of the income anticipated from General Government Grant, Council Tax, Non-Domestic Rates and Housing Rents. The estimates used are consistent with the assumptions in medium term finance strategy.

RATIO OF FINANCING COSTS TO NET REVENUE STREAM

This is a key indicator and highlights how much of the Council's annual income is used to meet the costs of the Council borrowing to fund Capital Expenditure Plans. The cost of borrowing becomes a fixed cost, which is increasing over time as revenue streams decrease and capital expenditure increases.

THE CAPITAL FINANCING REQUIREMENT

This indicator quantifies the Council's need to borrow to fund Capital Projects. It takes account of capital expenditure and income estimates along with the estimates for the repayment of loan charges in each of the financial years.

EXTERNAL DEBT

This is the amount the Council borrows externally to fund Capital Projects. Council's can only borrow on a long term basis to meet the cost of new capital expenditure.

AUTHORISED LIMIT / OPERATIONAL BOUNDARY FOR EXTERNAL DEBT

These are approved limits which are used to monitor the total borrowings of the Council on a day-to-day basis. The Operational Boundary is set to reflect the estimated need to borrow for a capital purpose in the current and two following financial years as permitted by the CIPFA code on Treasury Management. It is not normally expected to be exceeded. The Authorised Limit is the upper limit of gross external debt which should not be exceeded. It reflects the level of external debt which could be afforded in the short term but is not necessarily sustainable in the longer term. If any breach of either of these limits were to occur, members should be formally advised of the occasions and reason for the breach. These limits are contained in the Treasury Strategy 2023-26 and approved by Cabinet Committee in August 2023 and will not change until new limits are approved in 2024-25.

FIFE COUNCIL

PRUDENTIAL INDICATORS 2024-27 - EXPLANATORY NOTE (Continued)

EXTERNAL DEBT AND THE CAPITAL FINANCING REQUIREMENT

This is another key indicator which highlights whether the Council has borrowed to meet its needs or not. If the limit has been exceeded, it may indicate that the Council has borrowed in advance of its needs. This indicator requires to be closely monitored to ensure premature borrowing does not happen.

DEBT LIABILITY BENCHMARK

the relationship between the gross loan debt and its loan debt less investments made for treasury purposes. The Council is required to estimate and measure the Liability Benchmark for future years. The Liability Benchmark is not a single measure and therefore presented as a chart detailing four components:

Existing Loan Debt Outstanding – Council's existing loans still to be repaid.

Loan CFR – this is calculated in accordance with the Prudential Code guidance and projected into the future. It represents future estimated borrowing requirements.

Net Loans Requirement – this shows the Council's gross loan debt less treasury management investments at the end of each financial year based on the approved prudential borrowing, estimated loan fund principal repayments and any other major cash flow forecasts.

Liability Benchmark – this equals the net loan requirement plus short-term liquidity allowance for day-to-day cash flow purposes

The graph is intended to illustrate the gap between the current level of outstanding debt and the liability benchmark. Where the debt outstanding or actual loans are below the benchmark, this indicates a future borrowing requirement. This is shown between 2023-24 and 2049-50. In any year where the loans are greater than the benchmark demonstrates an overborrowed position which will mean there is a requirement for cash investment.

The graph depicts the borrowing requirement in the earlier years because of the planned levels of capital expenditure in those years based on the 10 year Capital Investment Plan.

7 November 2024
Agenda Item No. 6

Change Planning

Report by: Ken Gourlay, Chief Executive

Wards Affected: All Wards

Purpose

This report details progress on change planning in line with the public service reform goals in the Plan for Fife and the challenging financial context. Changes across services are being captured within the Service Change planning process which is integrated with the forward budget process.

Recommendation(s)

Cabinet is asked to:-

1. note the context and forward challenge;
2. review progress made on change as part of the budget challenge; and
3. agree the forward timeline for change planning.

Resource Implications

This work draws on internal resource and external support funded through the Scottish Government Whole Family Support transformation workstream. Change fund support is also being drawn on across the change streams and will be contained within the existing fund.

Legal & Risk Implications

The overall approach to change is the response to mitigate the forward resource and demand risk. Internal control measures have been identified including the Mid Term Financial Strategy, Managing Workforce Change Policy and engagement approaches.

Impact Assessment

Impact assessments will be undertaken as work develops.

Consultation

As previously reported, this work builds on continuing engagement with services and partners and communication with the trade unions.

1.0 Background

- 1.1 The current strategic approach to change was agreed by Cabinet in June 2023. A further report in November 2023 agreed the outline case for a “No Wrong Door” approach to service development together with improvements to decentralisation and area reporting.
- 1.2 Previous approaches to change have included a combination of service specific change and cross council enabling change, the most recent being Changing to Deliver which was reported to Policy and Co-ordination Committee in April 2021. It enabled savings of circa £35m across nine opportunity areas and was integrated into Service Change planning.
- 1.3 Since then, the focus has been on recovering from the pandemic and delivering against the recovery and renewal priorities set out by the council and Fife Partnership. Over the period, achieving Plan for Fife outcomes has continued to be challenging. The 2024 Strategic Assessment provided evidence that Fife continues to face persistent, wicked issues that are already known to us, and which are causing social, economic and environmental harm to people and communities. In August 2024, Fife Partnership Board re-committed to focussing on three key priorities for the final three years of the current Plan:
 - tackling the root causes of poverty and inequality
 - growing the local economy and community wealth building
 - addressing the impacts of climate change
- 1.4 A Budget Report was considered by Cabinet in September 2024 which provided an update on the period 2025-2028. The budget gap, based on the central scenario, is £16.8m for 2025-26 rising to £46.5m in 2027-28 after assuming a 3% council tax increase. The UK Autumn Budget will be announced on 30 October and an update will be provided to Group Leaders thereafter. Given the financial outlook, a longer-term solution is required to enhance preventative work and deliver sustainable public services. The proposals for change that are described in this report will form part of the budget options that will be shared with political groups and trade unions in November.
- 1.5 Audit Scotland recently published its report on transformation in councils. The report highlights the importance of forward change planning and its role in the budget process. ([Transformation in councils Sector-led change and collaboration to achieve financial sustainability \(audit.scot\)](#)). The Accounts Commission will be auditing local transformation work in the year ahead as part of their Best Value reporting programme.
- 1.6 Fife Council is committed to providing good quality, sustainable services that make things fairer for everyone in Fife, despite all the challenges. To do this it will be essential for community planning partners, the third sector, elected members and citizens to collaborate in the re-design and transformation of services.

2.0 Future Council Change

- 2.1 Like all public service providers, we are now operating in a different, and increasingly difficult, environment. Tough decisions will be required, with changes to existing operational arrangements and subsidies expected. A longer-term view taking account of demographic changes and their impact on demand, prompts a shift to early intervention which will have a drag effect, resulting in a time delay until improvements may be experienced. This will be the case with the No Wrong Door approach in terms of benefits and potential resource realignments. In addition, demographic changes and external factors continue to add demand pressures.

- 2.2 Over the next three years, some services will be redesigned to work more effectively around people, life events and places. The various strands of change work being taken forward will combine into a renewed model for council services fit for the future. In turn, delivery mechanisms will be created to realise the expected benefits. Delivery will require investment in energy and resources across the council with corresponding funding requirements. This will include staff and other investment requirements such as increased digital and data capabilities. Investment requirements are being explored as part of the change process.
- 2.3 This work is complex, stretches beyond the council and is concerned with making system wide changes to how services operate. Underpinning principles continue to be:
- prevention and early joined up support
 - people centred and relationship focussed services
 - ease of access, a responsive culture and joined up systems
- 2.4 Given the scale of both the social and financial challenges, it is increasingly important to target our resources at priority outcomes. Evaluating current targeting and subsidy approaches will be necessary to gauge the impact and ongoing relevance of high tariff interventions. This will include assessing the impact the intervention has on outcomes, researching what others do and identifying future options. Simply put, where there is less demand or less evidence of their impact – services could be reduced, focussed on those who need them most, or stopped altogether. Some options will be challenging and engagement with stakeholders including elected members and trade unions continues to be key.
- 2.5 Service change planning is the mechanism by which change is identified, cross referenced and co-ordinated where similar enablers are required. It covers the three year period from 2025/26 to 2027/28. A 5% planning assumption has been adopted. Three year visions are being crafted by each Directorate and service and indicative change proposals identified. These are being further worked up and early indications are that achieving a sustainable forward position through productivity and organisation change will not be enough on its own with policy aspects likely to require consideration. There is considerable interplay across services and cross-cutting change themes and this is co-ordinated via the Reform Board (members of the Council Executive Team). Cross-cutting change such as No Wrong Door, Digital and Place are integral parts of Service Change plans to ensure alignment and avoid potential double counting.
- 2.6 Workforce planning is running in parallel with engagement with the trade unions as appropriate. Workforce challenges exist in terms of an aging profile, high absence rates, hard to recruit posts and skills gaps. Given the scale of potential resource reduction, the workforce may need to reduce in size and options to progress this through consensual means will be explored.

3.0 Cross cutting change - No Wrong Door

- 3.1 No Wrong Door refers to work aimed at shifting the emphasis from providing recurring crisis support to focussing on prevention through earlier intervention and support. It is a key component of the Plan for Fife.
- 3.2 An Outline Business Case (OBC) involving the development of a wellbeing and prevention operating model was agreed by the Cabinet in November 2023. At the same time, Children, Families and Justice services became part of the Communities Directorate to enable the next steps in designing such an operating model. During 2024, four strands of work were taken forward to inform design and the approach to

implementation. This phase of work has now concluded with reports to the No Wrong Door partnership board.

The four strands were:

- Review of support, referral and joint working processes across services in one area in Fife (Cowdenbeath)
- Design of a data framework and tools to improve knowledge of need and impact locally to enhance existing approaches such as LIFT (Low Income Household Tracker)
- Case management and data sharing requirements and approach
- Customer information – building on cost of living information and guidance to improve access, coordination of information and guidance for customers, staff and partners.

3.3 The outputs from this phase of work are being considered currently and as part of three year service change planning. A framework for implementation is in development including the following elements:

Community Team capacity	Creation of integrated community support teams with a service offer covering welfare and financial support, housing support, managed referral and customer advocacy. Phased approach to implementation to establish working arrangements and service relationships. Will build on existing initiatives such as the Cowdenbeath design work, putting people first (Kirkcaldy) and cost of living programme initiatives across the areas.
Place Leadership	Revised place management and partnership working arrangement across services in an area to provide leadership support to the community teams and improved joint working of plans and funding (this is currently in discussion with Scottish Government as a possible pathfinder as described in the recent Programme for Government).
Directorate operating model	Organisational and process changes across Communities Directorate to enhance earlier intervention and join up support processes. This would include all in scope services including Employability.
Prevention and Partnership	Development of a system wide approach to prevention at Fife Partnership level. Currently Fife has a proposal with Public Health Scotland to work with the Institute of Health Equity (Sir Michael Marmot) to build an overall partnership approach to prevention through focussing on the social determinants of health.

3.4 Taken together, these elements should provide a mutually reinforcing and whole system approach to prevention from strategic partnership to local action. In line with the timescales in section 7, the expectation would be that by the end of the first year of

implementation (i.e. 2025/26), we would have in place revised directorate management arrangements together with an operational community support function and revised place working arrangement in one area as the basis for implementation across Fife.

- 3.5 The approach is expected to realise several benefits and mitigate some of the impact of the reduction over time of crisis support funded from temporary and carry forward funding. Longer term benefits in terms of improved outcomes are more difficult to quantify but should be measurable ultimately through changes in demand.

4.0 Cross cutting change - Area Committee update

- 4.1 **Role** - proposed changes to the area committee role have been progressed since the November 2023 Cabinet Committee report. The role of area committees was updated to include the following wording and agreed at Fife Council meeting on 16 May 2024:

“Area committees are an integral part of Fife Council’s decision making and governance framework. As part of the Council’s commitment to decentralisation, they ensure that policies and services are responsive to the needs and wishes of communities. In addition to specific local decision making responsibilities, area committees can scrutinise local delivery of services and shape wider priorities, policies and programmes.”

- 4.2 **Housing** – a revised area Housing Plan approach has been devised and is reporting to each area committee on a regular basis. Positive feedback has been received on the revised report which contains a wider range of housing information.
- 4.3 **Capital Investment and Regeneration** – A wide range of capital projects are delivered by Communities and Neighbourhoods Service across Fife. To facilitate better scrutiny from the areas, Capital Plan project extracts are provided to each committee area on a bi-annual basis summarising the projects, descriptions, stages and estimated timelines. This is issued to respective community managers on a six monthly basis in Autumn and Spring who use the most appropriate mechanism to ensure members are updated on progress via members briefs, workshops or as part of the area committee agenda. The first extract was issued in August 2024 and the approach allows members to feedback on projects and provide suggestions on any additional information required.
- 4.4 **Community Wellbeing** - anti-poverty updates have been reported or are scheduled across all area committees. Positive feedback has been received from committees who have scrutinised these.
- 4.5 **Greenspace and Property & Facilities management** – work has progressed on these as part of Place based cross cutting change and is included in section 5 below.

5.0 Cross Cutting change – Place

- 5.1 Place refers to the refocussing of the Environment and Enterprise Directorate recognising where place impacts on the wellbeing of people and planet.
- 5.2 It encompasses a range of activity to support decentralisation and reduce duplication across the council ensuring services and assets achieve better outcomes for people and communities in line with the Place Principle. The Place Principle promotes a shared understanding of place, the need for collaboration and was used as part of the recent Our Place Fife survey.

5.3 Place related change will address issues of responsiveness as well as wider changes being explored as part of people and place. Specific updates relating to the package of related changes are shown below.

<p>Greenspace</p>	<p>The quality of our greenspace has a proven effect on public perceptions of local authority performance, and significantly affects the economic performance of a place. Following further engagement with all Area Committees and to maintain and improve upon the management of greenspace, a new service structure based on the ‘place principle’ is being examined. Progress to date includes consultation with Area Committees on local specifications and the formation of officer/member working Groups. Staff with greenspace responsibility have been identified across the Council and discussions about functions and service structures are ongoing.</p>
<p>Assets</p>	<p>An Asset Sustainability Programme is in development to help reduce property expenditure and assist the council to meet its net-zero objectives. It will also encourage, more efficient use of property assets and allow funding to be prioritised for improving service delivery, property maintenance and local facilities management. As well as improving stewardship the programme will examine opportunities to simplify and improve the support provided to community organisations. It is anticipated the programme will last for three years and cover all council</p>
<p>Area Transport Plan</p>	<p>The Area Transport Plan, undertaken as a pilot project, sets the priorities for transport in the Glenrothes Area over the next ten years. It helps guide the management and development of transport, including active travel, public transport and the road network, ensuring that external funding and development opportunities are fully maximised. It covers services that Fife Council directly provides, as well as those that will be delivered in partnership and contains a place-based Action Plan to improve connectivity to enhance local places based on community input, subject to funding and agreements over the ten-year lifetime of the plan, until 2034. Similar approaches will be undertaken for other strategic priorities such as the Economic Strategy.</p>

5.4 As outlined in paragraph 3.3, the key to success will be a co-ordinated approach across all services, in particular, people and place services prioritising personal wellbeing through joint working, plans and funding. The Place Directorate will work in tandem with the ‘No wrong Door’ programme and, where relevant, mirror the timescales stated at paragraph 3.4.

6.0 Cross Cutting change – Digital

- 6.1 Digital enabled opportunities arise across all services and are being included within Service Change proposals broadly under the banner of productivity and organisational effectiveness. Whilst change will always be delivered at the service level, there are shared opportunities with common digital enablers, tools, software, devices and infrastructure. Opportunities are being identified under five areas of inter-related focus:
- Customer Service Delivery
 - Optimising Workstyles
 - Process Re-design
 - Developing Data and Insight
 - Embracing Emerging opportunities
- 6.2 **Customer Service Delivery** – this includes the opportunity to have end to end automation of customer service delivery from request to fulfilment. This helps cut out manual processes, improving responsiveness and saving administrative time. There will be improved speed and accuracy with an expectation that complaints will reduce as a result. Examples include using sensors to detect faults, automating processes using AI.
- 6.3 **Optimising Workstyles** - The aim is for all employees to maximise their roles through fully utilising the digital tools and platforms available to them. This optimisation will lead to tangible efficiencies, which could be translated into savings or redirected towards greater productivity. Examples include optimising the use of current Microsoft 365 tools, reducing paper within processes, digital scheduling and routing.
- 6.4 **Process Re-design** - The aim is for internal processes to be standardised, well-documented and consistently executed. Opportunities to redesign processes will be identified for potential digital transformation. Examples include automating internal processes, removing duplication and manual steps, lifting the bureaucratic burden.
- 6.5 **Developing Data and Insight** - The aim is to harness data as a primary resource and asset, shifting away from reactive and costly interventions, towards more efficient and effective, pre-emptive and predictive approaches and policies. A Data Strategy and associated Governance policies will be implemented to ensure safeguards are integrated into approaches. Data and Insight capability will be grown and equipped with the necessary skills and tools to mine, combine, refine and provide insights from data sources. This will provide improved support for transformation efforts and will use AI-driven analytics to rapidly generate actionable insights from council data. Examples include identifying and linking case management systems in support of the No Wrong Door approach.
- 6.6 **Embracing Emerging opportunities** – Cutting across all focus areas is the changing technology landscape that will bring new ideas and innovations. These will require horizon scanning, assessment via use cases and proofs of concept. Recent emergent digital opportunities include:
- Cognitive AI and analytics
 - Generative AI Low code and no code rapid development
 - Chatbots and new customer interactions
 - Use of “Internet of Things” and Sensor-based data gathering
- 6.7 The overall scope and extent of digital opportunities is being assessed in-conjunction with services. Early work is progressing on tests of change in relation to automation and AI. Ongoing engagement requirements from external partners are being worked through.

Engagement to date has been positive with use cases being identified and progressed. It is likely that investment will be required to deliver the digital enablers and sustain support from partners. Benefits are expected from year two onwards and will flow into the budget process from change plans. In parallel with this wider innovation stream, systems replacement and optimisation will continue to form a substantial element of digital delivery.

7.0 Phasing

7.1 The phasing of change work commenced in 2023 and is summarised below.

Phase 1 to June 2023	Exploration of concepts and reform goals in Plan For Fife Recovery and Renewal Priorities – reported to Cabinet June 2023. Agreement to overall direction of travel.
Phase 2 to November 2023	Development of outline proposal for No Wrong Door, decentralisation review work, review of productivity and efficiency opportunities through Service Change planning work. Forward work agreed by Cabinet Committee November 2023 together with revised Directorate arrangements.
Phase 3 to March 2025	Development of cross Council change themes and change readiness. The aim is to complete this work in conjunction with Service Change planning and feed into the budget process for 2025/26. This will allow members to evaluate costs and benefits within the context of the overall budget position.
Phase 4 April 2025 onwards	Delivery through coordinated and resourced change approach – 2025 onward.

Background Papers

- Item 8 November 2023 Cabinet - Change Planning and Organisation Change.
- Audit Scotland – Transformation in Councils (1 October 2024)

Report Contact

Craig Waddell
Service Manager
Change & Improvement
Communities Directorate

South and West Fife – Community Use Arrangements

Report by Paul Vaughan, Head of Communities & Neighbourhoods

Wards Affected:

Purpose of Report

This report presents the findings of the options appraisal requested by Cabinet in March 2024.

Recommendation

The Committee is asked to:

- (1) Note the option appraisal.
- (2) Note the review of activity across South and West Fife.
- (3) Agree to consider the affordability of the six options through the council's capital planning and budget setting process.

Resource Implications

The technical appraisal work that has been undertaken shows whole life costings between £3.162m to £27.753m before other running costs and NDR, and any additional inflation. Demolition Costs and Operating Model require further consideration as part of a business case. Initial estimates showed a potential requirement for a revenue budget of up to £540k for a new centre against a current community use budget of £148k. Capital Expenditure is estimated for the second quarter of 2026 based on surveyors' estimates.

There is currently a £1m budget in the approved capital plan that could contribute to this project.

Legal & Risk Implications

There are risks to a future project because of the listed status of the existing Inverkeithing High School Building and its location near a World Heritage site. Engagement with Historic Environment Scotland will be required. The option appraisal has not included planning requirements and as part of any business case these will need to be considered including access, residential amenity, trees, flood risk, protected open space etc and would be addressed in any planning application. Contracting and Project Delivery have been noted as risks.

A new swimming pool could have a significant impact on the Council's Partial Exemption calculation for VAT. The risk is that this would take the Council over the Partial Exemption limit and there would be a financial cost to the council.

Impact Assessment

An Equality Impact Assessment is not required as the report is not proposing any changes to existing policies and practices. However, the development of a business case would include an Equality Impact Assessment along with an assessment of impacts on sustainability and climate change.

Consultation

Education and Children 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 and agreed to proceed with the recommendations.

C&N Service has undertaken usage analysis of the existing Inverkeithing Community Wing and customer consultation with existing users.

Analysis undertaken by SportScotland using their facilities planning model.

1.0 Background

- 1.1 Cabinet agreed options to be assessed for community use in South and West Fife at its meeting of 7 March 2024.
- 1.2 These options were:
 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.
- 1.3 Community Use at Inverkeithing High School supports a range of community learning and development, physical activity and sport and cultural provision. Within the existing Inverkeithing High School the range of community use facilities include a sports hall, gym and 22 m by 4 lane swimming pool. Investment in the new Southwest High School at Fleet Grounds includes, 2 new all-weather Synthetic Turf sports pitches, 2 grass pitches, 2 sports halls, a dance studio and gymnasium and multi-use games areas.

- 1.4 SportScotland Facilities Planning Model has provided an overview of available facilities in Fife. The facilities planning model has explored the impact on swimming provision with no replacement pool and modelling with a replacement pool for the pool at Inverkeithing High School. The modelling used available projections of population estimates and housing growth. The results from the modelling looked at travel time, met demand for swimming within Fife and overall utilisation of pools across Fife.
- 1.5 The results of the facilities planning model showed that with no replacement swimming pool 21% of Fife's population would be within a 20-minute walk of a swimming pool, that the proportion of demand for swimming pools that is met is 86% and that the total demand for swimming that is met is 93%. The overall utilisation is estimated at 62% although with variations across sites.
- 1.6 The inclusion of a new pool to replace that at Inverkeithing High School estimated a 2 percentage point increase to 23% of the Fife population who would be within a 20-minute walk of a swimming pool, an increase of 1 percentage point to 87% for the demand for swimming that would be met in Fife and a 1 percentage point increase to 94% of the total satisfied demand. Within the inclusion of a replacement pool, the overall utilisation rate of pool space was estimated to reduce to 58%. The study noted that the utilisation rate for a replacement pool for Inverkeithing High School would be 74%, which would be above the Fife average.
- 1.7 More generally the study stated that unmet demand for swimming across Fife is largely due to the need to travel, that the majority of Fife's exported demand went to Dundee and that imported demand was low and came primarily from Edinburgh. In both scenarios, the area of swimming pools per 1000 of population is lower than the Scottish Average.
- 1.8 The existing timetabling of the swimming pool at Inverkeithing High School shows that outside of the school use and from 4pm weekdays that for between 40-46 weeks each year the pool is used for Learn to Swim provision and local swimming club and aquatics clubs. During school holidays some additional use is made of the pool between 10am to 4pm for holiday swimming, activity camps and learn to swim. At weekends there are aquatics clubs and learn to swim activity in the mornings and early afternoon period. The use by the school of the pool is only 18% of the school week by Inverkeithing High School pupils. The school curriculum does not require any further use of the pool, as pupils are not choosing swimming as a core activity within Physical Education.
- 1.9 With the dryside offerings at Woodmill Community Use moving to the Dunfermline Learning Campus, the main publicly provided and accessible wet facility in West Fife is Carnegie Leisure Centre. Carnegie is accommodating the Woodmill learn-to-swim scheme; however, it has limited capacity to support programming from Inverkeithing. Table 1 shows the learn to Swim Numbers across venues catering for South and West Fife.

<i>Venue</i>	<i>Attendances</i>	<i>Totals spaces</i>	<i>Occupancy</i>	<i>Waiting Lists</i>
Carnegie	1939	2072	93.58%	421
Cowdenbeath	462	586	78.84%	68
Inverkeithing	255	285	89.47%	181
Lochgelly	132	145	91.03%	66

Table 1

1.10 At Carnegie Leisure Centre, there is a capacity issue at peak times Monday to Friday 4 pm to 8.30 pm and over the weekend. This is due to the demand from the following groups and activities:

- The largest learn-to-swim scheme within Fife.
- There are five aquatics clubs over three different disciplines requiring pool time. No other venue within Fife has as many aquatics groups using one venue.
- Due to the growing population of West Fife, there is a growing demand for public swimming.

1.11 With the above demand at Carnegie, there is no opportunity to offer any of the above groups or activities to develop beyond their current pool times. Fife Sports and Leisure Trust have been able to offer five aquatics clubs' other opportunities for pool time, however, this is now outwith South and West Fife, with groups taking up pool time at Michael Woods in Glenrothes.

1.12 The Community Use Team conducted a survey with users of The Wing in 2023 receiving 184 responses. From that survey some of the highlights included:

- 48% of users travelled under 2 miles to attend
- 33% of users travelled 3 - 5 miles
- 19% of users travelled 6 miles plus
- 88% of users travelled by car
- 28% of users we were not willing to travel more than 10 mins to attend
- 65% of users were willing to travel 11 - 30 mins
- 7% of users willing to travel more than 30 mins

1.13 The Facilities Planning Model also provided some insights into Halls used for physical activity and sport and synthetic turf pitches.

1.14 Fife's halls used for sport have an average build date of 1988 which is slightly older than the Scottish average of 1990. Courts per head of population (7 per 10,000) is the same as the national average with nearly all the council area within the drivetime of a 3-court sports hall. The model suggests that walking accessibility is better for those living in the most deprived areas (69-70% are within a 20 minute walk) compared with 51% across the wider council area. However, less demand comes from people in the most deprived areas of Fife than the national average, and of those people broadly the same level of demand is unmet as at a national level. The used capacities of halls at peak periods varies at individual centres but with Kirkcaldy projected over the planning time to be at capacity.

- 1.15 For full size synthetic turf pitches Fife has 0.6 per 10000 head of population which is lower than the national average of 1.0 per 10000 head of population. Nearly all the council area is within a 20-minute drivetime of a full-size synthetic pitch. Not everyone can walk to a synthetic turf pitch although walking accessibility is slightly higher for those living in more deprived areas (where 43% are within a 20-minute walk) compared with 35% across the Council area. Demand for synthetic turf pitches is expected to be met mostly (around 95% of demand) with unmet demand mainly due to people living outside the catchment of a synthetic pitch. The study shows that more demand comes from people in the most deprived areas than the national average but that those in more deprived areas have a higher unmet demand than the national and council area average. Used capacity of pitches at peak periods is predicted to vary between centres but is not particularly busy overall.
- 1.16 Following completion of the new South West High School, the facilities available within the South and West Fife will have an increase in one 2-court hall, one dance studio and four full size synthetic turf pitches, the same number of 4-court halls, single-court halls and assembly halls and a decrease of one small synthetic turf pitch and two swimming pools. Additional halls are also being included within the Fife College Building at the Dunfermline Learning Campus.

2.0 Options Appraisal

- 2.1 The report commissioned by the council provides a high-level option appraisal of the six options agreed by Cabinet.
- 2.2 A summary of the options is presented in the following tables. Table 2 compares the high level specifications for each of the options.

Option	Flexible Learning Space	Social Space with dining	Café, Servery, training kitchen	Meeting room, rehearsal space	3 court sports hall and changing	6 lane pool and changing	Grass pitch	3G Pitch	New Car Park	Other
1	Repurpose space	Repurpose space	Repurpose space	Repurpose space	Existing 4 court hall refurb	Existing pool	106m x66m	New	Extend existing parking	Existing 3G pitch removed
2	New	New	New	New	New	New	106m x66m	Use existing	New	
3A&B						New			New	
4	Provided by new school	Provided by new school	Provided by new school	Provided by new school	Provided by new school	New	Provided by new school	Provided by new school	New	Loss of one grass pitch
5A&B	New	New	New	New	New		Use existing	New 7 a-side pitch	5A extend existing, 5B - New	Retain, skate park, play park and athletics track
6A	New	New	New	New			Use existing or increase	Use existing	Extend existing	New dry changing
6B							Use existing or increase	Use existing	Extend existing	New dry changing

Table 2

2.3 Table 3 compares the costs of each of the options excluding staffing and some other running costs e.g. Non-Domestic Rates.

	Option	Gross Internal Floor Area m ²	Capital Expenditure	25 Year Maintenance, Lifecycle, Cleaning & Energy Costs	TOTAL 25 Year Whole life Cost*
1	Inverkeithing High School site – retain / remodel the Wing, improved pitches and parking. Cost varies depending on pitch location	2,443	£13.595m up to £14.851m	£1.156m up to £1.365m (10 Years Lifecycle Costs only)	£14.751m up to £16.216m (10 year Whole Life Cost only)
2	Inverkeithing High School site – new pool, community facilities, pitches and parking	2,940	£23.927m	£3.826m	£27.753m
3A	Inverkeithing High School site – new pool and parking	1,491	£13.135m	£2.043m	£15.178m
3B	Inverkeithing High School site – new pool and shared existing parking	1,491	£12.724m	£2.043m	£14.767m
4	Fleet Grounds site – new pool and parking	1,491	£11.817m	£2.043m	£13.860m
5	Ballast Bank Park site – new community facilities and parking. 5B cost shown	1,518	£10.663m	£1.882m	£12.545m
6A	Inverkeithing High School site – community rooms, new changing facilities, enhanced pitches and parking	937	£5.926m	£1.562m	£7.488m
6B	Inverkeithing High School site – Pavilion for Dry Sport Team Changing	185	£2.733m	£0.429m	£3.162m

Table 3

*25 year whole life cost excludes staffing and some other running costs e.g. NDR
Capital Expenditure: required capital expenditure at expected 2026 prices. A 10 year figure has been provided for Option 1 because refurbishment is estimated to only add 10 years to the future of the building.

Option1

2.4 The first option appraised is the retention and refurbishment of The Wing (including pool, community facilities, grass and synthetic pitches) at the existing Inverkeithing High School. To allow the appraisal the assumptions were made to limit demolition and adaptation of the structure, to limit risk and cost and to upgrade the building condition to condition 'B' or better. This would include essential works, e.g. those

needed to ensure meeting requirements under the Equality Act 2010 and addressing health and safety issues.

- 2.5 This option also provided for upgrades to building fabric, elements and services, where essential, in line with the requirements defined by the Scottish Building Regulation Technical Standard, upgrades the narrow one-way access and ensured the building can operate independently of the school, e.g. electrical power supply whilst continuing to share a car park with the neighbouring Nursery.
- 2.6 The building's new internal layout was planned so to:
- Cluster community facilities around new cafe dining space with a view to the outdoors.
 - Locate the café / training kitchen to act as both a community facility and/or commercial enterprise.
 - Provide the entrance with passive surveillance from staff areas.
 - More legible dry circulation to the main hall.
 - Wet changing village reduced relative to new pool options; justified by the pool being smaller than other options.
 - Dry team changing located for good proximity to pitches and for out of hours use.
- 2.7 As noted in Table 2 the 10 Year Whole Life Cost of this option is between £14.751m and £16.216m depending on location of pitches. This option presents a risk in that the remodelling would only extend the usable lifespan of the building by 10 years.

Option 2

- 2.8 Option 2 is the construction of a new pool with community facilities at Inverkeithing High School site with parking and grass pitches and for assessment purposes parking on the East side of the existing school. This option assumes the existing synthetic pitch is retained and that dry sport changing for the pitches would be independently accessible from the pitches for out of hours use.
- 2.9 The proposed building layout is a variation of a Sport England precedent for a facility that combines dry and wet sports. Community facilities include a flexible learning space; a meeting room and training kitchen/ café and to improve the use of the space a level change between the community rooms and the sport facility improving the view for pool spectators and for cafe dining users.
- 2.10 The 25 Year Whole Life Cost of this option is £27.753m.

Option 3

- 2.11 Option 3 is the construction of a new stand-alone pool at the Inverkeithing High School site with car parking and, as in option 2, the new building located on the East side of the site. This became Option 3A. Option 3B tests a similar building on a site connected to the existing car park shared with the Tree Tops Nursery. The buildings for Options 3A and 3B were assumed to be identical. Sport England design guidance for pool building designs influenced the building layout.
- 2.12 The building in Option 3B was noted in the study to be typically 1.5m below the level of its car park and the design of the building would need further consideration but that there is sufficient space to cope.

- 2.13 The 25 Year Whole Life Cost of this option is between £15.178m and £14.767m, with Option 3B being the least costly.

Option 4

- 2.14 Option 4 was the construction of a new pool at the replacement High School on the Fleet Grounds site. The building brief was identical as Option 3. Given the nature of the site, the building positions the entrance as close to the street Wilson Way as possible to promote active travel and a community facing facility. The site would require an access road and turning head to be provided for occasional maintenance and replacement of plant given the location of these within the building design.
- 2.15 The 25 Year Whole Life Cost of this option is £13.860m.

Option 5

- 2.16 Option 5 is the construction of community facilities without a pool within Inverkeithing. The site considered is at Ballast Bank Park and would involve the construction of new community facility; with a 7-a-side synthetic pitch, and retention of the skate park, play park and the athletics track. This would be a replacement to the existing Community Centre. To allow flexibility, dry sport changing is positioned so that it can be independently accessed from the existing pitches for out of hours use and it was assumed that the design would facilitate a tandem build allowing the existing community centre to be demolished following the completion of a new facility.
- 2.17 Options were explored for the existing site (5A) at Ballast Bank but also to the North of the site (Option 5B).
- 2.18 A further option (5c) for reusing the former Inverkeithing Primary School was considered. However, the team concluded that the technical challenges and amount of additional investigation required to properly appraise pointed to the likelihood of a significant development premium and as such this option has not been progressed further.
- 2.19 The 25-year Whole Life Cost of option 5 is estimated at £12.545m.

Option 6

- 2.20 Option 6 is the provision of grass and synthetic turf pitches within Inverkeithing. The location is to the east of the existing Inverkeithing High School. An option 6A and 6b were assessed. Option 6A is similar to the Ballast Bank facility but without the sports hall whilst Option 6B is the most modest of all options and is essentially just a pavilion for dry sport team changing.
- 2.21 The 25 year Whole Life Cost of option 5 is estimated at between £3.162m and £7.488m.

3.0 Conclusions

- 3.1 The research undertaken by the council and the SportScotland Facilities Planning Model provide a baseline position for facilities. The opening of Dunfermline Learning

Campus and the dryside facilities at the new South West High School when open provide a modern set of dryside facilities for the West of Fife.

- 3.2 This Option Appraisal highlights that the range of designs tested is extensive and, perhaps naturally, concludes that the greater the scale and nature of the design the higher the relative budget required to deliver it.
- 3.3 The Council requires to develop a clear business case and establish available budget to meet any development using the capital cost estimates as an indicative guide. There are significant pressures on the council's Capital Programme. The Council can also consider partnership opportunities. Inverkeithing United are exploring options for the existing Inverkeithing High School, HMS Caledonia may present an opportunity but will require engagement with the Ministry of Defence and the locally based Aquatics Clubs might also present partnering opportunities.
- 3.4 The options as presented are not directly comparable and as such provide a menu from which choices can be made to meet specific community need.
- 3.5 The Inverkeithing High School site retains and enhances functionality in its existing location and is only materially constrained by topographical challenges which can be overcome technically.
- 3.6 Fleet Grounds offers the opportunity to introduce a high-quality community pool into a masterplan alongside that of the new high school provision but effectively relocates all functionality from one location to another and changes the design of the agreed High School with the potential loss of an outside pitch and replacement with a pool. It potentially also extends building works on the Fleet Grounds site during which the school would be operational.
- 3.7 Development at Ballast Bank Park whilst positively enhancing and complementing existing services, is faced with significant challenges associated with flood risk and should only be considered further if that location is considered a priority, sufficient funding is available and further, more detailed analysis recommends it is safe and appropriate to do so.
- 3.8 For those options including a pool (Options 1, 2, 3 & 4), these are deliverable in both the retained building (The Wing), and new build form at the Inverkeithing High School and Fleet site locations. However, functionality is maximised to current best practice under the new build options, whilst pool size and facilities in the retained building option is constrained by its structure, form and composition and would require further obtrusive survey work.
- 3.9 The indicative capital cost estimates for options 1 through 4 range from £11.817m - £23.927m (2Q26) and reflect scale and nature of pool provision as well as the different levels of functionality, accompanying community facilities / pitches and other costs.
- 3.10 The options not including a pool (5 & 6) are deliverable on the Inverkeithing High School site and potentially in a specific location only on the Ballast Bank Park site (sub-option 5B). Their indicative capital cost estimates for options range from £2.733m to £10.663m (2Q26) and reflect different levels of scale, nature provision and other site related costs.

3.11 There is currently £1m in the approved capital plan and the capital plan review would need to test affordability of the six options.

List of Appendices

1- Option Appraisal - Graphics

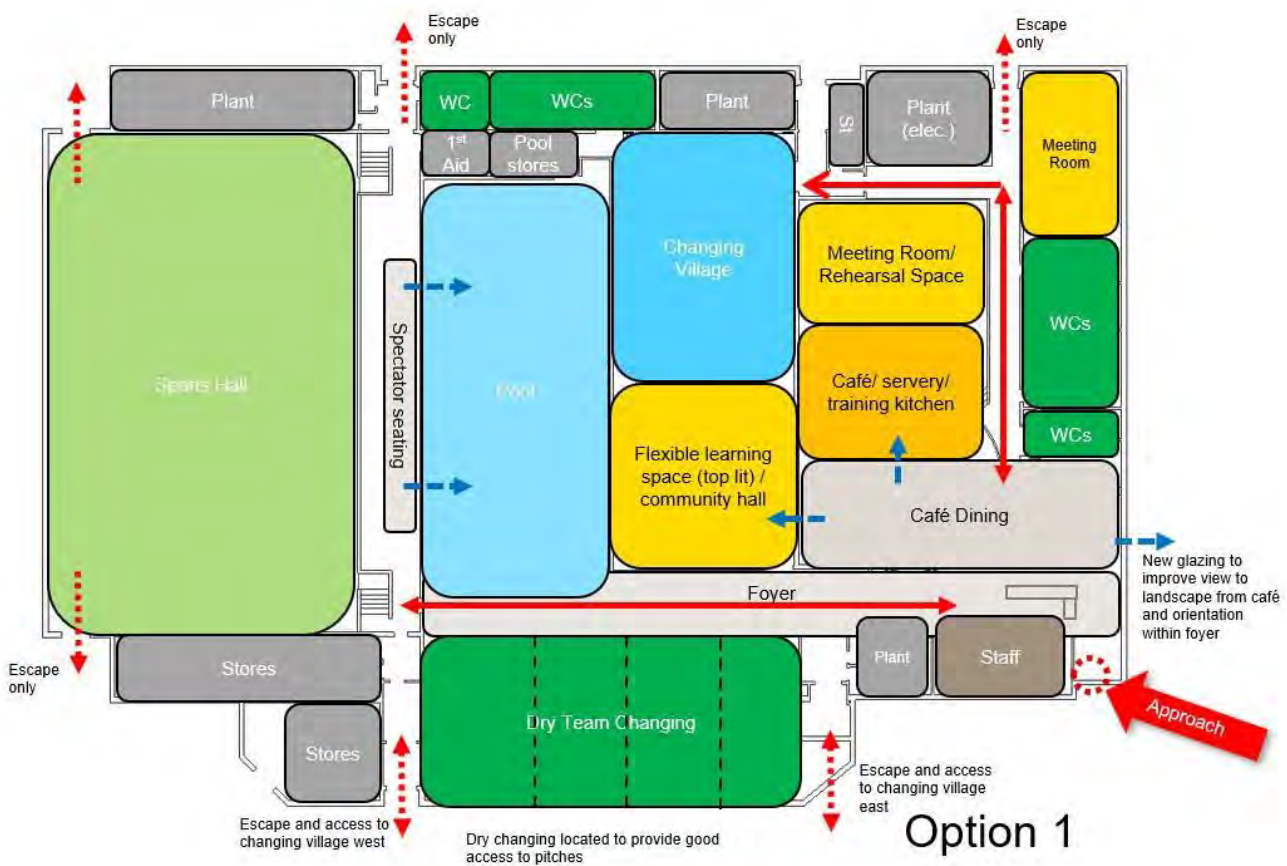
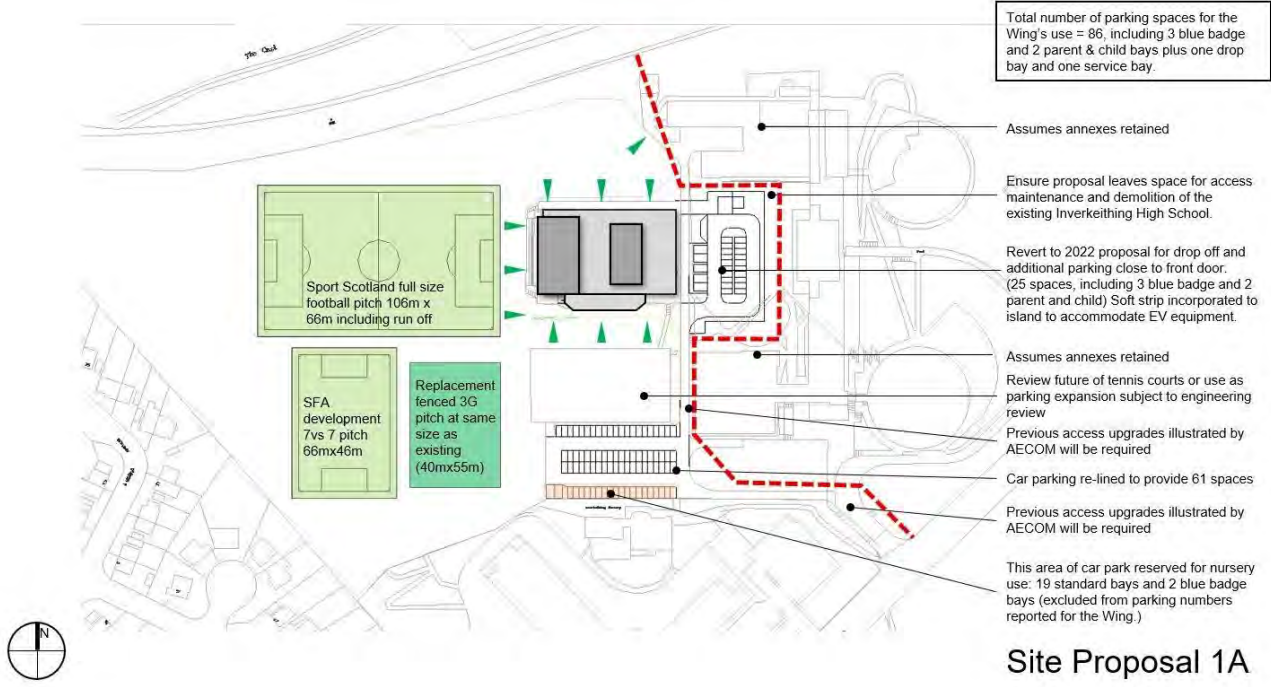
Background Papers

- Council Capital Investment Plan 2023 agreed in June 2023
- Community Use – South and West Fife, Cabinet Paper, March 2024
- SportScotland Facilities Planning Model - 2023
- Sports Scotland Facilities Planning Model – Swimming Analysis

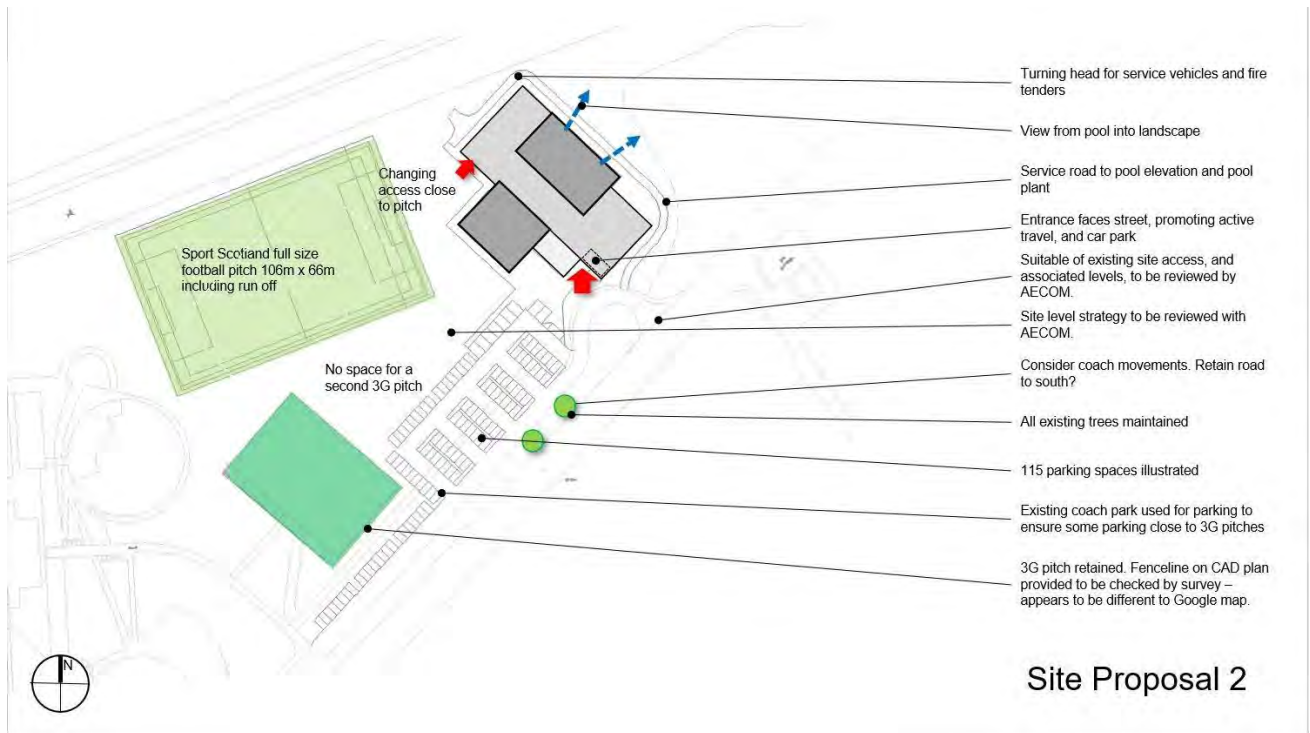
Report Contacts:

Paul Vaughan
Head of Communities and Neighbourhoods
paul.vaughan@fife.gov.uk

Appendix 1



OPTION 2

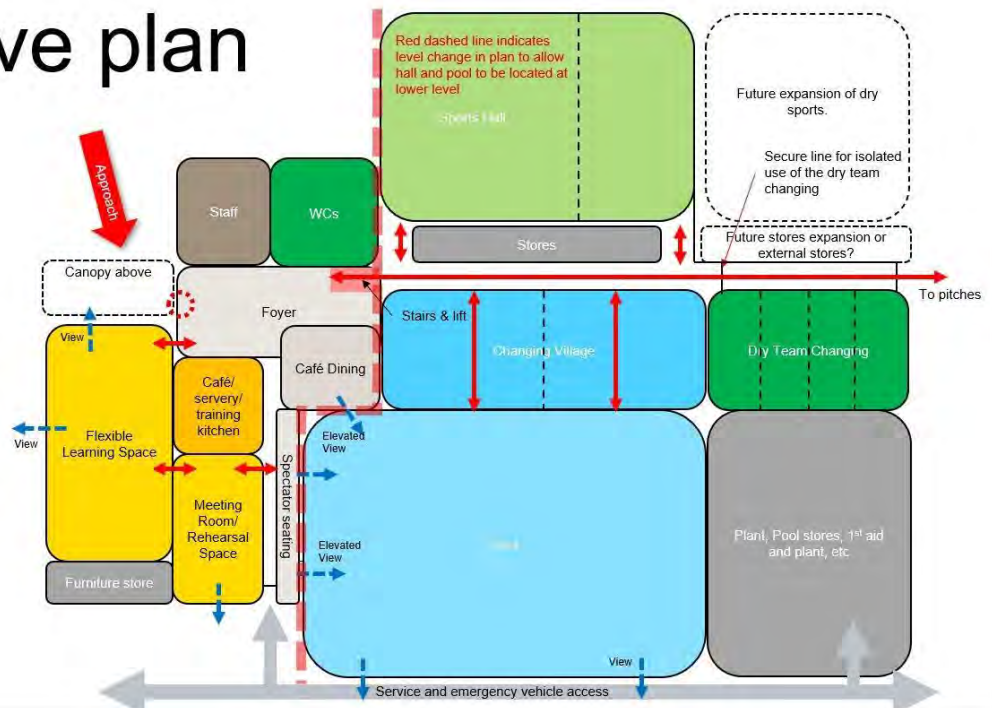


Indicative plan

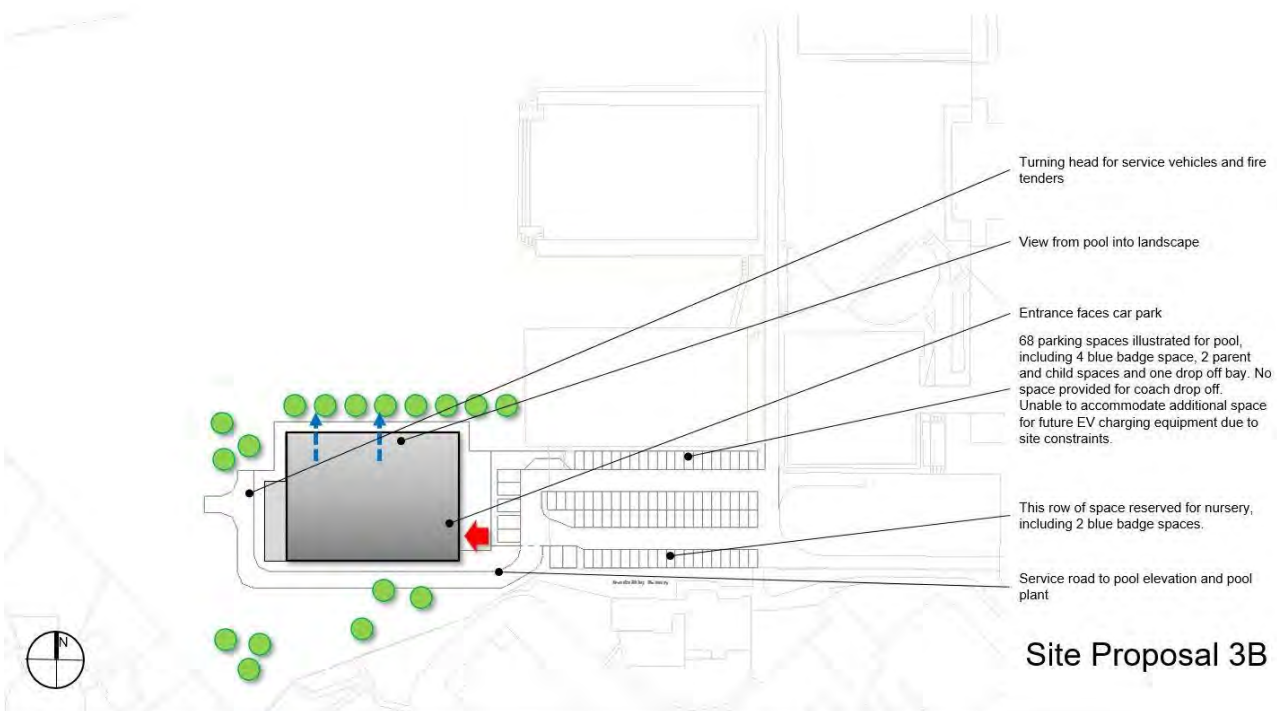
- Sport England Precedent for mixed sport facility

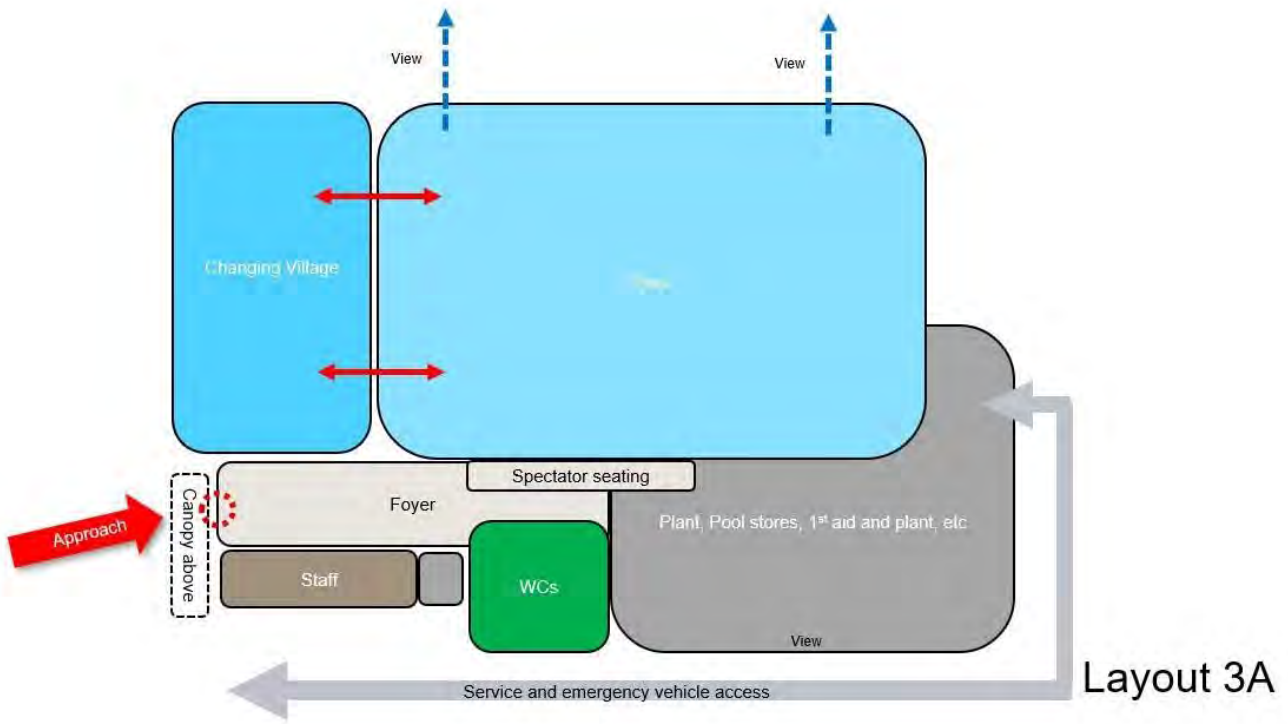


- Community facilities clustered with highly visible location at front.
- Café / training kitchen located to act as both community facility and/or commercial enterprise.
- Passive surveillance of entrance from staff areas.
- Service edge for pool plant, first aid access, kitchen deliveries and pool window cleaning.
- Opportunity for picture window to pool.

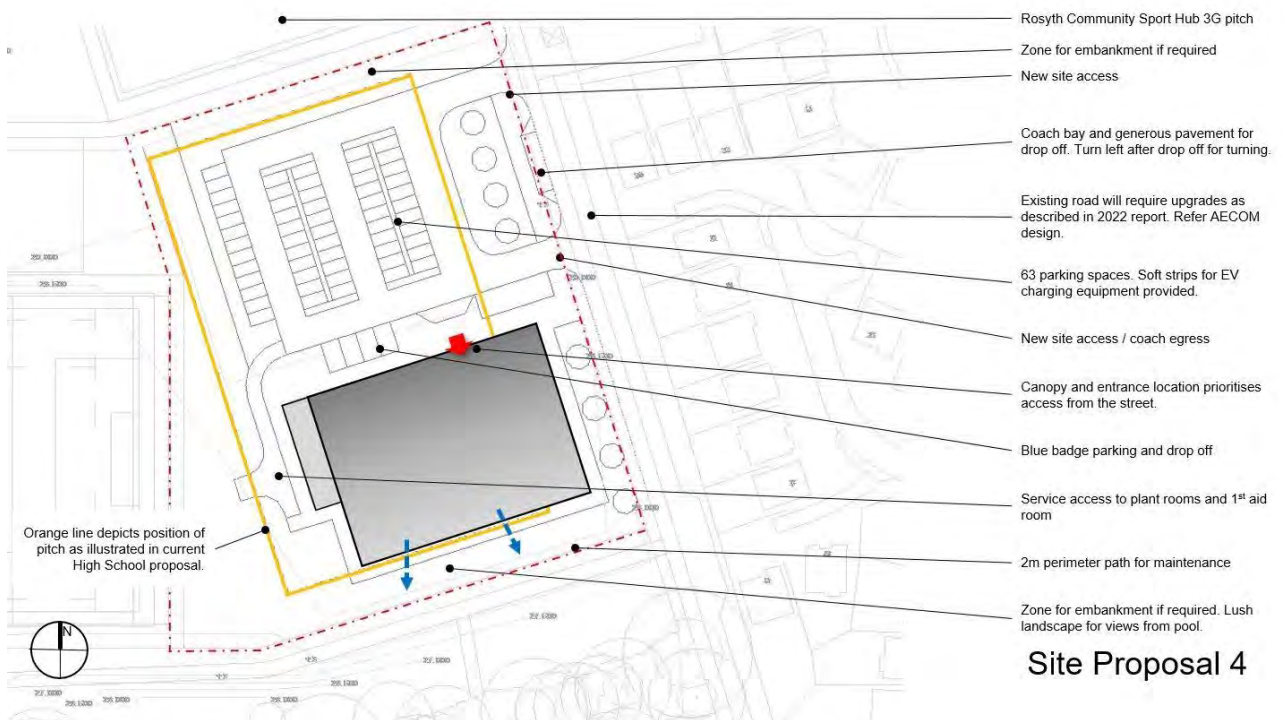


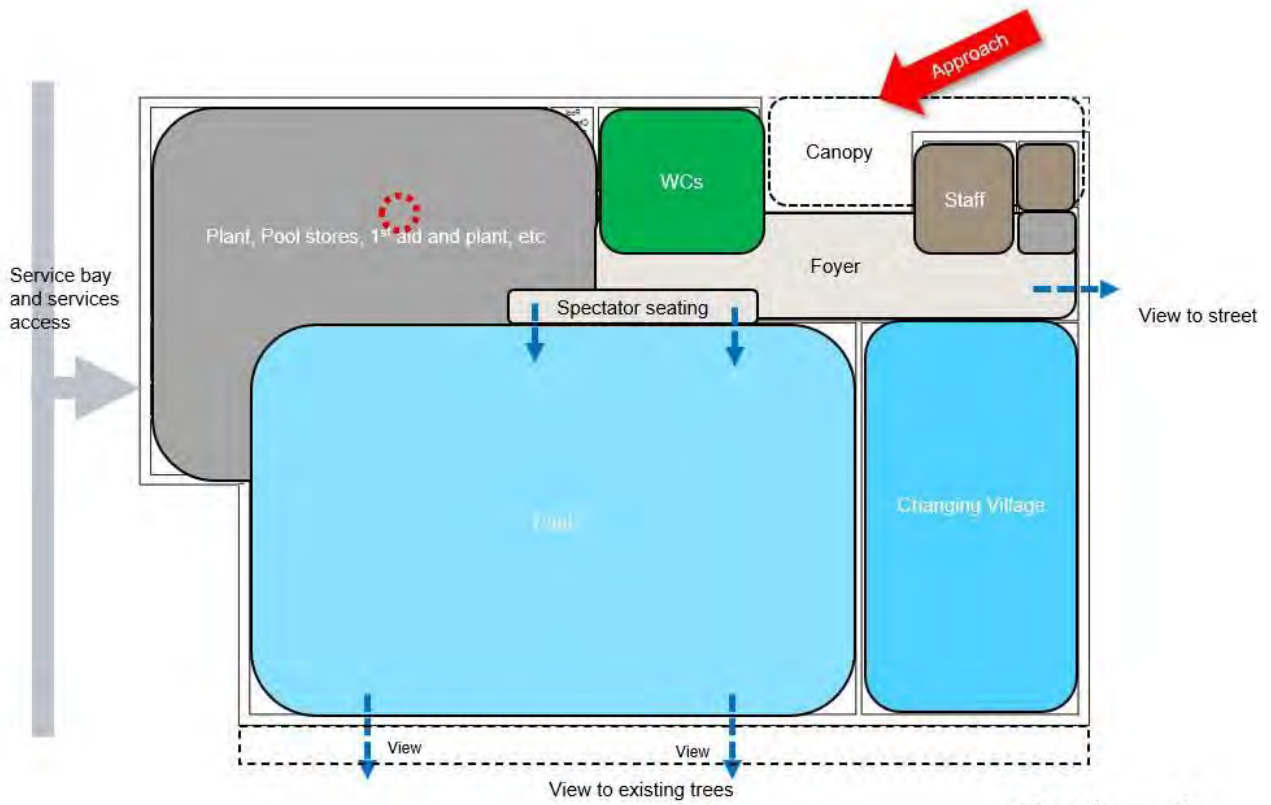
OPTION 3





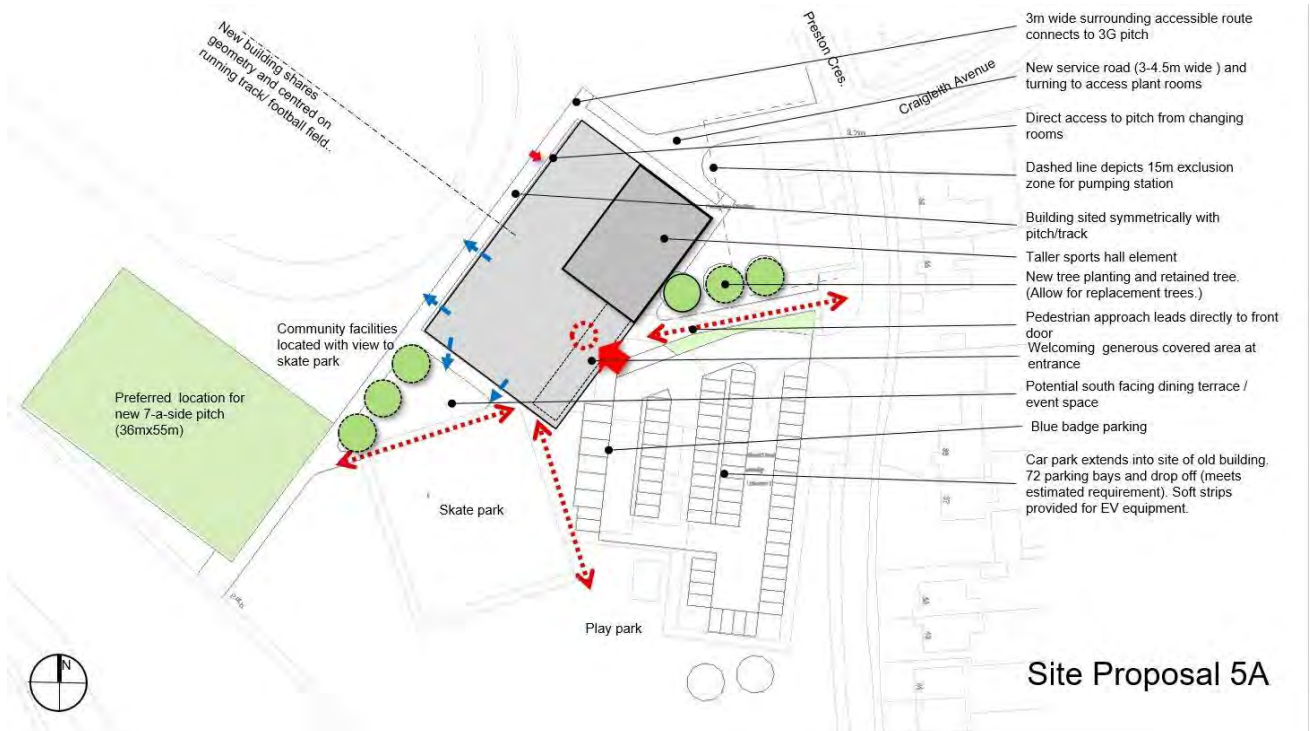
OPTION 4



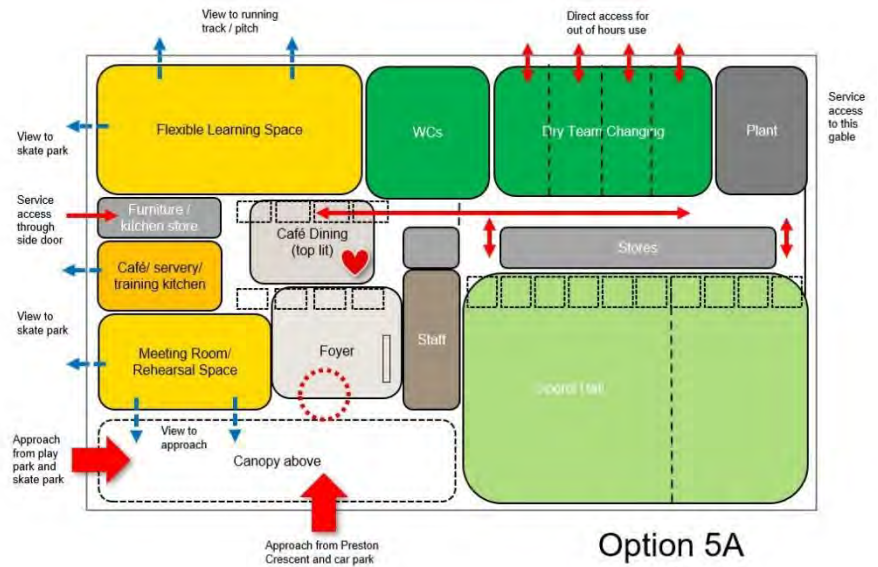


Option 4

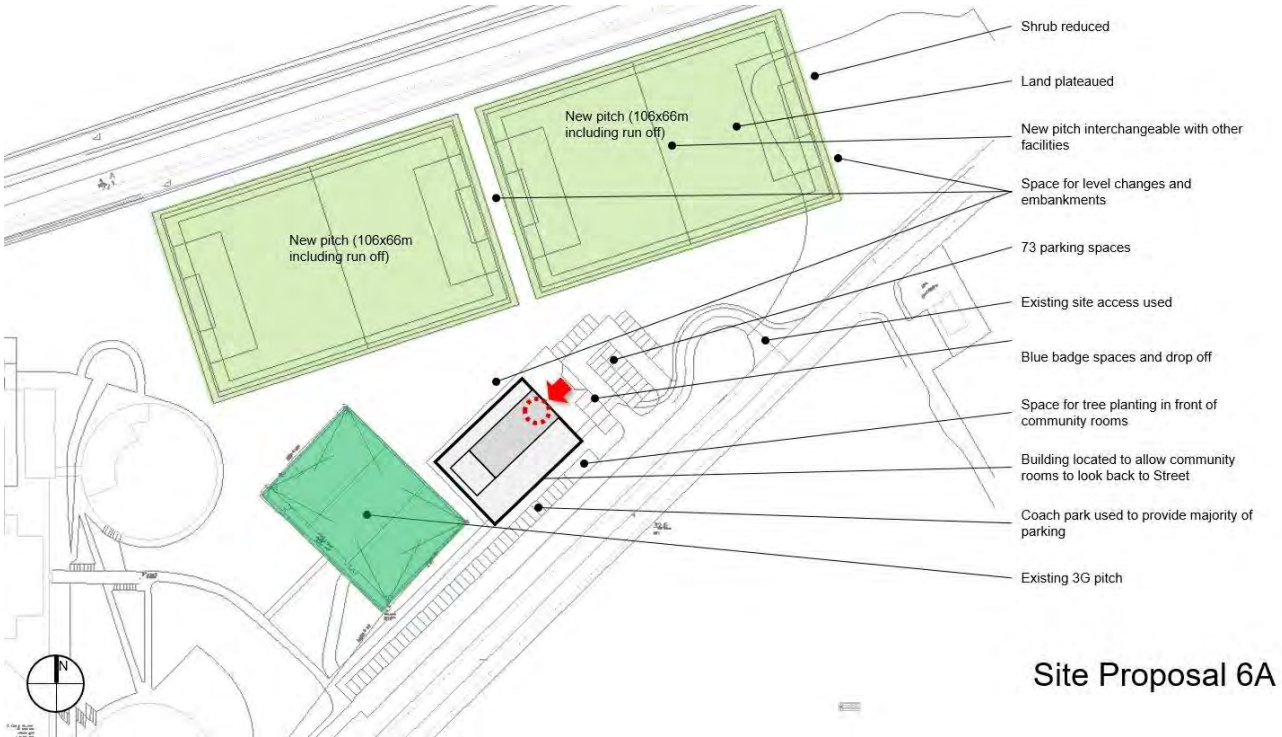
OPTION 5

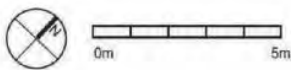
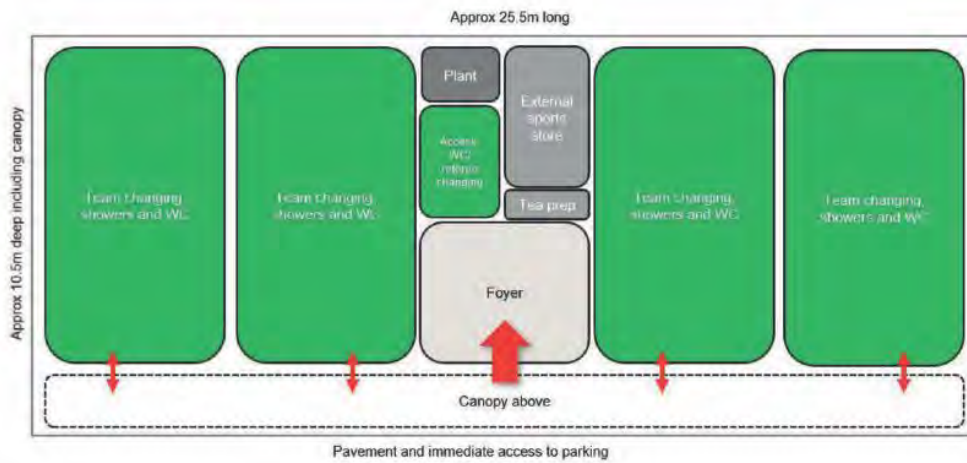
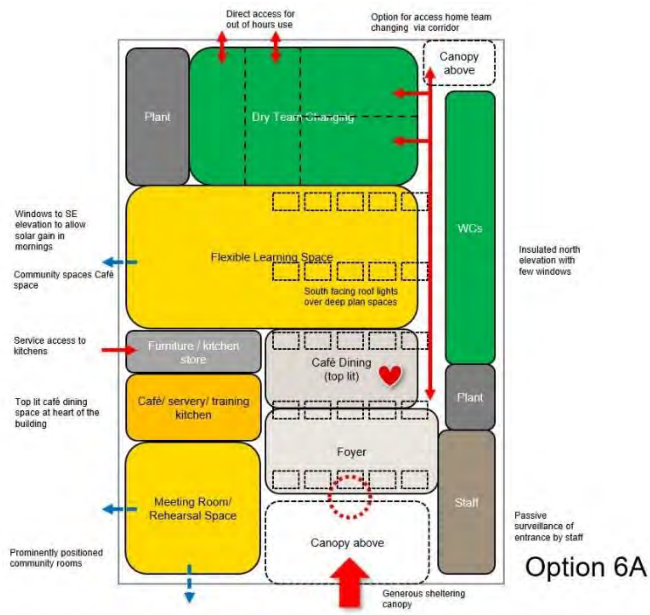


- Offers an efficient form factor, creating a rational building shape to sit on axis with the existing athletics track.
- Community facilities clustered around café dining providing highly welcoming and visible location at front.
 - Café / dining provided with roof light from above
 - Passive surveillance of entrance from staff areas.
 - Dry changing located to face pitches with direct access for out of hours use.
 - Flexible Learning Space looks toward pitches and skate park.
 - Most glazing faces south to maximise solar gains.
 - Evening sun in flexible learning space.
 - Planning allows secure partial access to isolated parts of facility.
 - Entrance canopy large enough to create event space.
 - Service road provides access to north gable. Also allows for event set up in Sports Hall for community events etc.



OPTION 6





Option 6B

7 November 2024
Agenda Item No. 8

Dalgety Bay Community Hub

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

Wards Affected: Ward 6

Purpose:

To seek agreement on the release of a funding contribution of £120,000 to cover the Design Teams costs, comprehensive planning consent and planning application fees from the £2m revenue funding allocated towards the cost of the £6.3m community hub project.

Recommendation(s)

Members are asked to:-

- (1) note the work of Dalgety Community Trust to date;
- (2) note the detail contained within the feasibility study and business plan regarding the development of the community hub submitted by Dalgety Community Trust; and
- (3) approve the request to release £120,000 from the £2m revenue funding allocated to enable Dalgety Community Trust to proceed to the next stage engaging and instructing their agents to process and submit a full planning application for the project.

Resource Implications

Fife Council have allocated £2m revenue funding to the planned development of the community hub. To ensure that funds are used appropriately arrangements will be put in place with Dalgety Community Trust to submit invoices (or some other similar process) to Fife Council for the work undertaken.

Legal & Risk Implications

Note there is a risk that the final costs of this project exceed the allocation identified. If this is the case, the project will be delayed until additional funding is identified by Dalgety Community Trust.

Impact Assessment

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

Elected members in Ward 6 have been consulted and are supportive of this request.

1.0 Background

- 1.1 Dalgety Community Trust (DCT) was established in 2019. It operates as a voluntary organisation, is a registered charity and company limited by guarantee. The Trust's overriding aim is to make 'positive changes for everyone in the community carrying out projects for the common good.'
- 1.2 DCT is a member led organisation with membership open to everyone residing within the Dalgety Bay and Hillend Community Council area. The current membership stands at 230 and activities are overseen by a Board of Trustees.
- 1.3 DCT have initiated and undertaken a number of projects including woodland management, development of a heritage trail and working with a group of young people, on the delivery of a 'bike and scooter pump track'. The Trust have a proven track record in attracting funding with £234,000 being secured for these projects to date.
- 1.4 Following extensive public consultation over the past three years, the Trust want to deliver a 'new multi-purpose, multi-generational community hub and civic space owned and managed by the community for the community'. They are now in the process of securing the necessary funding to turn local aspirations into reality.

2.0 Dalgety Community Trust

- 2.1 Dalgety Community Trust is an active development trust owning and managing assets in Dalgety Bay. Initially established by Dalgety Bay and Hillend Community Council, the trust has evolved and developed since its inception. In 2022, the Community Council formally transferred the ownership of three community woodlands and a centrally located plot of land to the Trust. This plot of land, 0.7832 hectares, forms part of the identified site to house the proposed 850 square metre community hub.
- 2.2 Due to the projects undertaken and the related responsibilities, DCT has experience in community engagement, asset and project management, business planning, funding, procurement, as well as working with a range of organisations, agencies and professions. They have been actively involved with delivery of South and West Fife's Local Community Plan.
- 2.3 Since 2021, work on the community hub development has increased considerably. The Trust was successful in securing £55,000 of funding including £30,000 Community Recovery Funding from South and West Fife Area Committee to support the development of the project brief, feasibility study, business case and further community engagement.
- 2.4 The Trust has engaged a range of professionals, forming the core membership of a Design Team who have assisted the Trust in the production of a 'Feasibility Study and Research Document' and 'Business Plan.'
- 2.5 A range of supporting business critical documentation has been produced including architectural concepts, environmental strategy, quantity surveyor, structural engineer and landscape architects' reports.

3.0 Dalgety Community Hub and Civic Space

- 3.1 The vision of the Trust is to go well beyond what might be seen as a traditional community centre. The plan is to deliver ‘a new facility that truly meets the needs of the community, is welcoming and inclusive, somewhere that can provide a wide range of intergenerational facilities including services for decades to come.’
- 3.2 The Trust’s ambition is to deliver a building comprising ‘**four hubs in one**’:
- **A Social hub** – *to connect people and allow them to use the spaces for enjoyment, anchored around a community café.*
 - **An Interest hub** – *bringing people together around specific, shared issues or interests including events and community initiatives.*
 - **A Services hub** - *where people can connect with and access a range of local community health and social care services.*
 - **An Enterprise hub** – *where people can access working, meeting or trading spaces.*
- Built around the idea of ‘**one door many spaces** it will include’:
- Multi-purpose community spaces.
 - Large hall/performing arts space.
 - Community café and training kitchen.
 - Health and Wellbeing Services.
 - Enterprise and working spaces.
 - Heritage Centre – a digital space to allow the community to access and experience the thousands of donated images, documents and stories related to the centuries of local habitation and history.
 - IT support facilities.
 - Outdoor civic space that can be used and enjoyed by the community.
- 3.3 The Trust aims to develop the site to be the social and cultural heart of the community, enabling residents to access a range of facilities and services in a modern, contemporary and uplifting setting. Architectural Design Concepts have been produced which incorporates internal and external design features concluded from consultation events held with the local community.
- 3.4 Existing public spaces in Dalgety Bay are declining and no longer necessarily fit for purpose. The organic nature of the built developments in the town, both business and housing, means that Dalgety Bay lacks a town centre. Alongside the new community hub, the Trust is planning to deliver a new civic space, creating a central gathering space with a traditional village green feel. This is a key part of what the community has identified as important to them.
- 3.5 The Trust has conducted comprehensive community research and engagement taking in the views of hundreds of local residents on what they want to see in Dalgety Bay. Using the VOICE tool (Visioning Outcomes in Community Engagement), the Trust has captured and collated all of the community views to build a comprehensive picture of what the community want. This work has inspired the Trust to press ahead and bring forward proposals for new community facilities.
- 3.6 Through this dialogue, residents made it clear that they want:
- Modern, fit for the future facilities that can service the community for years to come.
 - A multi-functional and multi-generational community hub promoting opportunities for all.

- Developments which are community led and ultimately community owned.
 - Improved facilities to meet the growing needs of toddler, youth, family and older people at the centre of the community.
 - Facilities to address growing concerns about anti-social behaviour – partly blamed on lack of facilities for young people; and the growing concern about social isolation of older people in our community.
 - Spaces to allow people to come together and participate in a wide range of community events.
- 3.7 The proposed site for the new community hub and civic space comprises land that is owned by Fife Council and the Trust. There are two existing buildings on the site. The Kabin, donated to the town in the early 1990s and the existing Fife Council Community Centre. Both the Kabin and the Community Centre no longer meet the community's requirements with both being relatively small, restricted spaces and now dated. Beyond the land the Kabin sits on, the green space between Louie Brown's and the Parish Church, is also owned by DCT.
- 3.8 The Kabin trades as a registered Scottish charity 'Dalgety Bay Youth Association'. The idea is to demolish the Kabin and absorb its activities into the Community Hub. Discussions with the users of the Kabin, the Association's Trustees and DCT validate this approach.
- 3.9 The DCT have had initial discussions with Communities and Neighbourhoods Service staff regarding a community asset transfer of the existing community centre and associated land. The plan for this building is, at the appropriate time, for it to be demolished to make way for the new community hub. Centre User groups will be transferred to the new hub.
- 3.10 The Trust anticipate that developing these new facilities will directly lead to a place of greater community cohesion, boosting wealth creation and long-term resilience of community groups. This, in turn, will ensure people are better connected to their town and feel a sense of civic pride. The overriding opportunity is to deliver meaningful improvements in health and wellbeing in the town.
- 3.11 The Trust firmly believe that they will develop the new hub in ways which will stimulate the local economy and not lead to facility or job displacement. The Trust is focussed on creating new opportunities and jobs. The new hub will create a small number of new jobs in the town as well as opportunities for training and enterprise development.

4.0 Next Steps

- 4.1 The Feasibility Study and Business Plan produced by the Trust sets out the outcomes from community engagement and research, the project concept, vision and values; governance; financial strategy and assumptions and projections for the first five years of the facility's operation.
- 4.2 To proceed to the next stage, a comprehensive planning application with planning consent for the building and landscape; the Trust wish to retain the services of their Design Team. The Design Team will develop and prepare proposals to support a full planning application to Fife Council. This will require detailed design proposals with realistic structural requirements, integrated environmental considerations and a compatible landscape proposal.

- 4.3 The Design Team and DCT acknowledge that the current proposal will require significant design input in terms of construction, structure and servicing. The Team will prepare a full set of hard, soft landscape and public realm drawings and specifications; a Drainage Strategy; Road Tracking information and transport statement (parking, pedestrian movement and safety); commission a Flood Risk Assessment, Initial Site Investigation/ Trial Pits; Land Contamination study; Tree Survey; Ecological Appraisal and Bio Net Gain Assessment.
- 4.4 The Trust and their Design Team acknowledges that not all the associated technical design and documentation is essential at planning stage. However, they would prefer that it is undertaken sooner rather than later to help strengthen the accuracy of the overall design, mitigating any future risk if and when planning has been granted. The Trust would like this work to commence as soon as possible so that the positive momentum and community interest built up to date does not start to erode.
- 4.5 Whilst this work is necessary for a project of this nature there are few funders, if any, who will fund this work. DCT approached Ward 6 Councillors to see if Fife Council could assist in identifying a financial solution necessary for this work which has been costed at £119,160.
- 4.6 As stated earlier in this report, Fife Council have allocated £2m revenue funding to the planned development of the 'community hub'. Releasing £120,000 will enable the Trust to proceed from the feasibility study to the next stages of the project including the necessary planning permissions.

5.0 Conclusion

- 5.1 DCT have been working on this initiative for the past three years. They have fully engaged the local community with this project. It provides an opportunity for a community organisation to fund, build and deliver a new multi-generational, multi-purpose community hub for their town.
- 5.2 DCT are working with 'Community Enterprise' to secure further funding for the £6.3m community hub. Both organisations note that many large capital grant projects are currently paused awaiting UK and Scottish Governments budget decisions. The Trust is confident that, as this picture clears, they will be able to secure grant funding from a mixture of regional, Scottish and national funds.
- 5.3 The Trust acknowledge that the revenue funding that Fife Council has already allocated to this project is an essential part of this picture. Having £2m already secured and the support of Fife Council, will be a significant attraction and factor for other potential funders.
- 5.4 The report author has worked very closely with DCT consulting with them in the production of this report. The content of this report has been referenced from documents produced to date by the Trust and the Design Team with their permission.
- 5.5 The Trust is fully aware of the challenges that face projects such as. However, their ambition and ability to get the project to this stage and move towards full planning consent is testimony to their determination and drive.

Background Papers

Documents produced and provided by Dalgety Community Trust and their Design Team;

- Feasibility Study & Research
- Business Plan
- Architectural Design Concepts
- Site Location & Land Ownership

Report Author

Alastair Mutch

Community Manager, South and West Fife

Telephone: 03451 55 55 55 + VOIP Number **473005** - Email: Alastair.Mutch@fife.gov.uk



Feasibility Study and Research Document

Dalgety Community Trust

November 2023

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1. Introduction

1.1 Background

Rooted in an understanding of the needs of the community, Dalgety Community Trust has a vision to build a new Community Hub in Dalgety Bay. Often due to costings, the landscaping is removed or delayed, but here the creation of a new civic space alongside the new hub is a key part of the vision for what the community needs. This will improve the whole town by creating a collaborative space with multiple services while also offering gathering space in an attractive outdoor environment, like a village green.

Not only are existing public spaces old and not fit for purpose, but Dalgety Bay lacks a town centre and this will re-position the whole nature of the place, creating a focal point for the residents of the town. This would be a replacement of the existing community centre, which has served its purpose but is in dire need of upgrading.

Support from the community for a new facility, particularly one that can offer larger events as well as a place that is a gathering point for the people who live here has been supported by local people. But this concept needs to be tested.

This space could also be a central point for a new pedestrian/cycle way to the coast and links to coastal paths and the pilgrim way. The new asset will need to work in harmony with other spaces nearby such as cafes, the church and the tennis club, creating a campus approach. In this way, all these assets can work together, boosting usage for all rather than one at the expense of the others. In addition, the vision of this as a central “town centre” should help people access other services and facilities across the town.

The land and existing community centre itself is Fife Council owned but there is a commitment from Fife Council to transfer that into community ownership as part of their strategic support for the development. The detail of this is still to be finalised.



The Trust is heavily involved in other projects across the town such as the community woodlands and a new pumphack.

1.2 The asset

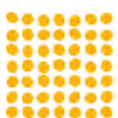
The image here shows where the centre and site sits in the context of other buildings that are used by the public.





There are two existing buildings on the site. The first is the Kabin - a portable building that was donated to the town in the early 1990s. The Community Council had allowed it to be put on its land without a formal agreement. This land is now owned by the DCT. The Kabin is the trading name of a registered Scottish charity - a SCIO with the formal name of Dalgety Bay Youth Association. The idea is to demolish the kabin and absorb its activities into the Community Hub.

The second building on the proposed site is the community centre which is run by Fife Council on land that it owns. The council has indicated its willingness to transfer ownership of this piece of land and the existing community centre to DCT so that it can be demolished and make way for the new community hub. This community centre currently contains a hall and meeting room.



1.3 Specification to be Tested

This was the original concept set out by the Trust based on existing research and thinking.

The community hub is designed around the idea of ‘one door many spaces’ so that it can be used to serve a variety of needs.

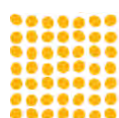
DCT plans for community hub to have four core functions and be a ‘social hub’, ‘interest hub’, ‘services hub’ and ‘enterprise hub’.

Below are the types of activities that best fit each of the four hubs although multiple classification is likely since the hubs are interrelated.

- ‘Social hub’ to connect people and allow them to use the spaces for enjoyment.
 - Community café.
 - Dances
 - Music and drama events
 - Private functions such as weddings and parties
 - Community cinema
- ‘Interest hub’ to bring people together around specific, shared issues or interests
 - Heritage centre
 - Hobby spaces (e.g. crafting, wargaming, art classes, art exhibitions, astronomy, model building clubs, bridge club)
 - Drama classes
 - Exercise (e.g. martial arts, yoga, pilates, dance, Tai Chi)
 - Music practice
 - Youth groups (e.g. scouts, girl guides).
- ‘Services hub’ where people can connect with and access a range of local services.
 - Childcare
 - Support groups
 - Skills development
- ‘Enterprise hub’ where people can access working, meeting or trading spaces.
 - Office space
 - Hot desking space
 - Meeting, workshop and conference spaces

Below is a list of current tenants and users

The Community Centre		The Kabin	
1	Inspire Drama	1	Administrator of the Kabin
2	Modern Dance	2	The Dance Bank
3	Toddlers	3	Highland Dance Class
4	Bridge Club	4	Craft Class
5	Baypatchers	5	Craft + Much More
6	Zumba	6	Folk Club
7	Ladies Probus	7	Amateur Radio Club
8	DB Horticultural Society	8	Dalgety Players
9	Annabelle Ewing MSP	9	Qigong



1.4 The organisation

Dalgety Community Trust (DCT) is the community led and controlled development trust for the town of Dalgety Bay. DCT was formed in 2019 by a group of volunteers linked to the Dalgety Bay and Hillend Community Council. It remains closely aligned with this community council.

It has the legal form of company limited by guarantee and with charitable status. A future legal structure will be considered in this report.

The company has been formed to benefit principally those parts of the KY11 9 and KY11 7 postcodes which lie within the Community Council area of Dalgety Bay and Hillend Community Council, as defined from time to time by Fife Council ("the Community"), with the following objects:-

1. The advancement of community development (including urban and rural regeneration) principally within the Community
2. The advancement of citizenship
3. The advancement of environmental protection or improvement
4. The provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended
5. The advancement of the arts, heritage, culture or science
6. The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage

DCT has recently acquired a plot of land in the centre of town and three community woodlands from Dalgety Community Council.

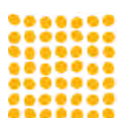
1.5 Methodology

The stages of this study are outlined below:

Work prior to consultant involvement	<ul style="list-style-type: none">• The Trust has been speaking to the local community for some time, gathering data and ideas and feeding that into the process. This has included multiple stakeholder conversations.• Lee Boyd the architect has pulled some consultation drawings together to encourage conversations in the local community.• A public meeting was held to discuss the concept
Inception meeting and planning	<ul style="list-style-type: none">• Community Enterprise and Lee Boyd Architects took part in a meeting with DCT to review the work plan and agree a way forward.
Analysis of previous data	<ul style="list-style-type: none">• A range of studies have been undertaken over recent years. These were analysed and recorded.



Demographic and policy analysis	<ul style="list-style-type: none"> • Study of Dalgety Bay demographics and statistics using Community Insight software • A detailed policy analysis was undertaken to ensure any future direction of travel fits well with national and regional strategy around net zero, economic regeneration, community empowerment and wellbeing.
Community Survey	<ul style="list-style-type: none"> • A community wide survey was undertaken. In total 255 people completed the survey . Respondents were given an option to say how many members of their household their answers represented. Taking into account these household members, the survey can be estimated to represent the views of 434 other household members: 159 children and 275 adult household members. This means that the survey represents the views of an estimated 689 individuals.
Community meeting	<ul style="list-style-type: none"> • A weekend open meeting was held to discuss the project attended by 44 people
Stakeholder Interviews	<ul style="list-style-type: none"> • 1-1 conversations with 6 individuals, organisations and businesses took place, though around 20 were reached out to.
School visit	<ul style="list-style-type: none"> • Sessions took place at the primary school to ensure that children and families had input to the ideas.
Market Research	<ul style="list-style-type: none"> • Research was undertaken into market trends and issues locally • Research into ideas emerging from community consultation
Funding	<ul style="list-style-type: none"> • A funding search was undertaken into grants, loans and alternative local financing options.
Research report and options	<ul style="list-style-type: none"> • This internal report was prepared for DCT to review and to inform design options. • An accommodation schedule was shared with the design team.

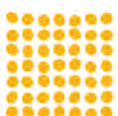
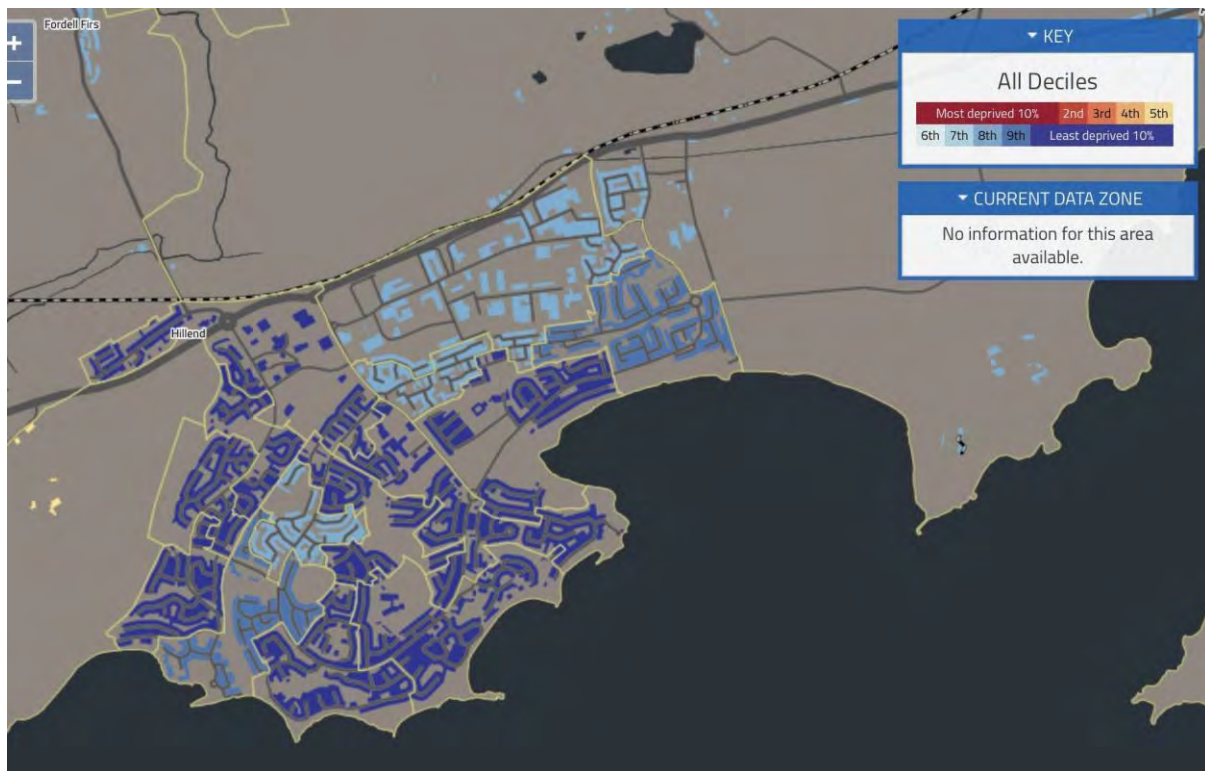


2. Wider Context

2.1 The nature of the community

Dalgety Bay is a coastal town in Fife. Though it presents like a new town from the volume house building (major construction started in 1965), in fact it is sited on an original village, though the remains of the 12th century St Bridget's kirk are all that can be seen of that. It is now largely a commuter town.

Levels of deprivation are low relative to the rest of Fife and Scotland. The Scottish Index of Multiple Deprivation (SIMD) puts the 13 datazones that constitute Dalgety Bay into the upper 8th, 9th and 10th deciles of its poverty index. This means that the households in Dalgety Bay are estimated to fall within the 30% of the least deprived areas in Scotland. However, this does not mean that social-economic deprivation doesn't exist within Dalgety Bay or isn't likely to increase without the appropriate precautions in place. It also means those who are struggling can be hidden.





Population

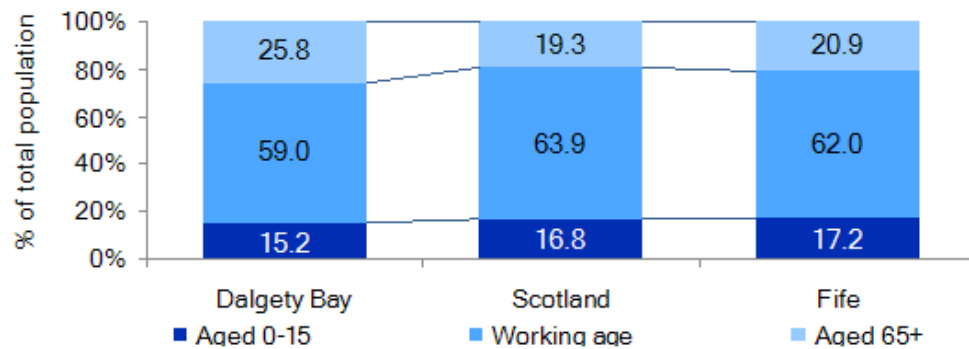
Population and age

According to ONS mid-year estimates from 2020, there are 9485 people living in the St. Andrews Community Council area. The population is 47.2% male and 52.8% female.

In Dalgety Bay, a lower proportion of the population is of working age compared to in the rest of Fife and nationally (59% versus 62% and 63.9%, respectively). 25.8% of those living in the area are aged over 65, this is higher than the national average which is 19.3%. Finally, only 15.2% are aged 0-15, compared to 17.2% across Fife.

Figure: Population by age

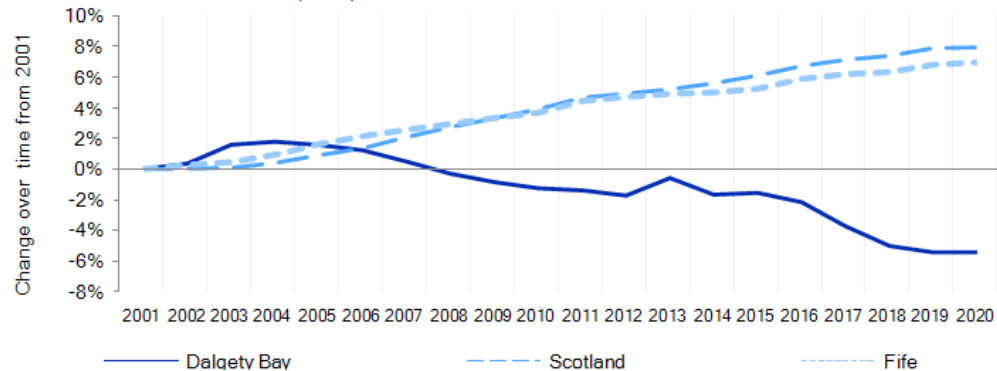
Source: Mid-Year Estimates (ONS) 2020



By 2020 the population of the Dalgety Bay Community Council area reduced and that trajectory continues.

Figure: % change in total population from 2001-2020

Source: Mid-Year Estimates (ONS)

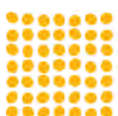


Nationality

Country of Birth

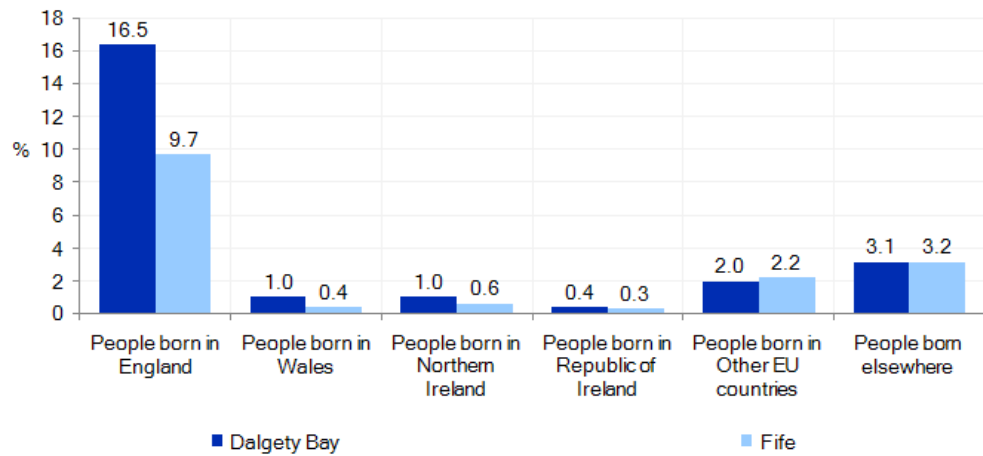
As at the 2011 Census, 76.1% of the Dalgety Bay Community Council area were born in Scotland. This is slightly lower than the Scottish average of 83.6%.

The table below shows a detailed breakdown of the percentage of people in Dalgety Bay born outside of Scotland by the geographic region of birth. 16.5% of people resident in Dalgety Bay were born in England, yet across the whole of Scotland, only 8.7% of people were born in England. People born in other EU



countries (not including the UK or Republic of Ireland) accounted for 2% of the Dalgety Bay population

Figure: Population born outside Scotland
Source: Census 2011



Ethnicity

Census data from 2011 shows that 78.8% of the population of Dalgety Bay identifies as White British; the Scotland average is 85.7%. Most ethnicity measurements accords with the national average.



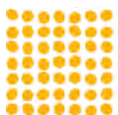
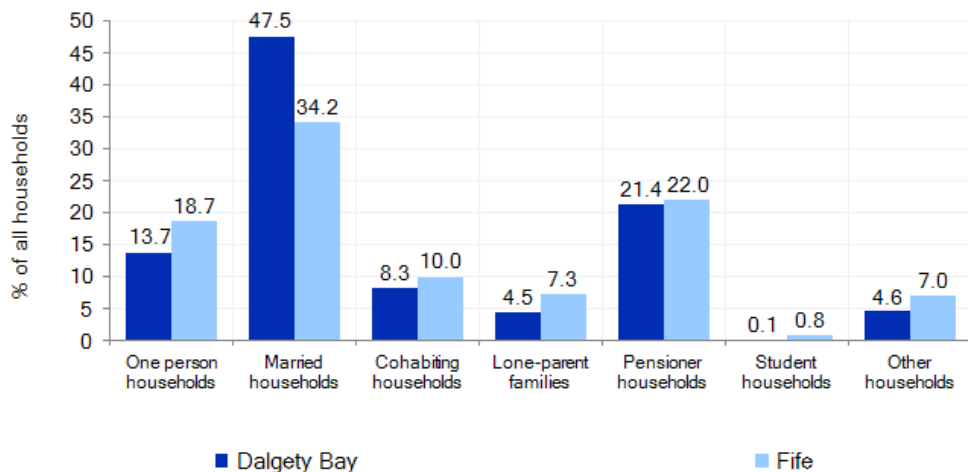
Families

Household types

As at the 2011 Census, Dalgety Bay had higher proportion of married households than the Scotland average (47.5% versus 34.2%). It also had a slightly fewer pensioner households than the rest of Scotland (21.4% versus 22%).

There were lower proportions of one person households.

Figure: Population by household composition
Source: Census 2011





Economy and Employment

Economic activity

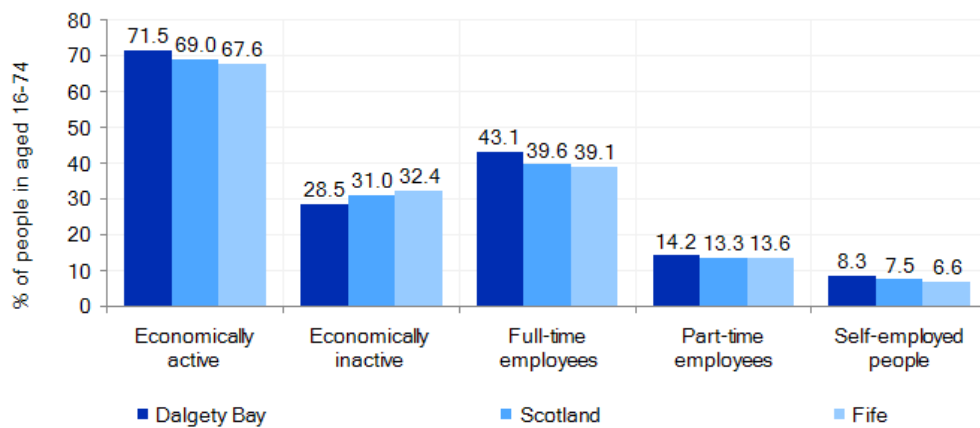
Economic activity relates to whether or not a person aged 16 and over is working or looking for work (i.e. whether or not a person is an active participant in the labour market).

According to data from the 2011 Census, 28.5% of people aged 16-74 in the Dalgety Bay area are economically inactive, this is slightly lower than the averages of 32.4% in Fife and 31% in Scotland. This being a commuter town reflects this.

43.1% of people in Dalgety Bay are full-time employees which is slightly higher than the Scottish average. Dalgety Bay also has more self-employed people (8.3%) than the rest of Scotland (6.6%).

Figure: Economic activity

Source: Census 2011



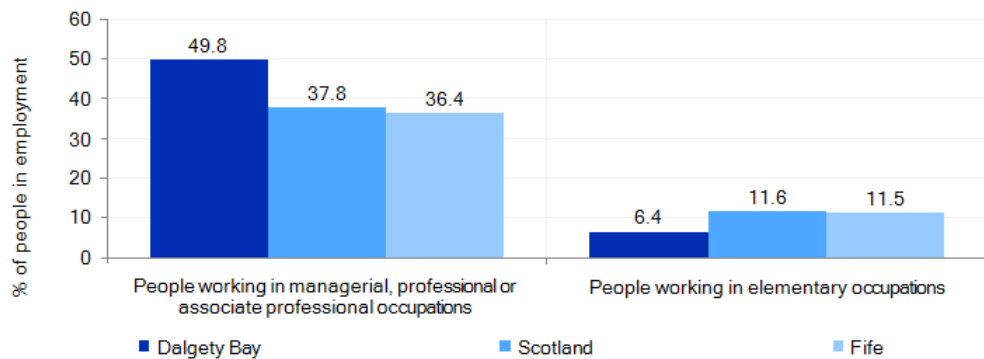
Professional and elementary occupations

Figures in this subsection relate to the jobs of residents in the Dalgety Bay area (regardless of where those jobs are based).

As at the 2011 Census, 11% of people in Dalgety Bay were working in managerial occupations and 38.8% in professional occupations. These are higher than the Fife average of 8.2% and 28.2

Figure: People in professional and elementary occupations

Source: Census 2011



Employment sectors

As at the 2011 census, the largest employment sectors for residents in the Dalgety Bay Community Council area (regardless of where those jobs are based) were:

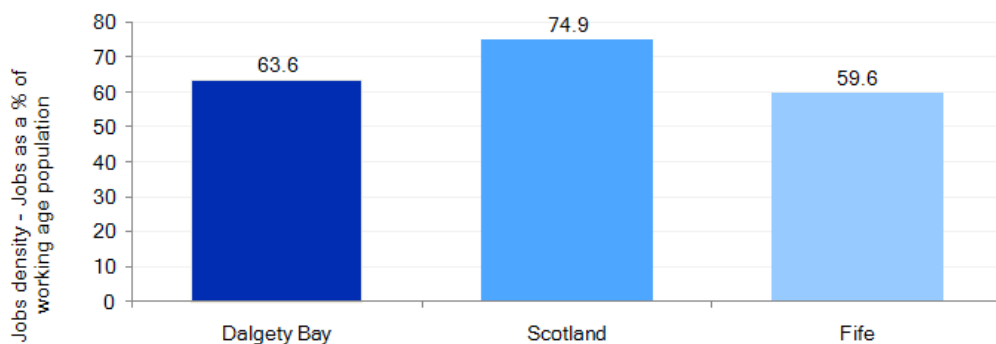
- Retail (13% of people in employment)
- Health and Social Work (13% of people in employment)
- Finance and Insurance (11% of people in employment).

Local Jobs

'Jobs density' is the number of jobs in the catchment area, as a percentage of working age population.

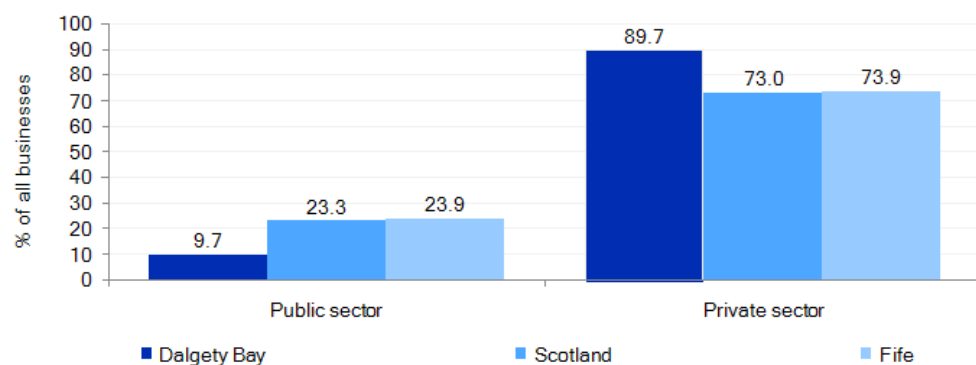
Data from the Business Register and Employment Survey (BRES) (2021) show that job density in the Dalgety Bay Community Council area is 63.6%. This is a little lower than the local authority average of 59.6% and lower than the national average of 74.9%.

Figure: Jobs Density (jobs as a % of working age population)
Source: Business Register and Employment Survey (BRES)

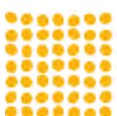


In Dalgety Bay Community Council area, a very small minority of jobs are in the public sector (0.7%). This is much lower than both Fife and Scotland.

Figure: Jobs by public sector/private sector
Source: Business Register and Employment Survey (BRES)



There are 603 business sites per 10,000 population compared with a Fife average of 490



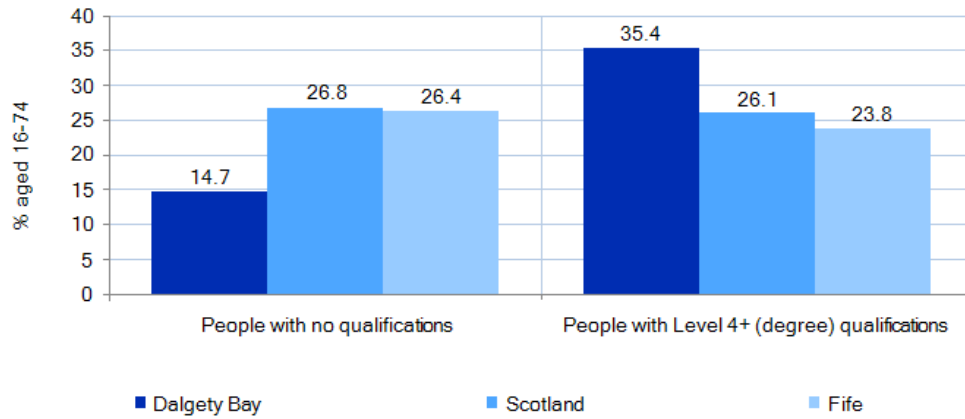


Education

Qualifications

As at the 2011 Census, only 14.7% of people in Dalgety Bay had no qualifications; much less than the rest of Fife (26.4%) and Scotland (26.8%).

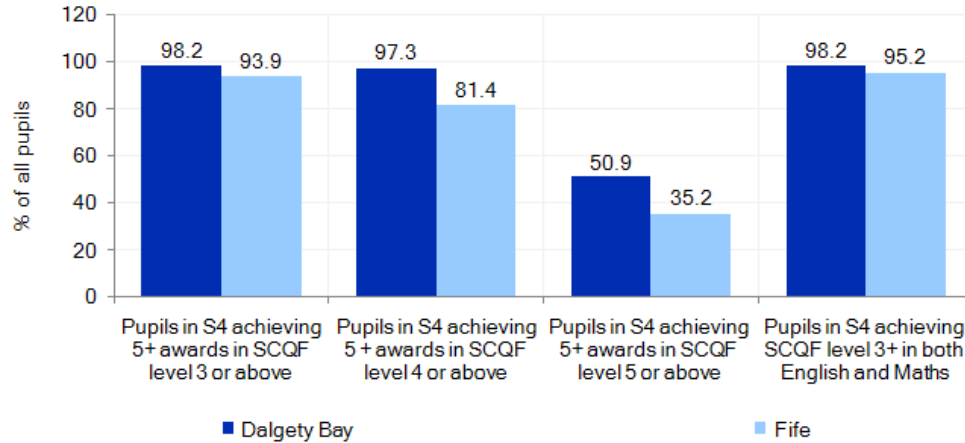
Figure: People with no qualifications and degree level qualifications
Source: Census 2011



Pupil Performance

Statistics on pupil performance are provided by the Scottish Government, Analytical Services Unit for Schools. The following figures are from 2012/13.

Figure: Attainment of pupils in S4 by level
Source: Scottish Government, Analytical Services Unit – Schools, 2012/13



The percent of S4 pupils attaining English and Maths at SCQF Level 3 or above is 98.2% (the national average is 94.3%). Other indicators of pupil attainment are relatively high.



Health

Limiting long-term illnesses

As at the 2011 Census, 14.8% of people in the Dalgety Bay Community Council area live with a limiting long-term illness. This is lower than the regional figure of 20.3% and national figure of 19.6%.

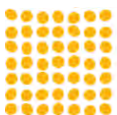
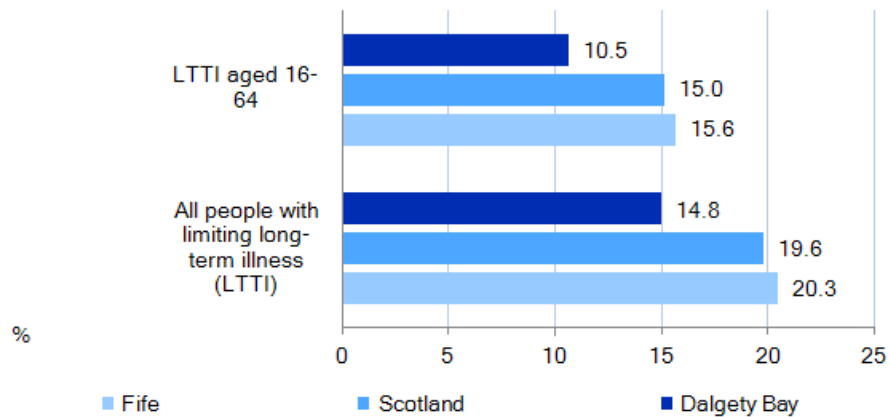


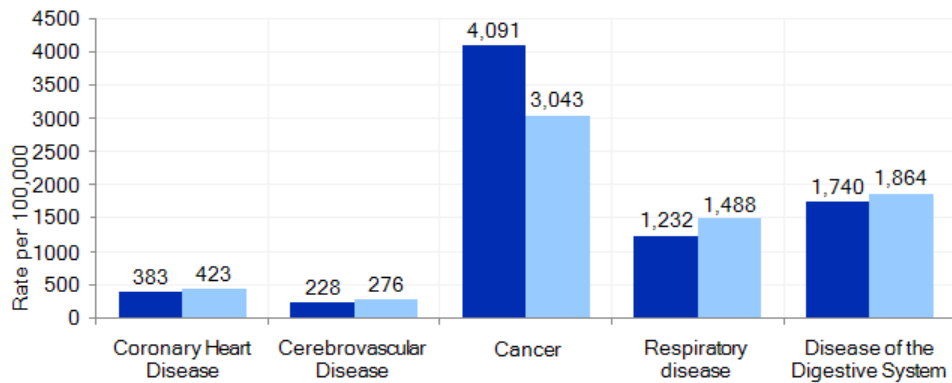
Figure: People with a limiting long-term illness
Source: Census 2011



Hospital admissions

Figures from 2012 relating to admissions to hospital by main health condition indicate that instances of coronary heart disease, cerebrovascular disease, respiratory disease and disease of the digestive system are all much lower in Dalgety Bay than nationally but figures for cancer are higher

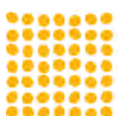
Overall, emergency hospital admissions rates are lower in Dalgety Bay than in the rest of Scotland. This is true for overall emergency hospital admissions, emergency hospital admissions for those aged over 65 and for accident related hospital admissions.



Transport

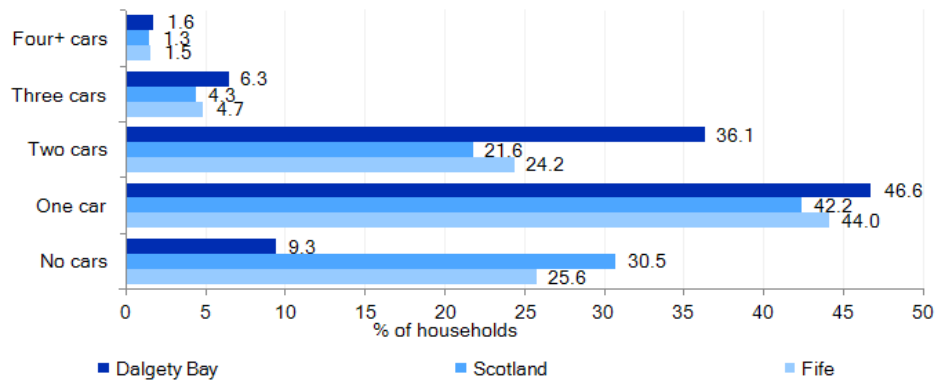
Car ownership

From the 2011 Census, 9.3% of households in the Dalgety Bay Community Council area do not have a car, this is a much lower proportion of households than in Fife (25.6%) and in Scotland (30.5%). The percentage of households who have one car is roughly in line with the national and regional figure of around 44%.



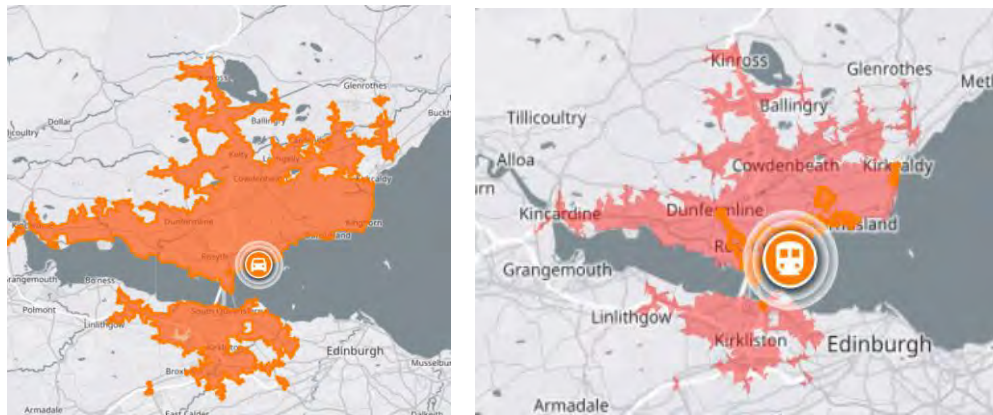
More of households in Dalgety Bay own two or more cars, this is less than across both Fife and Scotland.

Figure: Car ownership
Source: Census 2011



Travel times

The map below shows the distance that can be driven from Dalgety Bay within 30 minutes (the area in orange). The area shown in red is the distance that can be covered in 30 minutes on public transport. In relation to public transport this is illustrative of how relatively good public transport is in comparison with other areas.



Connectivity

Broadband speeds are lower in the Dalgety Bay Community Council area.

The average broadband download speed (Mbit/s) is 73.4, compared to the Scotland average of 69.86.



Housing

Dwelling type

As of 2017, the most common type of dwelling in Dalgety Bay was detached, which made up 51.6% of local dwellings (higher than 23.2% in Fife and 21.5% nationally).

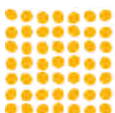
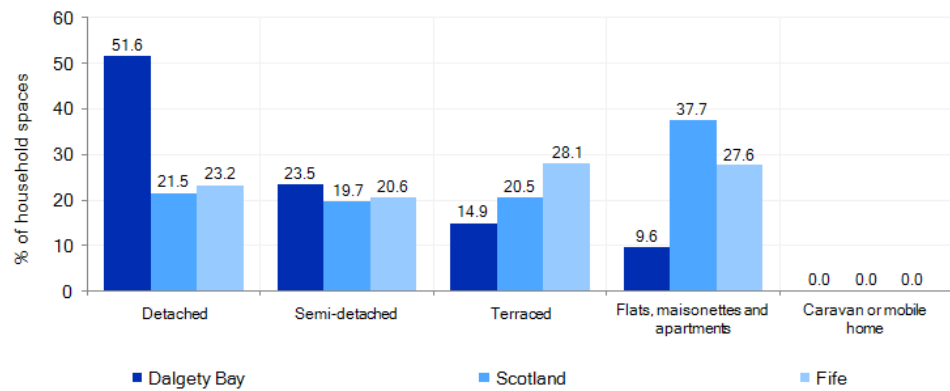


Figure: Dwellings type breakdown
 Source: National Records of Scotland 2017/Census 2011

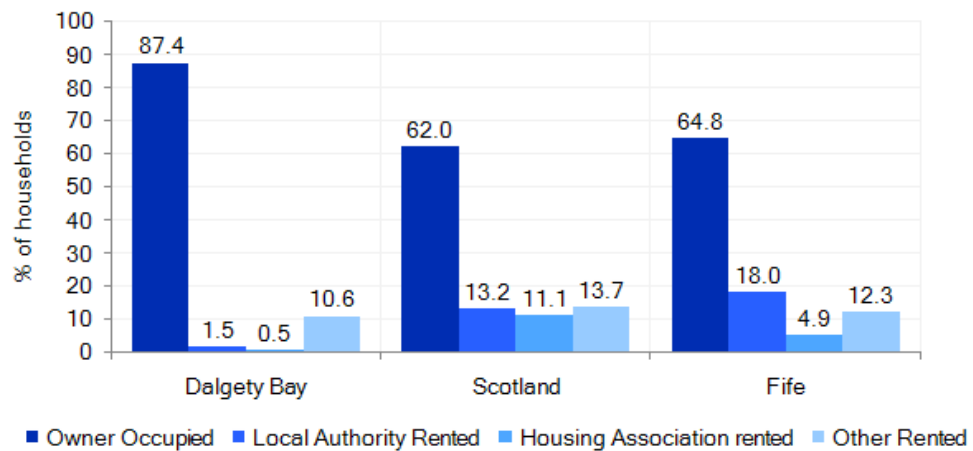


Ownership

As at the 2011 census, 97.4% of households in the Dalgety Bay Community Council area owned the dwelling they lived in. This is lower than the Fife figure which is 64.8% and the national figure of 62%

2% of households in Dalgety Bay live in socially rented dwellings (1.5% through the Council and only 0.5% through a Housing Association or Social Landlord). These are much higher than the Fife and National averages.

Figure: Housing tenure breakdowns
 Source: Census 2011



Energy efficiency

Energy efficiency is expressed in Standard Assessment Procedure (SAP) points. This is a score between 1-100 with 1 being poor energy efficiency and 100 being excellent energy efficiency.

The diagram below shows the current average rating of buildings alongside the potential rating (if improvements to the buildings were made) and the difference between the two - the 'energy efficiency gap'. Data is from 2016-2020

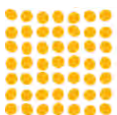
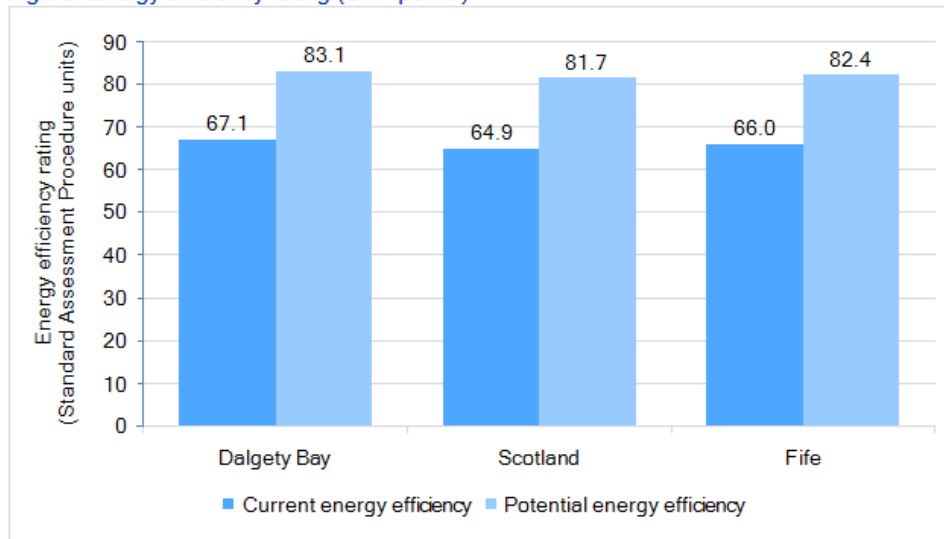


Figure: Energy efficiency rating (SAP points)



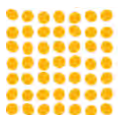
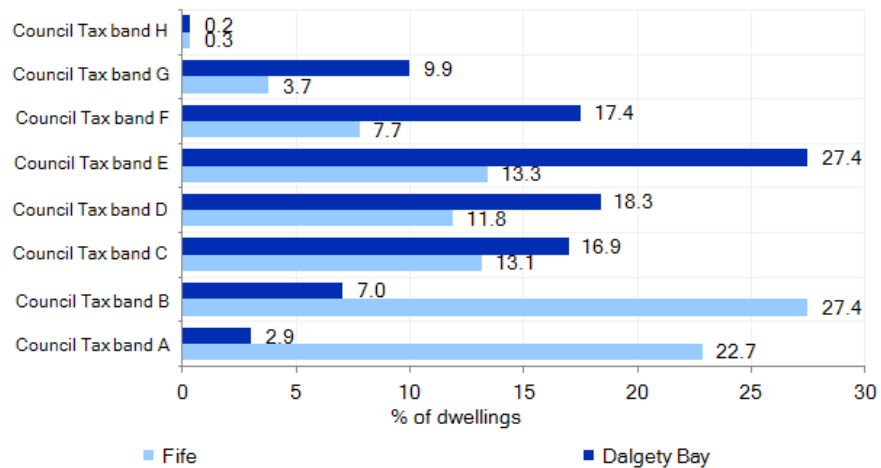
The current average energy rating of dwellings in Dalgety Bay is about the same as the Fife and Scotland averages. The potential energy efficiency is also about the same as Fife and Scotland. The energy efficiency gap for Dalgety Bay is 16.

Property value

Council tax bands can be used as measure for property value and levels of affordable housing with Band A representing the lowest property value.

There is a lot less affordable housing in Dalgety Bay than nationally; only 2.9% of dwellings in band A compared with a Fife average of 22.7%. Band B is 7% compared with 27.4%.

Figure: Dwellings by council tax band
Source: National Records of Scotland, 2018





Vulnerable Groups

People out of work

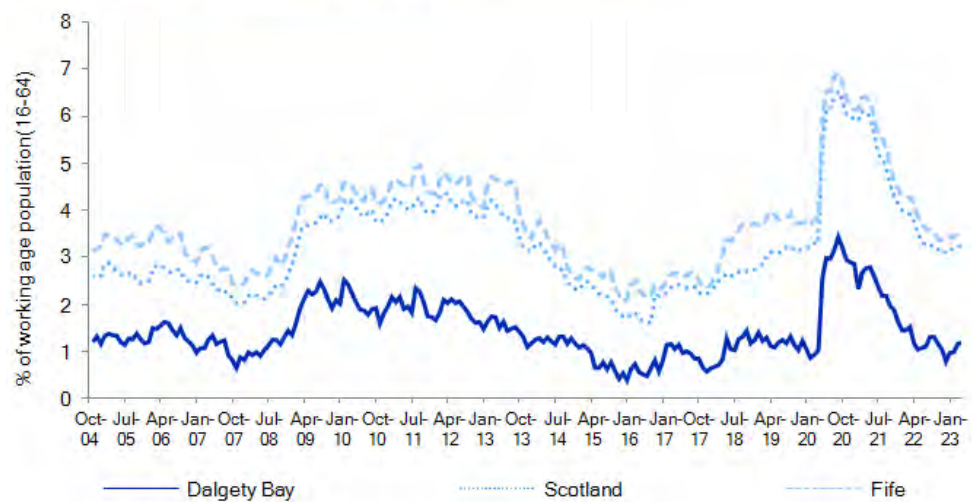
This subsection relates to people who are out of work and receiving workless benefits.

As of August 2023, 1.2% of working-age people in the Dalgety Bay Community Council area claim unemployment benefits, which is much less than the Fife average (3.6%).

The graph below shows the percentage of working aged people claiming unemployment benefits over time – across Dalgety Bay, Fife, and Scotland. For the past 20 years, the proportion of people claiming unemployment benefit in Dalgety Bay has been consistently less than the proportion of people claiming unemployment benefit in Fife and Scotland. However, local trends are similar to national and regional trends. For example, all saw a spike in the percentage of people claiming unemployment benefits in 2020/2021.

Figure: Unemployment benefit (Jobseekers Allowance) claimants

Source: Department of Work and Pensions



Incapacity Benefit (IB)/Employment and Support Allowance (ESA) are workless benefits are payable to people who are out of work and have been assessed as being incapable of work due to illness or disability. Fewer people claim these in Dalgety Bay compared with the national average.

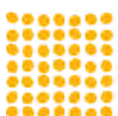
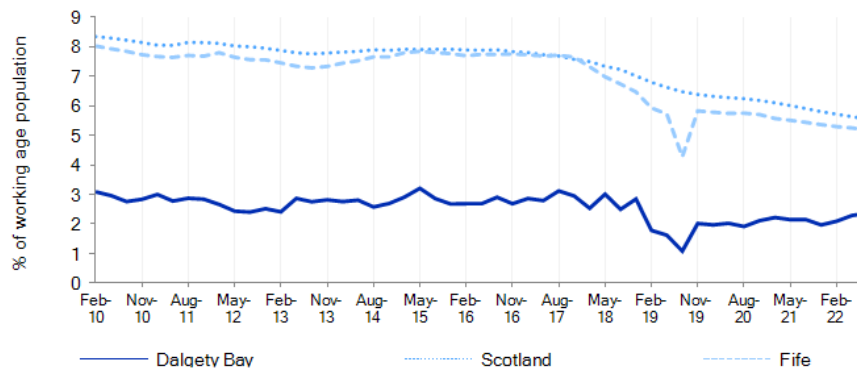


Figure: Working age population claiming incapacity benefits (Employment Support Allowance and Incapacity Benefit)

Source: Department for Work and Pensions



Universal Credit

Universal Credit has replaced six previous benefits (including housing benefit, child tax credit and working tax credit).

0.4% of people living in the Dalgety Bay area claim Universal Credit compared with 2.8% in Fife.

Debt

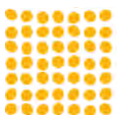
Personal debt is higher in the Dalgety Bay Community Council area than in Scotland. In 2021, the average personal debt in Dalgety Bay was £648 per person, compared to the Scotland average of £502 and a Fife average of £540.

Residential mortgage debt is also higher: £34,427 per household in the Dalgety Bay area compared to the Fife average of £22,891. The mortgage debt figure is the total borrowing outstanding on customer accounts for residential mortgages divided by the total number of households.

2.2 Strategic context

The full policy analysis is set out in appendix 1. It is clear that this project has a strong policy fit with a range of national strategies, principally;

- Community Empowerment in the Community Empowerment Act in relation to community owned land and assets
- Just Transition to Net Zero developing a building to the highest standards
- Social enterprise in line with the 10 year Social Enterprise Strategy
- Wellbeing economy rooted in a new cabinet portfolio aiming to achieve GVA but also a happier and healthier population
- Inclusive growth as set out in the National Strategy for Economic Transformation
- Community Wealth Building as it moves to legislation



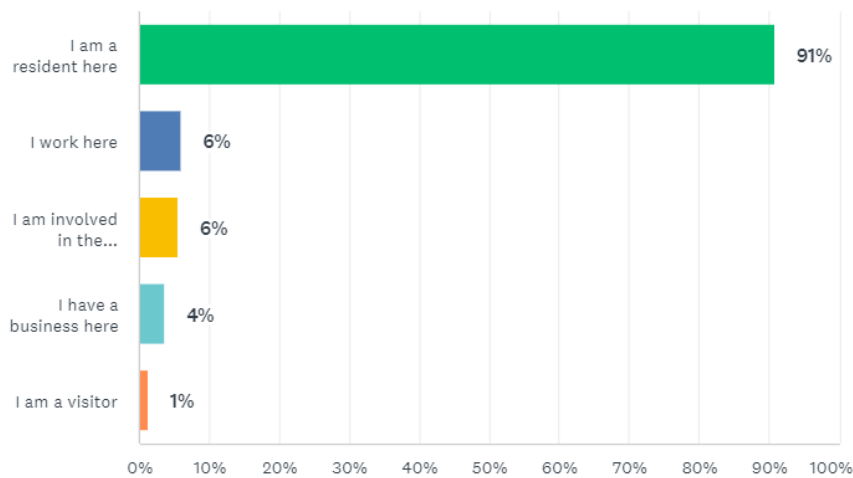
3. Research and Community Consultation

3.1 Community Survey

Respondents

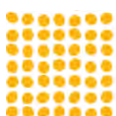
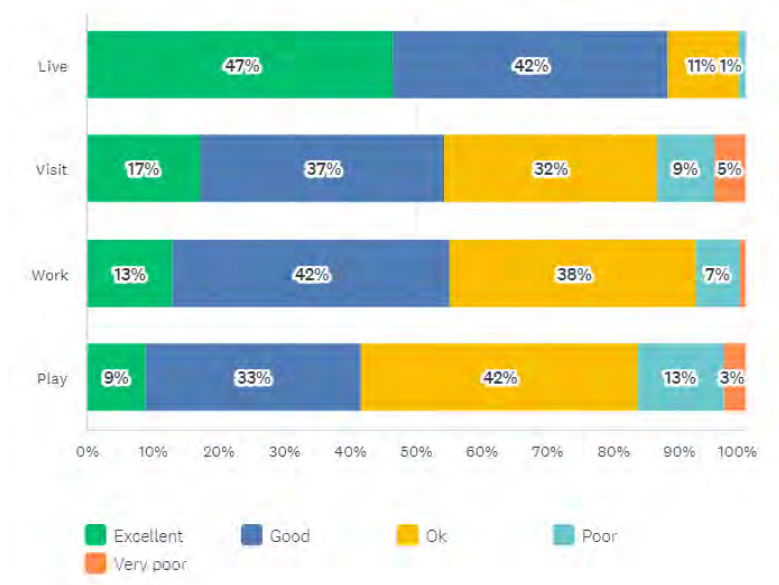
In total 255 people completed the survey. Respondents were given an option to say how many members of their household their answers represented. Taking into account these household members, the survey can be estimated to represent the views of 434 other household members: 159 children and 275 adult household members. This means that the survey represents the views of an estimated 689 individuals.

91% of respondents are residents of Dalgety Bay. 10% either work or have a business in the area and 6% are involved in the community in another way but don't live here.



Attitude to the Area

The survey highlighted that 89% of respondents rate Dalgety Bay as either excellent or good as a place to live. Further, just over half of respondents feel it is an excellent or good place to work and visit. As a place to play, only 42% believe Dalgety Bay is excellent or good and 16% feel it is poor or very poor.



Respondents were invited to comment on their answers. There were 24 comments which referred to a lack of facilities in the town. Specifically, people felt that there was the need for a post office, bank, public toilets, new community hub and independent shops selling local produce e.g. bakers and butchers. Further, some respondents felt that the town lacked a centre to act as the heart of the community.

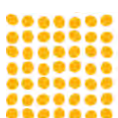
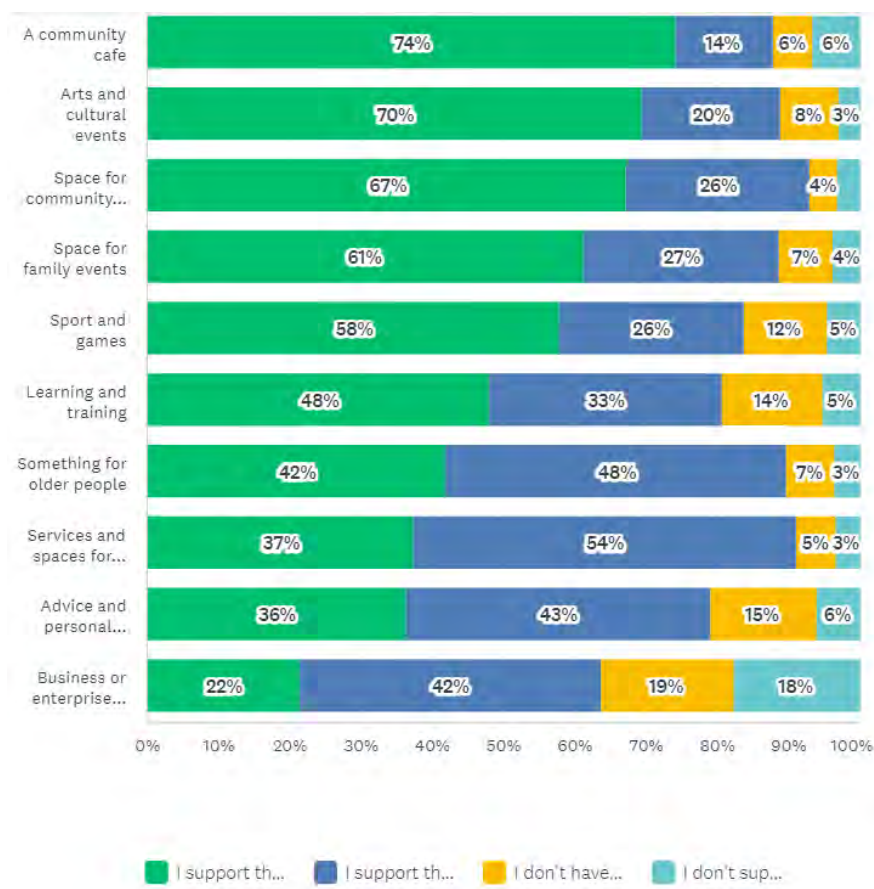
A large number (20) also referred to a lack of youth facilities with specific mention to the scarcity of local play parks. There were also 13 references to a lack of affordable leisure/ sports facilities; people commented on the small gym and absence of a swimming pool.

People value the nature and outdoor spaces that the area has to offer but feel that they must be protected from development and vandalism. Further, improvements could be made to make local walking routes safer.

There were also comments in relation to transport. Some of which included the need for more parking in certain areas, improved public transport and better adherence to speed limits.

Function of the Hub

When asked what types of functions/ space the Hub should provide, respondents were most likely to support and use a community café (74%), followed by arts and cultural events (70%), space for community groups to meet (67%) and space for family events (61%). Services and spaces for both older people and young people also had high levels of support, however less respondents would make use of these spaces (as are most likely not part of the described demographic). On the other hand, there was less support for the hub to provide business and enterprise space; only 22% supported this and would use it, while 37% either didn't have a view or didn't support it. The provision of advice and personal support also had less backing.



When invited to comment further, sports facilities (including a swimming pool) and youth facilities were two of the most frequently mentioned.

There were 13 comments centring on the theme of business/ finance. Suggestions included hot desking space, retail space for local vendors, a post office, banking hub, community favour swap and a citizens advice service.

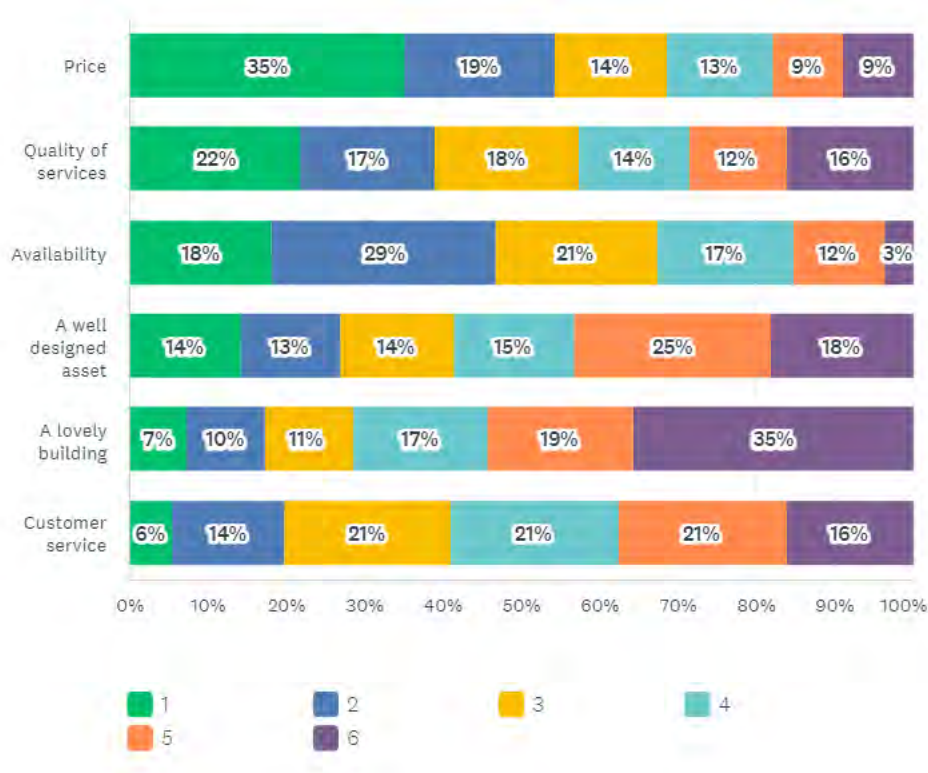
There were five comments which referred to the development of the outdoor space. Respondents mentioned lots of trees, good paths, car/ bicycle parking and a community garden.

There were four suggestions to create a heritage centre/ trail and three suggestions to have a cinema/ entertainment space.

Key Considerations

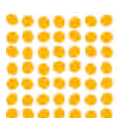
Price was determined to be the most important driver in using the space. 54% ranked this as their most important or second most important factor. ‘Availability’ was also important to many; almost half ranked this as their first or second most important factor. ‘Quality of services’ was the third most important driver overall.

People were less concerned about appearance and design. ‘A lovely building’ was the driver that most people felt was least important (35%). People were also less concerned about the building being a ‘well designed asset’.



Potential Impact

A large majority (over 70%) agreed or agreed strongly with all the following statements: Developing an asset in Dalgety Bay into a community owned facility will: strengthen the community and bring people together; get people more involved in their community; develop health and wellbeing; promote and enhance creativity; enhance the economic resilience of the community.



3.2 Stakeholder Interviews

As part of the research into a new community facility for Dalgety Bay, the consultant contacted 17 individuals representing organisations across the community identified by the Community Trust. It was a challenge to secure responses, but the following organisations engaged positively and fed into the anonymised sections below.

- Dalgety Parish Church (2 representatives)
- Donibristle Primary School head teacher
 - The primary school also facilitated a focus group on our behalf with 10 primary 7 pupils and fed in the notes
- Dalgety Bay Primary School head teacher
- Local business representative with an interest in creative industries
- Grow Forth

Nature of the community

Dalgety Bay was described by the interviewees as a calm and close-knit community. The town is considered a good size, maintaining a small community feel while offering a good variety of amenities, though some are not fit for purpose and a little run down. The residents appreciate the town for its different shops, access to the sea/beach, local walks, a train station for easy commuting to Edinburgh, low crime rates and open spaces for families and young children. One of the main things people identified about the area was how welcoming and friendly it is and people really appreciate the community spirit. A number of individuals noted this. “The people of Dalgety Bay are very proud of their village and there is a great desire from the people to open their community up to new residents and visitors”. However a few people noted that it’s changed a lot since covid and is no longer such a social place as it was before with there being less opportunities to mix.

As there is a strong community bond in the area, a lot of the community are already involved with each other, and the community uses a variety of different halls and churches for space.

There are two nursing homes in the area, and they work closely with the community. The schools visit the nursing homes with a befriending programme. In addition, children tell stories to residents in the nursing home organised by the church.

Despite these positive elements, several challenging issues were raised by interviewees, including concerns regarding seagulls and litter in certain areas. It was perceived that

there were high prices in some shops.

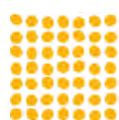
issues tied to dog waste.

transportation difficulties due to reduced bus timetables

concerns about the portrayal of the community on the Facebook Billboard.

Though generally speaking, the area is not an area of relative deprivation, there are some deprived areas within Dalgety Bay and the apparent stigma makes it hard for people living in those areas to ask for help. Interviewees felt that these less engaged people could get involved with the positive feeling of a new building, e.g. working in a community cafe, which would help them feel more part of the community.

It was identified by interviewees that there is a problem within the area with anti-social behaviour (particularly linked to young people) because there are not enough spaces or



activities for them to do in the evenings. A lot of spaces such as libraries or cafes close at 5pm and so local young people are gathering in public spaces. A space for young people e.g. a youth club would therefore be very beneficial.

Younger children in the area seem to be well catered for as there are lots of social and sports clubs for their age however it has been mentioned that there is a lack of space for children to play e.g. AstroTurf's and playgrounds.

There is a lot of talent in the town with many jewellery and art workshops, and some art Galleries with individual sellers.

Children's views

A focus group was completed with a group of 10 P7 pupils at one of the local primary schools and these are their thoughts on the area:

Good

Calm place to live

Town is a good size. It feels small enough to be a community.

Trusting people

Different shops to use,

the sea / beach,

local walks,

train station, easy to commute

Low crime rates

Good range of parks and open spaces for families and young children

Bad

Seagulls,

litter in woods (near Coop),

no swimming pool

shops are more expensive (petrol)

overcrowded with dogs

dog poo / horse poo

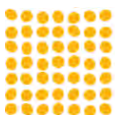
Difficulties for commuting due to reduced bus timetables.

Community spirit

The Facebook Billboard ('it doesn't show us in a very good light as people are very mean.')

The primary school children had a long discussion about this and found it difficult to agree on one thing. They didn't feel a café was required as there are enough eating places around the area. Sports venues are already sufficient within the schools, although the children identified the need for a swimming pool.

In the end they settled on developing a venue that could be used by families – They want to discourage screens so there could be a place with music and a pool table, like an arcade where families could play games with each other.



Use of the building

As noted above, interviewees identified a problem with youth in the area being anti-social and vandalising things because there is no space for them to go or activities for them to do so they just meet in the streets where they are not monitored. [NB, this reflects the experience of adults] A space for young people e.g. a youth club would therefore be very beneficial.

Other interviewees thought that since the community has a variety of spaces perhaps this could be used as a social enterprise hub with a community cafe, selling local produce. A suggestion was made for a small farmers market for people to meet and shop. There could also be a community deli market to buy meat, fresh fruit and vegetables. Fishmongers, farmers, butchers, bakers etc from the local area could be brought in and could sell their produce. This would be making use of what is already being produced in the community. In advertising using words like “artisan” could drive sales. As Linlithgow does with Linlithgow Gin Dalgety Bay could perhaps sell from a local distillery.

The primary schools have a pre-established relationship with the older community and often visit care homes to read stories to senior citizens or to socialise. Perhaps a community café could be used to serve hot meals to the community and perhaps the school children could deliver meals to older people in the area.

Additionally, there is an Arts festival which runs twice a year in Dalgety Bay and there is a local art club which might want to use the space. There are a lot of individual art sellers in the Dalgety Bay area who could sell some of their art in a community shop or at the market. The building could work with local sellers as the V&A in Dundee does. Dalgety Bay has a lot of talent with people who are experts in their craft. The building could help create an identity for the place and showcase local talent (e.g. potters, art etc). Perhaps art of Dalgety Bay could be made to sell to visitors.

For visitors a mini museum might be nice to educate people about the history of the town and any famous figures who come from there. It was noted that many people think that Dalgety Bay is just a dormitory town for Edinburgh and Fife, when in fact it has a fascinating history.

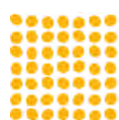
Stakeholders feel that there is a lack of jobs, particularly for young people in the area. As a result, many have to travel to Edinburgh for work. Perhaps there could be an opportunity of offering some young people positions in a community cafe or shop.

The stakeholders noted that there are not many spaces in the community for people to book event space. A large hall would be beneficial that could be hired out for use of children’s parties/family events and community events. A need has also been raised for a space for weddings.

The PTA runs quiz nights and shows to generate money for the school and a big hall could be used for this. The School PTA groups could also use space to hold meetings as they currently use local pubs and cafes but a lot of these places close in the evenings.

The stakeholders agreed that there is a need for green space within the community and the need for an outdoor gathering space. In addition, more could be done with the harbour as many of the surrounding areas are much more known as being seaside towns. There was a suggestion to create a space for people there. Invest in cycling, walking paths, library and books. Perhaps use the space for clubs e.g. drama.

Stakeholders felt that a new building could also be used for/by other organisations/charities to base their services there, creating a multi-use hub. Currently adults with learning difficulties in Dalgety Bay need to travel to Dunfermline for support services. Additionally other volunteer groups use space for activities e.g. DofE.



Some stakeholders suggested an internet cafe as there aren't many social spaces people can go to study or play games online together. The spaces which exist for this such as cafes and the library close around 5pm so a space that runs later would be nice.

What would drive people to use the space?

For it to be valued people need to make use of the space so try to keep the space as flexible as possible. As mentioned above, a lot of spaces which are currently being used close at 5pm and so later opening hours would be a good drive for people to use the building.

It was noted that the people who would operate the building need to find the right price point. If it's too expensive people won't use it but if it's too cheap people won't value it. Some interviewees suggested exploring a "pay what you can afford" system could be developed, though this was viewed as risky. Some stakeholders suggested that the building manager could charge entrance fees for use of the building but with reduced rates for locals.

It would be good if it was used as a social hub for the community and appealed to different generations.

Access to the building is key. It was viewed as important to make sure that all of the community can access the space by potentially providing a bus for the elderly and include spaces for parents with prams and disabled people. A community bus could also be used to help older people get to appointments or do their shopping.

What other buildings should be protected?

Stakeholders identified some concerns about displacement of small businesses so, as mentioned above, there could be an opportunity to team up with local businesses e.g. farmers. The option of franchising out the café to another local provider should also be pursued.

There seems to be a lot of activities and groups around for younger children (8 and under). Sports seem to be well covered as the schools in the area have a lot of sports clubs and there are new businesses in the industrial estate opening up with gymnastics and similar classes.

Growforth is planning a green space in the community but doesn't see it conflicting and would be willing to work with the new building. Their space is planned to be used for small functions and events, possibly some catering. It will be ecofriendly and might possibly hold small weddings. Growforth want to involve the local community and perhaps start eco learning by teaming up with local nurseries and schools to teach them about plant growing and living sustainably. There may be opportunities to merge the aspiration here with the green space vision at the new hub.

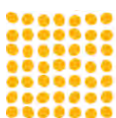
The Dalgety Parish church is also developing their own space and has hopes to use this for events and particularly weddings. This may be an opportunity for collaboration.

How can it generate money to pay the bills?

Stakeholders felt that there could be a system of charging for entry with fees reduced for local residents, but it is hard to find the right price point. There was a suggestion for a 'pay what you can afford' system.

Fundraising events could be undertaken within the building and within the community to help generate income and any excess money made could go back into the community.

There was a suggestion that money could be generated by involving local businesses through things such as a farmers market or by selling locally made and produced produce in a community shop or cafe.



Some suggestions have been made to open a car park and charge for parking although others have stated that there is already sufficient parking in the area and that a big carpark may spoil the aesthetics of the town.

Suggestions have also been made to hire out space the space to other organisations e.g. baby groups

Partnership

There is an opportunity to possibly look into lifelong learning and use the space with Growforth and the nurseries/schools as a creative learning space.

There is an active horticultural society within Dalgety Bay who would be willing to partner up to help make the space more green.

Hillend Tavern won 'Hub of the year' so there could be a partnership there in relation to hospitality space.

One local church in the area is always busy and is happy to work with the building. They are involved in the horticultural show and could use the building for this i.e. have a campus approach.

Brownies and guides currently use the church hall but a community hub could be started to involve more people in the community.

There was a suggestion to partner with the Bowling Club for events as they are highly community orientated.

3.3 Open meeting



44 people attended an open meeting to give views and discuss the project. The following notes were taken

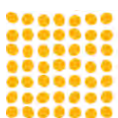
The difference this will make

- Help to end loneliness in elderly – somewhere to meet/ do activities
- Focal Point
- Youth employment
- More events - Christmas/ fireworks/ open air cinema/ art display/ ice rink
- More things for young people to do
- Community engagement

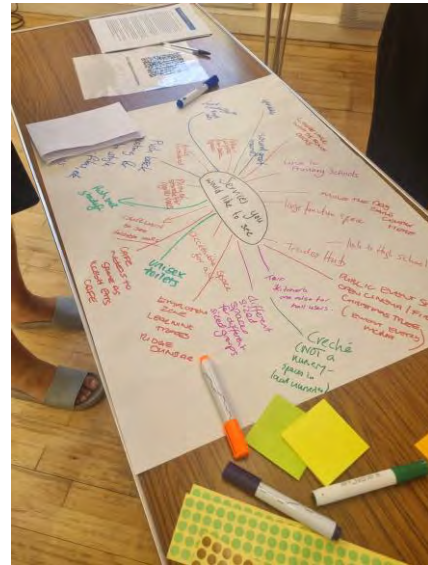
- Local employment
- Help to end loneliness in elderly – somewhere to meet/ do activities
- Nurseries under capacity so no need for a nursery

Services you would like to see

- Move the day care centre here
- Large function space
- Men's shed
- Link to the high school
- Trades hub
- Public event space, open cinema/ firework, Christmas tree (event every month)



- Two kitchens, 1 also for hall users.
- Crèche (not a Nursery- spaces in local nurseries)
- Different sized spaces for different sized groups
- Employment zone – learning trades
- Accessible space for all
- Unisex toilets
- Café needs to same as Rosyth Eats café
- Push backstage
- Plenty of storage for regular users
- Push back seating for theatre style seating – films etc. youth groups performances etc.
- Bikes considered
- Protected green space
- Solar powered? - Lights and paths in car park from each space
- Rosyth eats – food larder/bank
- Café outdoor space with garden
- Affordable
- Soundproof rooms
- Large hall with bi fold doors
- Link to primary schools
- Peer support groups



3.4 School consultation

Donibristle Primary 2-4 Assembly

144 Children



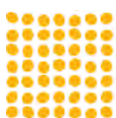
What do you think about the Community Centre?

- It's boring and not very colourful
- I didn't even know that was a community centre
- It's been here for years.
- Teacher "I went to the Brownies there"
- There is no sign outside
- I can run around inside
- If you use the Centre, what activities do you take part in?
- Brownies
- Sports
- Parties
- Shows – we like the stage

How would you like to transform the Centre?

- Make the outside more appealing and colourful
- There could be seats outside
- More activities and clubs for children
- A cinema

- A café with cakes and sweets
- Learning classes e.g. painting
- Party equipment like soft play.



Donibristle P6 & P7 Notes – 19 Children
If you had £1M how would you transform the community centre?

Image 1

- Café
- Plants x 2
- Snack Machine
- New benches
- Climbing frame

Image 2

- It's for free!
- Outdoor area
- Park
- Pergola
- Shed
- Multiple stories or rooms
- Sports x 2
- Normal x 2
- For parties x 2
- Eating spot
- Arcade / cinema x 2
- Café
- Community Centre
- Outdoor cafe
- More community use so it won't be a waste of money
- Picnic tables around it / eating spots
- Not too pricey for everyone
- Flowers around it
- Make the outside more modern

Image 3

- Community Centre
- 2 Stories
- Colourful
- Non dead plants
- Add new plants/ flowers x 3
- trees
- A sitting area
- Modern
- Storage
- Activities
- Add a better door
- Better staff
- Heating A/C needs to be correct temperature for season
- More things to do
- Café
- Bigger kitchen
- Cool designs
- Better curtain (stage)
- Working, automatic, disabled door



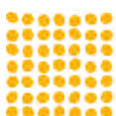
- More bathrooms
- New windows
- Better carpark
- Better sign
- Benches

Image 4

- Outdoor games
- Sensory wall
- Sensory room
- Fidgets
- Chalk board
- Monkey bars
- Kit bay
- Indoor climbing wall LED lights
- Slide
- Roundabout
- Seesaw
- Monkey bars
- Ball pit
- Seating
- Drinks
- Roof café?
- Gym / gymnastics

How would you improve the outside of the community centre? (Images A-D)

- Decorations
- More colour
- Park to play for kids
- Big sign
- More outdoor shelter
- Outdoor games
- Paint the roof and walls a happy colour
- Less light



- Big path
- Bigger, better area
- What is it?
- We should make it look better – modernise it
- It doesn't look like a community centre
- 3 stories on the building
- Sports
- Normal
- Party
- 1 million, more modern, 2 stories, new sign, heating
- Don't like:
- Old brick could be more safe
- Dead plants
- More parking spaces
- More fun
- Maybe some designs
- Fresh paint

3.5 Conversations in the Town

There were two visits to the community to speak to residents in open spaces and cafes. The following were the common reactions. 34 individuals were engaged with.

Good things about the Community

Welcoming
(though maybe not as much as it used to be)

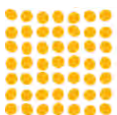
Access to the sea and coastal paths

Good transport infrastructure

Good level of local businesses

Easy access to shops

Engaging school



Challenges in the Community

Hard to get to know people when you are new	Community Centre needs refreshed	Coffee shops to expensive
Nothing for young people	Lack of things to do	Isolated people who can be lonely
Hard to find work for young people	Commuter town meand wealth leaves the area and is spent largley in Edinburgh	Hidden deprivation hard to see so this might prevent investment

Most Popular Ideas

- Events space – drama, film nights, concerts
- Good affordable café
- Activity for young people
- Small business incubator
- Some kind of care for older people

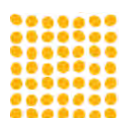
3.6 Competitive Analysis

There are several spaces that organisations can currently rent in Dalgety Bay, such as those in the table below. The initial table was provided by Lee Boyd Architects and revised and updated by Community Enterprise. W

Name	Comments
Dalgety Bay Sports and Leisure Centre https://www.fifeleisure.org.uk/locations/dalgety-bay/	<ul style="list-style-type: none"> • Run by Fife sports and leisure trust • Gym, Fitness Studio, Sports Hall, Multipurpose rooms, Football pitches • Open 7 days a week (7am-10pm M-F, 9.30 – 2.30/4.30 SS) • Gymnastics, Junior gym, Football coaching, disco freestyle dance, a multi-activity club for older adults, walking football • https://fifeleisure.org.uk/membership/#Price%20lists
Dalgety Bay Community Centre	<ul style="list-style-type: none"> • Owned and run by Fife Council. • Hall with stage, meeting room for 10 people, Kitchen and toilet facilities



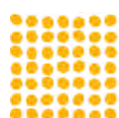
Name	Comments
https://www.fife.gov.uk/facilities/community-centre/dalgety-bay-community-leisure-centre	<ul style="list-style-type: none"> Used for dance, Zumba, sewing group, drama, horticulture show Can hire rooms
The Kabin	<ul style="list-style-type: none"> Portable cabin on land owned by Dalgety Community Trust. Registered Scottish charity Used for dance, astronomy class, youth clubs One room with toilets Can hire rooms for £3 per hour.
Dalgety Parish Church https://dalgety-church.org.uk/	<ul style="list-style-type: none"> Situated alongside the proposed Community Hub. The current minister has publicly stated that Dalgety Bay requires more quality public space. The minister also accepts that while a level of competition is inevitable, it will nevertheless improve Dalgety Bay. Hall seems well used; Rainbows, Brownies, Yoga, Café Connect, Story Telling, Tai Chi, Badminton, Pilates, Dementia Singing, Tae Kwon Do, Fitness, Pizza Evenings, Bereavement Group, Probus Group, Chair Yoga, Dalgety Players – Am drama Main Hall has a small stage (where the Dalgety players do their shows)
Dalgety Bay Bowling Club https://www.dalgetybaybowlingclub.org.uk/	<ul style="list-style-type: none"> Clubhouse (with fully stocked bar) and full size green Weekly: coffee morning, Friday night social, evening bingo. Monthly: Quiz night. Also seem to do tribute act nights. Can hire the clubhouse for private functions – max capacity of 60
Dalgety Bay Library https://www.onfife.com/venues/dalgety-bay-library/	<ul style="list-style-type: none"> Dedicated warm space Free PC and internet access IT skills sessions Children’s reading and craft sessions, reading groups for adults Photocopying and scanning facilities Meeting room to hire
That Place in the Bay https://www.thatplaceinthebay.co.uk/	<ul style="list-style-type: none"> Registered charity. Provides space for people to learn arts and crafts. Room to rent.
Dalgety Bay Sailing Club https://www.dalgetybaysc.org/	<ul style="list-style-type: none"> Clubhouse and Bar Can be hired for functions



Name	Comments
Dalgety Bay Business Centre (Industrial Estate) https://libertyspace.co.uk/office-space/	<ul style="list-style-type: none"> Private offices, co-working spaces, meeting rooms to hire. Desks for remote workers. Rooms for beauty salons etc.

There are also an array of organisations that provide services to Dalgety Bay, in addition to those above and the existing users of the community centre and Kabin. Some of these are as follows:

Arts and Crafts	
Dalgety Bay Art Club	<ul style="list-style-type: none"> Registered charity. One of the largest amateur art groups in fife – approx. 90 members Regular art and craft sessions – seems to hold club exhibitions in the parish church
Schools and Nurseries	
Dalgety Bay School and Nursery	<ul style="list-style-type: none"> School roll: 287 Nursery roll: 58 Large grass playing fields, gym hall with stage.
Donibristle School and Nursery	<ul style="list-style-type: none"> School roll: 395 Nursery roll: 41 Gym hall
Rainbow Nursery	<ul style="list-style-type: none"> Private
Charities and social services	
Dalgety Bay Day Centre http://www.dalgetybaydaycentre.org.uk/	<ul style="list-style-type: none"> Charity Day centre that offers a range of activities for elderly people such as meals, activities, companionship etc. Intends to expand in the future.
Dalgety Bay Care Home	<ul style="list-style-type: none"> Under construction in Harbour Way
Home Instead	<ul style="list-style-type: none"> Care service in Dalgety Bay
Sports, Leisure, Clubs	
Dalgety Bay Squash and Tennis Club	<ul style="list-style-type: none"> 4 Tennis courts (outdoor), 3 squash courts (indoor)



4. Testing deliverability

4.1 Early-stage financial modelling

This section aims to provide some early-stage information on likely income generation and running costs resulting from potential uses of the building. This information will need to be reviewed after Lee Boyd Architects have produced building plans, and before the final Strategic Plan.

Our financial projections focus on the following income streams that have emerged from previous and current community consultation and market research, as covered in the previous sections:

- Office and space rental
- Events
- Café
- Small co-working space

Health and social care may be an income source in the future but further work will be done on this model. The model at the moment will be simply to rent space to a care provider.

This will be considered in more detail at the business planning stage. At the moment it is a model to see whether the idea is financially viable in principle.

The model shows that, with modest staffing complement of a Manager, Admin/Finance officer and caretaking team the model breaks even but will require;

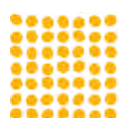
- Around 50 daily visitors to the café
- 2 events per month increasing to 4 in the summer with up to 100 attendees
- An average 30% occupancy rate for the hall and meetings rooms.

At this level the model breaks even. Further work will be done to refine this in the business planning phase to accommodate a sinking fund, reserves building and better surpluses.

This model tests sustainability without grants and fundraising, though in reality there is likely to be some level of external subsidy.

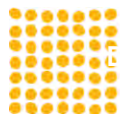
Staffing is set out below;

Core Posts	Salary	NI	Pension	Time	total
Development Manager	£35,000	£3,517	£1,750	1.0	£40,267
Admin/Finance/Facilities Officer	£24,000	£1,999	£1,200	0.5	£13,599
Cleaner/Caretaker / Accomodation welcome person	£20,000	£1,447	£1,000	0.5	£11,223
Total					£65,090



Financial model

Dalgety Bay Hub		Financial model												Totals
		2022												
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
	Weeks Per Month	5	4	4	5	4	4	5	4	5	4	4	4	4
	Days Open Per Month	20	20	24	30	24	16	20	8	10	8	8	8	8
	Hours of Café Per Day	5	5	7	7	7	5	5	4	4	4	4	4	4
Café	Visitors Per Day	40	40	50	55	55	55	40	40	40	40	40	40	40
	Café Income Per Head	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5	£5
	Income from Café	<i>Pure income in the winter season. April to Sept = £750 rent plus 20% of profit)</i>												
		£1,550	£1,550	£1,950	£2,400	£2,070	£1,630	£4,000	£1,600	£2,000	£1,600	£1,600	£1,600	23,550
	Café Cost of Sales	<i>60% cost of sales October to March</i>												
	Café Profit/Loss	£1,550	£1,550	£1,950	£2,400	£2,070	£1,630	£1,600	£640	£800	£640	£640	£640	7,440
Co-working space	Potential user numbers	<i>20% of customers</i>												
	Average monthly fee	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30
	Co-working Profit/Loss	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	1,800
Events	Number of events per month	<i>Eg concerts, exhibitions etc</i>												
	Charge per event	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10
	Number at each event	75	75	100	150	150	100	75	75	150	75	75	75	75
	Income from Rooms	£1,500	£1,500	£4,000	£6,000	£6,000	£4,000	£1,500	£1,500	£6,000	£1,500	£1,500	£1,500	£36,500
	Performer and other costs	£450	£450	£1,200	£1,800	£1,800	£1,200	£450	£450	£1,800	£450	£450	£450	£450
	Events Profit/Loss	£1,050	£1,050	£2,800	£4,200	£4,200	£2,800	£1,050	£1,050	£4,200	£1,050	£1,050	£1,050	£25,550
Hall /Meeting Lets	Hall Let Fee per hour	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30	£30
	Community rooms fee per hour	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10
	Number of rooms	3	3	3	3	3	3	3	3	3	3	3	3	3
	Number of hours per month	360	360	360	360	360	360	360	360	360	360	360	360	360
	Occupancy	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
	Rental Profit/Loss	£3,564	£3,564	£3,564	£3,564	£3,564	£3,564	£3,564	£3,564	£3,564	£3,564	£3,564	£3,564	42,768
Total income		£6,314	£6,314	£8,464	£10,314	£9,984	£8,144	£6,364	£5,404	£8,714	£5,404	£5,404	£5,404	86,228
Overhead Expenses	Advertising	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300
	Rates	<i>New build so need to estimate RV is currently £14,500 so no rates would be liable due to S8B5</i>												
	Water Rates	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200
	Gas / Electric	£500	£500	£500	£500	£500	£500	£500	£500	£500	£500	£500	£500	6,000
	Phone and internet	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	600
	Insurance	£3,000												3,000
	Stationery, postage & Printing	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	120
	Staff costs : Core	£5,424	£5,424	£5,424	£5,424	£5,424	£5,424	£5,424	£5,424	£5,424	£5,424	£5,424	£5,424	65,090
	Staff expenses and training	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	600
	Volunteer expenses and training	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	600
	Professional and accountancy fees													2,000
	Repairs & Maintenance	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	£250	3,000
	Security alarm and other contracts	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300
	Refuse Collection	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300
	Membership fees	£500												500
	Cleaning materials	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	120
	Misc	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200
	Total Overheads	£10,219	£6,719	£6,719	£6,719	£6,719	£6,719	£6,719	£6,719	£6,719	£6,719	£6,719	£6,719	86,130
Operating Profit	TOTAL PROFIT/LOSS	-£3,905	-£405	£1,745	£3,595	£3,265	£1,425	-£355	-£1,315	£1,995	-£1,315	-£1,315	-£3,315	98
Revenue Grants	And fundraising													0
Operating Cash Flow	without grants	-£3,905	-£4,310	-£2,565	£1,029	£4,294	£5,719	£5,364	£4,049	£6,044	£4,729	£3,414	£98	98
	with grants	-£7,810	-£4,715	-£821	£4,624	£7,559	£7,144	£5,009	£2,734	£8,039	£3,414	£2,098	-£3,217	98



4.2 Fundability

Estimated Cost

The estimated cost of construction is £4.5 million

Professional fees are estimated at 11% of the construction cost which would be £4.5 million x 11% = £4,95 million. It may be possible to claim back VAT of some of these fees.

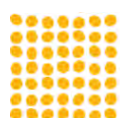
This means that the total cost of the community hub is circa £5million.

Fife Council has expressed its willingness to contribute £2 million towards this building which leaves a net amount of about £3 million to be raised.

The community hub will be optimally situated in the middle of town, at the intersection of multiple public transport linkages and nearby public parking.

This section outlines funding prospects for both purchase and redevelopment of the site. A decision on fundability will need to be made based on a market valuation of the site and updated costings by the project Quantity Surveyor covering the repairs and updates required.

Fund	Notes	Target amount	Eligibility criteria
Fife Council	This is minuted in Council papers but will require match funding and an agreed design to be in place	£2m	To be spent on capital
Scottish Land Fund	Support to purchase an existing building or site. This will depend on whether Fife Council is keen to sell and then potentially reinvest that capital receipt Funds small capital works.	95% of valuation of an asset. At the moment the maximum grant is £1m.	DCT will be an eligible body
Community Ownership Fund	Set up to ensure that communities can support and continue benefiting from the local facilities, community assets and amenities most important to them but that are at risk of being lost. Mostly capital but some funding is also available for capacity building and initial running costs if it can be shown the result will be a viable and sustainable business.	Up to £2m (though previous ceiling of £250,000 is more likely) and up to 80% of costs	Will need to demonstrate that there is a risk of the asset being lost to the community in order to be prioritised for this fund. Spend needed within 12 months so a phase would need to be identified.



Regeneration Capital Grants Fund	Fund applicant would be Fife council so would need to be persuaded to bid on behalf of the Trust Likely to support a project they have already funded.	Average Grant is £1m so say £1.5m	Annual ability to apply and need to spend in next financial year.
Place based investment fund	Scottish Government Funding that is allocated by local authorities. Disaggregated by place so this can be relatively small amounts and the Council will have control of it.	£100,000	Need to check local budget. Fife Council may be supportive
CARES	Will depend on the building as this is for retrofitting public buildings with renewables	Up to £80,000	Funds things like ground or air source heat pumps.
Charitable Trusts	Garfield Weston Foundation Wolfson Foundation Henry Smith Etc	£150,000 or 10% of project costs	Note: will not fund unless the organisation has a track record of service delivery.

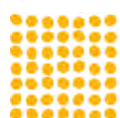
Community shares

Community based projects have raised significant sums through community share offers. Given the different funding environment and the liquidity likely to be low, the target would probably be more modest; however, a review of similar projects suggests that a target of around £25,000 – £50,000 could be achievable. This is potentially complex though and will require an associated new legal structure.

Source	Notes	Amount
Community Shares	Fewer restrictions than grant funders so can be useful for initial cash flow, match funding, purchase of stock. Withdrawable after initial period so has implications for cash flow management. Can reopen share offer for future work if desired.	Say £25K min target for initial share offer.

Loan Funding

The group will probably aim to avoid repayable finance (other than community shares) if possible, but the following may offer an additional option depending on total cost and limitations on grants and community shares. If the cash flow is shown to be viable, there are options with other social lenders such as Big Issue Invest or Social Investment Scotland, though interest rates can be high.



Fund	Notes	Amount
Coop Foundation loans for community spaces	Interest free loan over 5 years. Also possibility of some capital funding as part of grant-loan package – new programme to be launched shortly.	Up to £50K
Social Investment	Such as Big Issue Invest, or Social Investment Scotland	Can be substantial but cash flow will not sustain a high loan.

4.3 Governance appraisal

Though the Dalgety Community Trust is a perfectly reasonable legal instrument to lead on the control and development of the asset, in reality, it is a very substantial project and could potentially be a risk to the core charity, where a much larger project can undermine core work.

There is a need to select the right legal structure to take the project forward - as it moves from an idea to a reality – which provides protection to the Trust and its members, opens up access to funding, and reflects the aspirations of local partners.

There is a requirement to select the right legal and governance structure to take the project forward – which

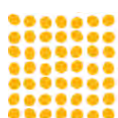
1. provides protection to the core charity which will be involved in other projects.
2. allows commercial trading
3. creates a separate entity that can manage a complex capital project
4. opens up access to funding for all parties
5. enables partnership
6. reflects the aspirations of the organisation and the ethos
7. allows profit to be distributed in a tax efficient way
8. enables profit to be transferred to the DCT

Trading within the charity

The following is the position for trading in charities.

1. Primary purpose trading is trading carried out by a charity to fulfil its objects e.g. a care home charging fees; a nursery charging weekly fees.
2. Ancillary trading is also allowed e.g. a drug rehabilitation programme runs a café to provide work experience for those on the programme. Income from the café is ancillary trading which is allowable.
3. Non-charitable purpose trading

Total sales from the trade are less than £5,000 per annum



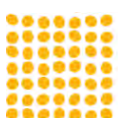
Charities Annual Income	Maximum Non-primary Purpose Trading
Under £32,000	£8,000
£32,000 - £320,000	25% of your charity's total annual turnover
Over £320,000	£80,000

Above these limits, it is deemed to be non-charitable trading and could be liable for tax. At that point you would need a trading subsidiary.

Options

Option 1 : Legal status quo with new sub-group / advisory board	
Pros	Cons
Legal simplicity Fits with current legal structure Saves legal fees Saves accountancy fees Administratively simple Advisory board brings different skills set Separate work stream could be branded with a different cost centre while sitting in the core charity Clear control of finance and profit	Lack of clarity of separate activity Lack of single focus for financial management Potential for confusion when there are multiple projects Strong separate entity could attract support and investment Capital project would be larger than the trust's day to day work. Could put whole trust over the VAT threshold. Commercial focus

Option 2 : Separate trading subsidiary	
Pros	Cons
Clear separate entity can attract funding and support Clear purpose of separate entity Legal and direct links to the core charity Advisory board has less commitment than a group of directors If things go wrong, this reduces the risk to the charity	May not attract individuals who would not want to commit to formal directorship Separate admin, minutes, bank account, reporting to companies house etc Can create unnecessary distance from the charity Building is actually core charitable work of the trust so don't want to be too distant.



Possible structures for a subsidiary

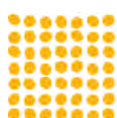
If a subsidiary becomes necessary or desirable, the following are the likely structures.

Community Interest Company

Advantages	Disadvantages
<ul style="list-style-type: none"> • Same protection as a company • Directors can be paid – removes • asset locked but not profit • Small, focussed board –can be • Easier to attract funding than a 	<ul style="list-style-type: none"> • Harder to attract funding than a charity • As they are not a charity, they pay full • Report to CIC Regulator and Companies • As well as producing accounts which • Can be a trading subsidiary and transfer

Company ltd by Shares

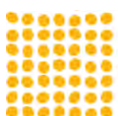
Advantages	Disadvantages
<ul style="list-style-type: none"> • A company undertakes all its activities in its own right, including entering into contracts, being sued taking loans, owning property etc. • Robust and limits liability • Wholly owned subsidiary – entirely controlled by DCT • Can be a small, focussed board or mostly existing board. No need to find new members or new individual directors • Can have separate directors if needs different skill set • Registration of a limited company will protect the company name • Can be a full subsidiary 	<ul style="list-style-type: none"> • Limited independence • Not a charity and not community controlled so limited potential to secure grants • There is a lack of privacy. Information on a company’s activities is submitted to the Registrar of Companies and is available for public scrutiny. • There are additional costs - registration fee and possibly legal fees for help setting up the company; plus recurring fees for submitting the Annual Return, and administrative costs, including accounting/auditing fees to comply with the Companies Acts.



Co-ops/IPOs - Community Benefit Societies

Advantages	Disadvantages
<ul style="list-style-type: none"> • Run for the benefit of the community – asset locked • Same limited liability as companies • One member one vote so it is very democratic • Community Shares can be issued so money can be generated • Members can receive interest on share capital – which can be locked in for, say 5 years • Can gain charitable status • New guidance sets out relationship with the core charity 	<ul style="list-style-type: none"> • Harder to make decisions due to co-operative ethos • Harder to secure grant funding • Gaining charitable status is challenging • Must register with FCA so greater regulation • Lack of profit and liquidity would limit ability to issue shares

We would recommend that the Trust retains ownership and control of the asset and will be the applicant for all funding applications. However the running of the centre itself will be a distinct task and they should consider a subsidiary company to undertake that task. Fundraising and VAT liability will have a bearing on this so a final decision should be left to the future.



5. Findings and Recommendations

5.1 Findings

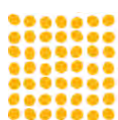
Findings and Recommendations

assets

- Location; The town of Dalgety Bay has a strong and stable (and growing) population of circa 10,000 and the site is structurally sound and includes buildings and green space
- The ownership of the site is not in question and that releases a key asset to the project
- There are a number of different active groups and community organisations though there is an increasing need for them to work together.
- Though not widely known as a visitor destination, it is popular with walkers and cyclists.
- Dalgety Bay benefits from a train station, with a train departing regularly to Edinburgh.
- There is a very strong policy link with community empowerment, community wealth building, social enterprise and heritage.
- There are higher levels of economic activity in the town, reflective of its status as a commuter town.
- Dalgety Bay has more self-employed people (8.3%) than the rest of Scotland (6.6%).
- The employed population are from a more skilled and professional background, with good levels of education, ensuring a high capacity for achieving projects. Pupil attainment is relatively high.
- It is clear that this project has a strong policy fit with a range of national strategies.
- In the survey, 89% of respondents rate Dalgety Bay as either excellent or good as a place to live.
- Stakeholders indicated that this was a close knit community, though this has waned since covid and may need to be stimulated.
- There is a lot of talent in the town with many jewellery and art workshops, and some art Galleries with individual sellers.

Challenges and Needs

- Though relatively affluent area, stakeholders confirmed that there is significant hidden deprivation and a need of accessible services
- By 2020, the population of Dalgety Bay had reduced and that trajectory continues
- The high level of self-employment may require a need for flexible co-working space as the current office space tends to be less flexible.
- There is a lot less affordable housing in Dalgety Bay than nationally; only 2.9% of dwellings in band A compared with a Fife average of 22.7%. Band B is 7% compared with 27.4%.
- Residential mortgage debt is also higher: £34,427 per household in the Dalgety Bay area compared to the Fife average of £22,891. The mortgage debt figure is the total borrowing outstanding on customer accounts for residential mortgages divided by the total number of households.



- Only just over half of respondents feel it is an excellent or good place to work and visit. As a place to play, only 42% believe Dalgety Bay is excellent or good and 16% feel it is poor or very poor. Many open comments in the survey noted the lack of leisure facilities.
- A large number referred to a lack of youth facilities. It was identified by interviewees that there is a problem within the area with anti-social behaviour (particularly linked to young people) because there are not enough spaces or activities for them to do in the evenings
- There was an identified lack of quality outdoor spaces and the lack of a “town centre” focal point and gathering space.

The site under community ownership

- Respondents were asked would they support the redevelopment a community asset. Overall, there is very strong support for community development of a new hub (92%). Only 4% were unsure and 4% were not in favour.
- There were a few concerns that a new hub could be an unnecessary duplication of resources. Others such as existing cafes and the church need to be strong partners.
- Easy access to the building was seen as crucial.

Creating positive outcomes for the community of Dalgety Bay

- A large majority (over 70%) agreed or agreed strongly with all the following statements: Developing an asset in Dalgety Bay into a community owned facility will: strengthen the community and bring people together; get people more involved in their community; develop health and wellbeing; promote and enhance creativity; enhance the economic resilience of the community.

Finances and Sustainability

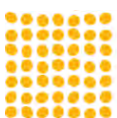
- Most stakeholders felt that the building was an exciting prospect with real opportunity
- This financial model shows that the concept is sustainable but tight with break even at 30% occupancy and modest levels of café and event demand.
- There are existing tenants of the kabin and community centre that will transfer to the new bespoke hub.
- Price was determined to be the most important driver in using the space. 54% ranked this as their most important or second most important factor. As a result we will need to be careful not to hike prices too high.

Fundability

- With £2m from Fife Council, the funding of the vision is challenging but achievable with the on-going support of the local authority.

Governance

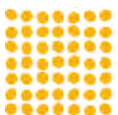
- The Trust is a suitable model to retain ownership and control of the asset but a subsidiary may be required in the future to manage it on a day to day basis.
- If DCT chooses to lead on this project



5.2 Recommendations

Based on the findings above we recommend that DCT should;

1. Proceed with indicative architect plans based on the accommodation schedule in section 5.3.
2. Proceed to business plan, setting out how this project would be implemented.
3. Secure funding for a Development Manager (rooted in the business planning work that is currently underway).



5.3 Accommodation Schedule

Dalgety Community Hub : Accommodation Schedule

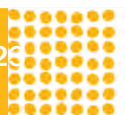
Based on the evidence of need and the development issues, the following accommodation matrix recommends which services / facilities should be included in the new development, and ranks / scores each on:

Priority – either strong or low priority in relation to local needs.

Evidenced Demand – scores from 1 (low) to 3 (high) on demand and the level of evidence that has been gathered to support this.

Social Impact – scores 1 (low) to 3 (high) on the social outcomes the service / facility will deliver to the community, and the extent to which it will meet funding outcomes.

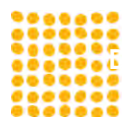
Viability Impact – scores 1 (low) to 3 (high) on income generation potential



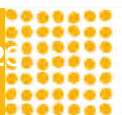
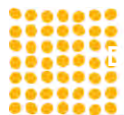
Service / Facility	Evidenced Demand	Social Impact	Viability impact (ability to generate income)	Comments and Location in the building	Space Requirements
Strong Priority					
Café	3	2	3	<p>This would be the welcoming central hub of the building with the ability to receive and cook local produce.</p> <p>There was some concern about competition so this should be clearly a community run café rather than out-sourced to a commercial operation</p>	<p>Likely to need around 30 covers</p> <p>Ideally the space could be used for other activity when the café is closed</p>
Local produce outlet	2	2	1	<p>Part of the café</p> <p>Small artisan style presentation with local produce</p>	Potentially linked to a food hub or community pantry
Training Kitchen	1	2	2	<p>Kitchen for central use of the hub but space designed so that it can be booked for things like cookschool, cooking classes etc</p> <p>OT – link to health and social care.</p>	<p>Space for 6 learners</p> <p>Independent living skills</p>
Offices and shared space	2	2	2	Multi-purpose space, potentially with movable acoustic partitions	<p>Say 3-4 rooms of varying sizes.</p> <p>One to have high spec AV to be used as a training facility</p>
Add in small units	1.5	2	3	No clear demand came through the research but there may be demand as the business centre in Dalgety Bay is so expensive	Small units created – which can be used for flexible use if necessary.



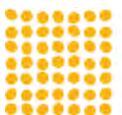
Event space	3	2	3	Need for a large events space for concerts, weddings, seasonal events etc	Say up to 150-200 people
Green space	3	3	1	There was substantial demand for outdoor space	Village green gathering space, possible raised beds for growing. Overflow for health and social care
Medium Priority					
Youth space	2	2	1	Identified largely by adults rather than young people themselves Focus on addressing anti-social behaviour	Dry bar and drop in area designed by young people themselves.
Enterprise space	2	2	1	Use of corners or space in the café for co-working and enterprise Link to entrepreneurial support	Say up to 10 people max at any one time
Heritage space	1	2	1	Low but interesting demand in a small heritage space celebrating the history of Dalgety Bay	This could be just interpretation boards and photos rather than artefacts. Largely digital with wall space for a screen and some display cabinets. Used for social isolation – reminiscence groups etc Link with physical heritage trail
Low priority					
Nursery	1	1	2	Research indicated that there is adequate provision	



Day care for the elderly	1	2	2	<p>There are two good nursing homes in the community and indications were that there was no demand for such a bespoke space that would require Care Commission regulation</p> <p>This may move to higher priority following further research.</p>	<p>Continue to consider for the future.</p> <p>Further work to be done with Health and Social Care Partnership.</p>
Additional Shared Space					
Toilets (including disabled access toilet ideally a changing places toilet if there is space)					
Small Office accommodation for 2 a minimum desks, if possible, for a co-ordinator or administrator					
Storage					
Parking ideally - though attempt to encourage active travel. Parking was identified as a challenge by the consultees					



Appendices



Appendix 1: Policy Analysis

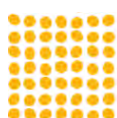
National Policy



Key national outcomes from Framework that are relevant to the Dalgety Bay Community asset project:

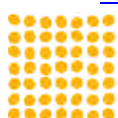
We live in communities that are inclusive, empowered, resilient and safe	Taking an underused asset and site into community ownership and encouraging local people to be involved in its successful future will strengthen the community and its resilience.
We have thriving and innovative businesses, with quality jobs and fair work for everyone	The future of the building will be based on creating enterprise space, room for business development and innovation. This will create jobs, economic impact and local wealth creation.
We value, enjoy, protect and enhance our environment	The physical environment of Dalgety Bay will be improved through better green space that is fundamental to the design
We tackle poverty by sharing opportunities and power more equally	The project will involve volunteering and employability that will make an impact on poverty in the area.
We are healthy and active.	Good food will be a strong contributor to health and wellbeing.

Policy	Key Priorities	Fit with the asset
Scottish Government - Community Empowerment Act 2015	One of the Act's specific actions is to support communities to own assets. The Government recognises that asset ownership can provide revenue for community organisations, making them more sustainable in the long term as well as giving local people a renewed sense of pride in their communities, a real sense of	An under-invested in asset will be brought into community ownership and control for a more successful purpose.

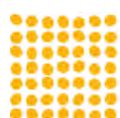


	a stake in the future of the places they live and work.	
Scottish Government's Achieving Sustainable Futures	<p>"Our vision is a Scotland where our most disadvantaged communities are supported and where all places are sustainable and promote well-being."</p> <p>Among other points, the future sustainability actions should:</p> <ul style="list-style-type: none"> • Put communities first, effectively involving local residents in the regeneration process and empowering communities • Be holistic, connecting the physical, social and economic dimensions • Adopt a long-term vision for a places and focus on the safety and quality of places 	The project fits well with the regeneration outcomes set out by the Scottish Government.
Scotland's Social Enterprise strategy ¹ Priority 1 Stimulating Social Enterprise <i>"We will enable thousands more people to find out about and start social enterprises in the places they live, work or study."</i>	<p>A Vision for Social Enterprise</p> <p>Over the next decade social enterprise will be at the forefront of a new wave of ethical and socially responsible business in Scotland. It will become a far-reaching and valued alternative and a key part of the Scottish way of doing business.</p> <p>We will work with Local Government and third sector partners to encourage coherent and localised strategies for developing the social enterprise sector in every part of Scotland,</p>	This will be a social enterprise with all commercial activity and all surpluses re-invested into community benefit.
Scotland's National Strategy for Economic Transformation	Our vision is to create a wellbeing economy: a society that is thriving across economic, social and environmental dimensions, and that delivers prosperity for all Scotland's people and places. We aim to achieve this while respecting environmental limits, embodied by our climate and nature targets.	The asset will be part of the move towards and economic model that results in wellbeing outcomes as well as GDP growth.
Scottish Government - Place Principle, 2019	<p>Adopted by the Scottish Government in 2019, the policy intends to provide a collective focus to support inclusive economic growth and create places which are both successful and sustainable. It recognises that:</p> <ul style="list-style-type: none"> • Place is where people, location and resources combine to create a sense of identity and purpose and is at the heart 	DCT is a place based regeneration agency controlled by local people with benefit limited to a specific geographical area.

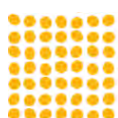
¹ <https://www.gov.scot/publications/scotlands-social-enterprise-strategy-2016-2026/pages/5/>



	<p>of addressing the needs and realising the full potential of communities.</p> <ul style="list-style-type: none"> A more joined-up, collaborative, and participative approach to services, land and buildings enables better outcomes for everyone and increased opportunities for people and communities. 	This contributes to a place based approach.
Visit Scotland - Tourism 2030	<p>The National Tourism Strategy recognises the key role that tourism plays in Scotland's economy. Key goals in the strategy include the development of real experiences for visitors.</p> <p>Key priorities – Our passionate people, our thriving places, our diverse businesses, our memorable experiences.</p>	Though primarily focussed on local impact, the asset will also be a heritage attraction that will bring historic tourism interest to the area and consequent community wealth creation.
Climate Emergency	<ul style="list-style-type: none"> Statement to Parliament 2019 Scottish Government Emission targets (Climate Change (Emissions Reduction Targets) (Scotland) Act 2019) <p>Recognition of the climate emergency and a need for “transformative change”. With an increasing focus on this as a cross cutting theme in Government this is resulting in new policy areas and funding streams from Government and other bodies such as the Lottery distributors.</p> <p>This commits to a just transition to net zero and there is also a third sector net zero strategy .</p>	Net zero technology will be built into the design
Community Wealth Building	<p>This focusses money in a local area. There are five pillars to community wealth building</p> <p>Plural ownership of the economy.</p> <p>Making financial power work for local places.</p> <p>Fair employment and just labour markets.</p> <p>Progressive procurement of goods and services.</p> <p>Socially productive use of land and property.</p>	By developing a fair local enterprise and re-investing it back into local impact this fits with the principles of Community Wealth building.
Fair Work First	This cross cutting policy encourages good working conditions across employment	We have ensured that all salaries are above the Scottish



	<p>such as a good work/life balance and the payment of the living wage.</p> <p>Fair Work First: guidance to 30 June 2023 sets out the direction of travel for all organisations employing staff.</p>	<p>Living Wage and will develop a strong policy on wellbeing.</p>
<p>Equality Diversity and Inclusion</p>	<p>The Equality Outcomes and Mainstreaming Report 2023 sets out a vision for working towards a nation that has equal opportunities for all.</p> <p>Our hard-won freedoms must be enjoyed by all individuals, regardless of their background or circumstances. By embedding equality, inclusion and human rights into our core thinking, we can create a society that is not only just and fair but also empowers individuals to reach their full potential and can help to ensure that Scotland is a country that respects and protects the rights of our people.</p>	<p>The asset will embed EDI into its day to day working practice committed to it as a grounding principle.</p>



Appendix 2 : Visit to Gorebridge Beacon

Visit to Gorebridge Beacon 28th June 2023

Attendees:

Gorebridge Community Development Trust: -

Val Cameron: Chair, Gorebridge Community Development Trust

Robbie Laird: Director, Gorebridge Community Development Trust

Dawn Barclay: Trust Manager

Dalgety Community Trust: -

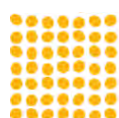
Brian Johnston

Lesley Sinclair

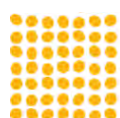
Philip Lund

Phil Evans

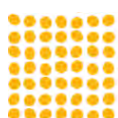
Question	Information Gathered
Board recruitment – how do they do it?	<ul style="list-style-type: none"> • Has been difficult at times and was a period where all the board resigned except Robbie laird who had to build it back up from the floor. Have had many directors over the years. • No secret to this, must talk to people and be present, well known and trusted in the community. • They have 9 directors and one co-opted. • They have no standing roles for community council. • Consider building into the team Accountancy skills and HR experience.
Getting volunteers to come forward - how do they do it?	<ul style="list-style-type: none"> • Much easier now the hub is open, but the same faces appear across many activities. • Talking to folks as they come through the door, particularly in the café – Dawn the Trust manager plays a big part in this. • Recognise the value of community connectors who have deep roots and contacts into the community. • Hold a volunteer open day each year where invitees are treated to free food and drink to thank them for their work
Getting members involved – how do they do it?	<ul style="list-style-type: none"> • Difficult – more reliant on folks coming through the door of the beacon building – one thing leads to another



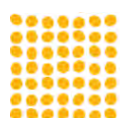
Question	Information Gathered
Have they worked with Community Enterprise – for business planning support?	<ul style="list-style-type: none"> • No and the name wasn't immediately familiar to them. • They have worked with a guy called Jim Bennet who they would highly recommend.
Did they start with the vision for the hub then engaged the community or the other way around?	<ul style="list-style-type: none"> • They started by discussing things with the community and developed a local place plan using the 'Place Standard'. • The community together with the local council decided what was needed originally. • There were several rounds of community engagement. • Face to face is by far and away the best way to engage and communicate. • They originally took over an old school building which eventually they decided to demolish. • This upset some in the community, so selling the new building to everyone was a challenge. • There are still some people in the community who will never walk through the door of the Beacon. • Trying to please everyone is impossible
Big lessons learned?	<ul style="list-style-type: none"> • Understanding VAT is a key issue you must get right. • Always worth paying experts for advice particularly on things like VAT. • Decide what your business model is early on – what will be the balance between charitable activity and trading activity – GCDT are just thinking about setting up a Trading Subsidiary to take this forward. They see this as essential and have had a lot of help from DTAS on this. • IT MUST RUN LIKE A BUSINESS • But look for help from local businesses, many operate community volunteering for their staff. • Approach local businesses for professional support. • Understanding what charitable activity is, and what is trading is key, as this directly affects charitable status, VAT and other issues and if you get it wrong can cost thousands. The risk can be a clawback of as high as 10% of your capital build costs.



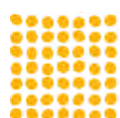
Question	Information Gathered
	<ul style="list-style-type: none"> • Get the best project manager you can for the design and build it is essential. • Don't let the architects get their own way on everything – it leads to useless or unusable features if you are not careful. • Try and think in advance about how the design will work in practice when the building is in use. • Be prepared to compromise on the specification as it will cost more than you expect. Robbie called it "re-engineering." It seems like the landscaping was 're-engineered' out to virtually nothing at the end to pay for the building. • Make sure the costs and specification for the build cover sundry items that will be essential at start up, like ladders to access high storage. • Include as much of the fixtures and fittings as possible within the construction costs. • Beware of getting put in a position where you must accept the cheapest price for the build, it was disastrous for GCDT. • Be prepared for building snags, there were lots of them with the Beacon. • Be tough on the builders, but at some point, you must recognise you must open the doors to the public. • "All of the time that the doors aren't open while we were trying to get every last thing finished was time when the hub could have been making money!" • Ensuring there are no gaps in your insurance. Two insurances were specifically mentioned: "Insurance Bonds" and "Site Insurance". • Be realistic about the experience you have in the Trustee group it might not be sufficient. • Think about what funds you will need to open the building GCDT now run with 3 – 6 months of operating costs in reserve. • Get your rental contracts right from the start. <ul style="list-style-type: none"> ○ They are in the process of standardising their rental contracts to ensure consistency. ○ these are based on sq m of use.



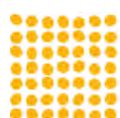
Question	Information Gathered
	<ul style="list-style-type: none"> ○ They are adding share of use of utilities as a separate element of the rent based on sq m use. ● Having council tenants is really important – they pay the right amount and on time! ● Be aware of and take advantage of support that is available such as Government funded trainees. ● At the right point seriously consider employing a Trust Development Manager (Dawn) who administers the Trust and apply for funding, looks after the finances and carries out general admin and publicity activity etc. Often you can get grant funding for these posts. ● It has proved much easier to rent rooms than they had originally thought. ● Having friendly faces to welcome people is vital – the café is key to this, but so too is how reception operates. ● You must be trusted by the community, but you have to earn this, and it is easily lost
Fund raising strategy and actively applying for funds?	<ul style="list-style-type: none"> ● Trustees/Board responsible for the funding strategy ● Applications and chasing funding are done by the Trust Manager who is employed by the Trust. Also looks after admin and all the Trust activity that takes place in the Beacon. ● Not involved in day to day running of the Beacon as this is done by the Beacon Operations Manager. ● The Gorebridge team used ‘Social Investment Scotland’ to make up the shortfall. However, this is still a loan / mortgage which will impact future running costs.
How big is the Beacon?	<ul style="list-style-type: none"> ● ? follow up with Lee Boyd required
How big is the largest space?	<ul style="list-style-type: none"> ● ? follow up with Lee Boyd required
Does sound proofing between halls work – the Main Hall can be split into three separate spaces?	<ul style="list-style-type: none"> ● Generally, yes, the sound proofing works well. There is the odd occasion when if they have really loud music being played that it might interfere with another group, but they manage this through trying to book the adjacent rooms for



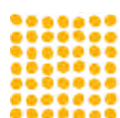
Question	Information Gathered
	<p>complimentary activities or at least where noise disturbance isn't a problem.</p> <ul style="list-style-type: none"> • They would definitely recommend having the ability to split rooms
Does the storage in the building work?	<ul style="list-style-type: none"> • There is never enough storage, and this shows – try and build in high levels of flexible storage. • Some of the storage is difficult to use as it is above head height, and they need to purchase an expensive scaffold ladder to reach this. • They have started to charge for storage - £12/ month per cupboard. • Storage is an ongoing challenge for them
Are there any things in the building that you would do differently if you could?	<ul style="list-style-type: none"> • Smart lighting (i.e., motion sensitive lights) doesn't work effectively and they have been installing light switches in some rooms to get around this. • The hot water heating and the hot water is part of the same circuit, so if you cannot completely turn off the heating as you will have no hot water. • Plant room is poorly designed – it regularly gets close to 40 degrees Celsius, but also houses the cold-water tank as well, which is a risk for water born bugs! • Make sure you have someone who keeps a close eye on the build quality as it progresses. Quality of the workmanship was a major challenge as the building was going up. • They would consider having separate utility meters for each of the main hire/rental spaces so that they could ensure that renters pay a fair share of the bills. • Consider solar, but they are not convinced by theirs and are having an engineer look at it just now. • Having a well-designed kitchen is key. When they moved in, they rejigged the whole kitchen because it wasn't working for them. • More and better designed storage! • Build in office space for the Trust team.



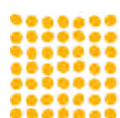
Question	Information Gathered
How did they arrive at the specification for the build?	<ul style="list-style-type: none"> • This was largely done by the Design Team • In hindsight, Robbie says that the Trust should have paid more attention to this, and this is another area where experience and skills of the Trustees can be a risk
What are the annual operating costs and revenues of the Beacon?	<ul style="list-style-type: none"> • ? follow up with Dawn required • Start budgeting for maintenance from Day one and build a reserve before the warranties run out.
How does the revenue breakdown between Café, Room Hire, Events and anchor tenants?	<ul style="list-style-type: none"> • ? follow up with Dawn required
How many staff do you have?	<ul style="list-style-type: none"> • There are 8 employees. 2 are trainees and funded through a government scheme. • In addition to the beacon manager most of the staff are associated with the café • The reception desk at the Beacon is run by volunteers. • Beacon manager role is key to ensuring the beacon makes a profit. • They use DTAS for some things and spoke very highly of the DTAS facilitated service for HR support which costs around £300 per month which looks after: - <ul style="list-style-type: none"> ○ Employment law compliance ○ Recruitment ○ payroll
Do you offer business space/services?	<ul style="list-style-type: none"> • Yes! • there are currently 2 businesses who rent space in the Beacon. The rent charged is said to be far less than they would pay at a commercial enterprise space. • There are also 2 council funded support groups that have permanent space in the building. • Hot desking didn't work, but they are about to instal 3 workstations downstairs in the main corridor where people can hire a laptop and operate from • Permanent tenants have their own keys to the building so they can access out of hours – this works on trust but works well. • Contract templates have been offered to us • They said they thought there was definitely room to offer more services from the building. They mentioned:



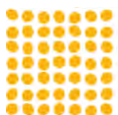
Question	Information Gathered
	<ul style="list-style-type: none"> ○ Social prescribing for bereavement, dementia and health ○ Other services to consider or research were SCOTCO, Talking Tables, Community Garden, Shed Prosperity Fund, Pod Hire ● There is also a nursery on site which is an anchor tenant funded by the council through Sure Start. This also has its own dedicated outside space.
<p>Are any groups of users subsidised through other groups of users?</p>	<ul style="list-style-type: none"> ● Yes, the tariff structure for room hire reflects a scale of charges: - <ul style="list-style-type: none"> ○ £15 per hour for community groups for one third of the large hall ○ £18 per hour for business leisure Groups (e.g., Karate) ○ More for pure business users ○ Set of tariffs for hosting events like birthday parties ○ Whole hall (3 spaces) costs from around £45 per hour
<p>How is the café working out, is it essential?</p>	<ul style="list-style-type: none"> ● It has taken a while to find the right operating model for the café. ● Initially the plan was to lease the space to an external party, but they then decided to bring this in house. ● The lease model didn't work because the offering was not right for the users in terms of menu choices and pricing. ● Initially after it was brought in house, the café was losing £2k per month. ● It has been turned around through: - <ul style="list-style-type: none"> ○ Having the right menu, ○ Having the right opening hours 9.00am till 14.00pm Tuesday till Saturday. Previously the café was open till 21.00 some evenings which didn't pay off. ○ Having rigorous focus on costs ○ Making some products in house – baking mainly ● They are now getting pressure for longer opening hours, but it must pay! ● The café has proved to be a fantastic way of getting folks through the door and it has



Question	Information Gathered
	<p>a social value beyond just the money through the till.</p> <ul style="list-style-type: none"> • Currently the deployment model consists of two government funded trainees.
Do you have an alcohol license?	<ul style="list-style-type: none"> • No and there is no intention to apply. • They have a relationship with a local public house who has a ‘mobile licence’ and can attend events with a bar, glasses as well as products. • They have seen an opportunity in hosting events that would not use a building where alcohol is served e.g., Muslim ceremonies
Do you provide WIFI?	<ul style="list-style-type: none"> • Yes! WIFI is free throughout the building
How is the outside space working out?	<ul style="list-style-type: none"> • Outside space has proved invaluable to the viability of the hub. • Very well, they would have more outside space if they could, it is accessible directly from the café and is well used. • They have just invested in 6 new outdoor tables and bench sets. • They have a large garden space which is well used and tended and grows produce which is used in the café and well as the community pantry. • The group that run the gardens are expanding to cover other pieces of land in the community. • There are lots of grants available to support gardens and outside space
Car parking?	<ul style="list-style-type: none"> • Adequate car parking is essential – you must have it! • Most people will not walk they want to park. • Often stopping at the beacon is just to pop in they are going to or from somewhere else so naturally use their cars. • Trust uses the adjacent local authority leisure centre car park and are meant to pay for half the upkeep including lighting – but say they have never had a bill from the council
Is heritage part of the work of the Trust?	<ul style="list-style-type: none"> • Yes “Remembering Gorebridge” although we didn’t get into any detail – follow up with Dawn required. • They did mention that they store heritage archives in the building.



Question	Information Gathered
	<ul style="list-style-type: none"> • Consider using the Heritage 'Smart table and digital library' as part of a 'Talking table service'
How many members do you have?	<ul style="list-style-type: none"> • There was a little uncertainty around this, but they seemed to settle on 165 members. • Noted they had recently been through the members register to make sure it was still valid, and this had led to many changes



Dalgety Bay Hub – A Regenerative Vision and a Re-imagined site

Social | Interest | Services | Enterprise | Heritage



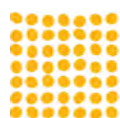
Business Plan (Post Delivery)

April 2024



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1. Introduction and Background

1.1 Background

Rooted in an understanding of the needs of the community, Dalgety Community Trust has a vision to build a new Community Hub in Dalgety Bay. The concept is to re-imagine a new facility on the site of the existing community centre and adjacent Kabin, which has been a vital space developed by the community itself.



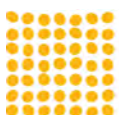
In many projects, due to the need to make savings when costs escalate, the landscaping is removed or delayed, but in this project, the creation of a new civic space alongside the new hub is a key part of the vision for what the community has identified as important to them. It will create a central gathering space round a traditional village green. This will improve the whole town by creating a collaborative space with multiple services while also offering gathering space in an attractive outdoor environment.

Not only are existing public spaces in Dalgety Bay declining and not fit for purpose, but the organic nature of the house building over time in the town means that Dalgety Bay lacks a town centre and this will re-position the whole nature of the place, creating a focal point for the residents of the town. This would be a replacement of the existing community centre, which has served its purpose but is in dire need of upgrading. The adjacent Kabin has been a vital community asset that sits alongside the community centre. It is a modular building and to future proof and ensure improved sustainability, the work that happens there will be absorbed into the new centre.

Support from the community for a new facility, particularly one that can offer larger events as well as a place that is a gathering point for the people who live here has been supported by local people. In the survey, 92% of people said they supported the proposal and a period of feasibility work has confirmed it is potentially viable.

This space could also be a central point for a new pedestrian/cycle way to the coast and links to coastal paths and the pilgrim way. The new asset will need to work in harmony with other spaces nearby such as cafes, the church and the tennis club, creating a campus approach around this new town centre idea. In this way, all these assets can work together, boosting usage for all rather than one at the expense of the others. In addition, the vision of this as a central “town centre” should help people access other services and facilities across the town.

The land the community centre sits on and the adjacent car park are owned by Fife Council who are committed in principle to an asset transfer. The land the Kabin sits on and the green space between Louie Brown's and the parish church is already owned by the Trust on



behalf of the community so there is already a track record of community owned land on the site¹..but there is a commitment from Fife Council to transfer that into community ownership as part of their strategic support for the development. The detail of this is still to be finalised.



The Trust is heavily involved in other projects across the town such as supporting the community woodlands, creation of a heritage project and the development of a free to use pump track.

1.2 The asset

The image here shows where the centre and site sits in the context of other buildings that are used by the public.

There are two existing buildings on the site. The first is the Kabin - a modular building that was donated to the town in the early 1990s. This land is now owned by the DCT. The Kabin is the trading name of a registered Scottish charity - a SCIO with the formal name of Dalgety Bay Youth Association. The idea is to demolish the kabin and absorb its activities into the Community Hub.

The second building on the proposed site is the community centre which is run by Fife Council on land that it owns. The council has indicated its willingness to transfer ownership of this piece of land and the existing community centre to DCT so that it can be demolished and make way for the new community hub. This community centre currently contains a hall and meeting room.

1.3 The organisation

Dalgety Community Trust (DCT) is the community led and controlled development trust for the town of Dalgety Bay. DCT was formed in 2019 by a group of volunteers linked to the Dalgety Bay and Hillend Community Council. It remains closely aligned with this community council.

It has the legal form of a company limited by guarantee and with charitable status. The Trust has a strong and growing membership of local residents. The feasibility study set out the potential for a future trading subsidiary.

The company has been formed to benefit principally those parts of the KY11 9 and KY11 7 postcodes which lie within the Community Council area of Dalgety Bay and Hillend Community

¹ The Trust has taken legal advice to clarify land tenure



Council, as defined from time to time by Fife Council ("the Community"), with the following objects:-

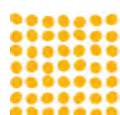
1. The advancement of community development (including urban and rural regeneration) principally within the Community
2. The advancement of citizenship
3. The advancement of environmental protection or improvement
4. The provision of recreational facilities, or the organisation of recreational activities, with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended
5. The advancement of the arts, heritage, culture or science
6. The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage

DCT has recently acquired a plot of land in the centre of town and three community woodlands from Dalgety Bay and Hillend Community Council.

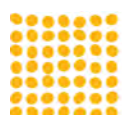
1.4 Methodology

The stages of this study are outlined below:

Work prior to consultant involvement	<ul style="list-style-type: none"> • The Trust has been speaking to the local community for some time, gathering data and ideas and feeding that into the process. This has included multiple stakeholder conversations. • Lee Boyd the architect has pulled some consultation drawings together to encourage conversations in the local community. • A public meeting was held to discuss the concept
Inception meeting and planning	<ul style="list-style-type: none"> • Community Enterprise and Lee Boyd Architects took part in a meeting with DCT to review the work plan and agree a way forward.
Analysis of previous data	<ul style="list-style-type: none"> • A range of studies have been undertaken over recent years. These were analysed and recorded.
Demographic and policy analysis	<ul style="list-style-type: none"> • Study of Dalgety Bay demographics and statistics using Community Insight software • A detailed policy analysis was undertaken to ensure any future direction of travel fits well with national and regional strategy around net zero, economic regeneration, community empowerment and wellbeing.
Community Survey	<ul style="list-style-type: none"> • A community wide survey was undertaken from Summer to Autumn 2023. In total 255 people completed the survey . Respondents were given an option to say how many members of their household their answers represented. Taking into account these household members, the survey can be estimated to represent the views of 434 other household members: 159 children and 275 adult household members. This means that the survey represents the views of an estimated 689 individuals.



Community meeting	<ul style="list-style-type: none"> • A weekend open meeting was held to discuss the project attended by 44 people
Stakeholder Interviews	<ul style="list-style-type: none"> • 1-1 conversations with 6 individuals, organisations and businesses took place, though around 20 were reached out to.
School visit	<ul style="list-style-type: none"> • Sessions took place at the primary school to ensure that children and families had input to the ideas.
Market Research	<ul style="list-style-type: none"> • Research was undertaken into market trends and issues locally • Research into ideas emerging from community consultation
Funding	<ul style="list-style-type: none"> • A funding search was undertaken into grants, loans and alternative local financing options.
Research report and options	<ul style="list-style-type: none"> • This internal report was prepared for DCT to review and to inform design options. • An accommodation schedule was shared with the design team.
Consideration of the research report	<ul style="list-style-type: none"> • The DCT fed back comments and the report finalised
Further design work	<ul style="list-style-type: none"> • Based on the research, an updated accommodation schedule was produced for the architect. • The design team came up with updated plans.
Business plan	<ul style="list-style-type: none"> • During this updated design phase, this business plan was produced



2. Summary of Research and Consultation

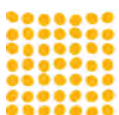
The feasibility study can be read in conjunction with this business plan. For convenience the key findings are set out below These form the basis of and evidence for the business plan.

Assets

- Location; The town of Dalgety Bay has a population of circa 10,000 and the site is structurally sound and includes buildings and green space
- The ownership of the site is not in question and that releases a key asset to the project
- There are a number of different active groups and community organisations though there is an increasing need for them to work together.
- Though not widely known as a visitor destination, it is popular with walkers and cyclists.
- Dalgety Bay benefits from a train station, with a train departing regularly to Edinburgh for immediate commuters. It also has good links to Aberdeen and Inverness and South to London so has good links for businesses.
- There is a very strong policy link with community empowerment, community wealth building, social enterprise and heritage.
- There are higher levels of economic activity in the town, reflective of its status as a commuter town.
- Dalgety Bay has more self-employed people (8.3%) than the rest of Scotland (6.6%). Further consultation, such as a focus group, to support the architect to develop the right scale and nature of space for enterprise development.
- The employed population are from a more skilled and professional background, with good levels of education, ensuring a high capacity for achieving projects. Pupil attainment is relatively high.
- It is clear that this project has a strong policy fit with a range of national strategies.
- In the survey, 89% of respondents rate Dalgety Bay as either excellent or good as a place to live.
- Stakeholders indicated that this was a close knit community, though this has waned since covid and may need to be stimulated.
- There is a lot of talent in the town with many jewellery and art workshops, and some art Galleries with individual sellers.

Challenges and Needs

- Though relatively affluent area, stakeholders confirmed that there is significant hidden deprivation and a need of accessible services
- By 2020, the population of Dalgety Bay had reduced and that trajectory continues
- The high level of self-employment may require a need for flexible co-working space as the current office space tends to be less flexible.
- There is a lot less affordable housing in Dalgety Bay than nationally; only 2.9% of dwellings in band A compared with a Fife average of 22.7%. Band B is 7% compared with 27.4%.
- Residential mortgage debt is also higher: £34,427 per household in the Dalgety Bay area compared to the Fife average of £22,891. The mortgage debt figure is the total borrowing outstanding on customer accounts for residential mortgages divided by the total number of households.



- Only just over half of respondents feel it is an excellent or good place to work and visit. As a place to play, only 42% believe Dalgety Bay is excellent or good and 16% feel it is poor or very poor. Many open comments in the survey noted the lack of leisure facilities.
- A large number referred to a lack of youth facilities. It was identified by interviewees that there is a problem within the area with anti-social behaviour (particularly linked to young people) because there are not enough spaces or activities for them to go in the evenings
- There was an identified lack of quality outdoor spaces and the lack of a “town centre” focal point and gathering space.

The site under community ownership

- Respondents were asked would they support the redevelopment a community asset. Overall, there is very strong support for community development of a new hub (92%). Only 4% were unsure and 4% were not in favour.
- There were a few concerns that a new hub could be an unnecessary duplication of resources. Others such as existing cafes and the church need to be strong partners.
- Easy access to the building was seen as crucial.

Creating positive outcomes for the community of Dalgety Bay

- A large majority (over 70%) agreed or agreed strongly with all the following statements: Developing an asset in Dalgety Bay into a community owned facility will: strengthen the community and bring people together; get people more involved in their community; develop health and wellbeing; promote and enhance creativity; enhance the economic resilience of the community.

Finances and Sustainability

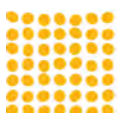
- Most stakeholders felt that the building was an exciting prospect with real opportunity
- This financial model shows that the concept is sustainable but tight with break even at 30% occupancy and modest levels of café and event demand.
- There are existing tenants of the kabin and community centre that will transfer to the new bespoke hub.
- Price was determined to be the most important driver in using the space. 54% ranked this as their most important or second most important factor. As a result we will need to be careful not to hike prices too high.

Fundability

- With £2m from Fife Council, the funding of the vision is challenging but achievable with the on-going support of the local authority.

Governance

- The Trust is a suitable model to retain ownership and control of the asset but a subsidiary may be required in the future to manage it on a day to day basis.



3. Re-imagining a New Community Hub on this Site

3.1 The Project Concept, Vision and Values

Vision

The community of Dalgety Bay will be a resilient place where everyone, regardless of background or circumstances, works together to make this a great place to live, work, play and visit

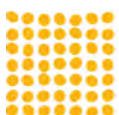
Our Four Values

1. **Collaborative** – partnership between all sections of the community will be a key element in our projects. All facilities will work together using a Dalgety Campus approach.
2. **Accessible** – easy to access and open to everyone in relation to cost, transport and space
3. **Exciting** – we are passionate about everything we do and this will be an innovative space, with new things to do and get involved in.
4. **Evolving** – we know that people change and needs change. We will change with them

Project Concept

We will develop the site as the social heart of the community, facilitating enterprise, allowing the community to access a range of services, with a strong heritage perspective bound by multi-purpose, cross fertilising strands.

A Social Hub	To connect people and allow them to use the spaces for enjoyment. A community café, wellbeing services and sport.
An Interest hub	Bringing people together around specific, shared issues or interests including events and initiatives.
A Services hub	Where people can connect with and access a range of local services.
An enterprise hub	Where people can access working, meeting or trading spaces.
Heritage	Embedding heritage in the model.



3.2 Main Practical offerings

Multi-purpose Community Space

The Hub will act as the main multi-purpose community centre for Dalgety Bay. There will be four multi-purpose rooms of various sizes in addition to the large hall. At the moment, the following groups operate across the existing community centre and Kabin. These groups have expressed strong support for new facilities and a willingness to continue to operate from the new hub. These give an idea of what will happen but there will be more and different groups and uses over time and the need in the community changes.

- Inspire Drama
- Modern Dance
- The Dance Bank
- Toddlers
- Highland Dance Class
- Bridge Club
- Craft Class
- Baypatchers
- Zumba
- Folk Club
- Ladies Probus
- Amateur Radio Club
- DB Horticultural Society
- Dalgety Players
- MSP surgery
- Qigong

Cafe

A café will be established as a hospitality hub for the whole site development. It will be open from late morning into the evening, offering refreshments for users, catering for all events and open for light snacks and drinks for the general public. This will be marketed as an open and friendly family space that is dementia and autism friendly.

This would be the welcoming central hub of the building with the ability to receive and cook local produce.

Though the café itself has an estimated 28 covers, in the warmer weather, tables can spill out into the courtyard.

There was some concern about competition so this should be clearly a community run café rather than out-sourced to a commercial operation.

Depending on how it is operated, one aspiration is to have a dry bar and drop in area designed by young people themselves. This would be open beyond main café hours.

Local Produce outlet

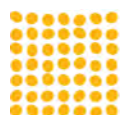
Part of the café would have small artisan style shelving with local produce, Fife crafts and some heritage items. These would be operated centrally and financially managed by the café using clear EPOS systems to identify retail goods.

As this will have heritage information and will attract visitors, the café space will also have local information leaflets, booklets and maps.

Wellbeing Activity

There will be a focus on wellbeing across the hub. This will be delivered via groups and activities, physical activity in the hall and a focus on good healthy food in the café.

There are nine national health and wellbeing outcomes which apply to integrated health and social care. Though largely focussed on Health boards and local authorities, the hub at a local level will contribute strongly to people living healthier for longer.



In addition the centre will be a gateway to outdoor activity, pointing local people to the pumptrack, woodland activity and local walks, including signposting to walking and cycling on the Fife Coastal Path.

Enterprise and Learning

We will set up a small enterprise zone as part of the cafe, that will have co-working spaces for hire at different rates. These small enterprises can also book meeting space for interviews, meetings and training.

Though there is existing business unit space in the area and a desire not to replicate or displace that, research indicated that part of the reason many units are empty is because of price. We will provide low level starter spaces (simple hot desking with bookable space) to allow new enterprises to get started.

We will encourage sub-contracting links for these new suppliers into the existing anchor businesses.

The café kitchen will be established as a training kitchen to be booked out when the café is closed for food related businesses.

We will develop a learning outlet for a range of learning providers to offer training courses from in a high quality space with great IT and equipment.

Events Space

The large events space fills a clear gap in the town for concerts, drama, community cinema and social events. It will be used for seasonal events such as Christmas parties.

With additional meeting spaces, there are opportunities for booking conferences with break out rooms.

The community will book the space for weddings, funerals, birthday parties and so on.

Heritage

There was low level but interesting demand for a small heritage space celebrating the history of Dalgety Bay. This is not a museum or heritage centre but will have display case, photographs and information panels. The digital experience will be important here with smart boards and other interactive technology to tell the unique story of Dalgety Bay and its ancient and modern history, people and natural environment.



3.3 Expected outcomes

There are four interconnected objectives of the initiative which we will deliver on.

Physical Regeneration and a Sense of Place

This project will re-imagine the existing building, creating a new and vibrant community facility for the town. More importantly, by siting it where it is and developing green space and clear routes to adjacent assets and more broadly to the coastal paths and across the town, the initiative will re-align the urban landscape of the town.

This will create a place of greater cohesion and will boost local wealth creation and the resilience of all facilities.

This in turn will ensure people are connected to their town and feel a sense of civic pride and belonging. There has been a history of Dalgety Bay being a dormitory town for work and leisure elsewhere. This initiative will break that, turning this into a vibrant, resilient and self-reliant community.

Just Transition to Net Zero

The brief for the building will include the highest possible level of renewable energy solutions, insulation and as close to Passivhaus technology as possible with proposed activity.

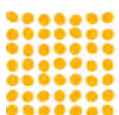
The current asset is poorly insulated and uses heating with a high carbon footprint. The new facility will significantly reduce the carbon impact on Dalgety Bay that this site has.

In addition electric charging points and e-bike facilities will promote active travel. There is a well-documented issue with parking in the area and, while some parking will be supplied, there will be a focus on active travel to support Dalgety Bay moving more to a net zero town by 2045 along with Scottish Government targets.

People will have greater wellbeing

Given the increasing demand for Health & Social Care services to provide more localised and individualised care, there is an opportunity to drive forward partnerships across third-party, private, and public sector organisations.

Using the Community Hub as an alternative to statutory or building based services, such collaborations can create different choices for those accessing services that enable them to



remain in their homes for as long as possible while receiving necessary health or social care services.

We will offer things which encourage healthy lifestyles. An example is food. The provision of a cafe will focus on good food, locally sourced to promote wellbeing in a community setting.

We have the opportunity to provide a quality menu which uses food which comes from Fife providers, instead of buying in a lot of industrially-produced goods from catering suppliers.

Services will also have a wellbeing focus as noted above.

The ultimate goal of improving wellbeing is that people will feel better and more connected to the community they live in and to those individuals and organisations around them. This will be delivered through creating connectedness. This links strongly to policy around isolation and loneliness and to the National Health and Wellbeing Outcomes².

Around 30% of the circa 10,000 population will report greater wellbeing through contact with the hub.

People will have developed skills

Part of the building will be used by learning providers and there will be modest facilities for enterprise development.

We will link in with Education & Children's Services to offer different learning options in a community setting. We can use the opportunity presented by the Individual Learning Fund (ILF) to support people with learning disabilities for example, to use the Hub for independent living activity

200 people per year will attend training or learning events of some kind, the detail of which will be set out in the next phase.

The local area/community will be a better place to live, work or visit

The Dalgety Bay Hub development provides a social community gathering place where relationships can be established and sustained.

This will principally be achieved by making the unattractive, and unfit for purpose building into an attractive place to spend time, We will improve the quality of life for local people, creating a valuable resource to encourage people to visit to gather and spend time. This is a proud area with a real mix of ages and backgrounds and we want to encourage community cohesion across all people's circumstances.

Though not currently a visitor destination, creating a site of heritage interest. Scotland 2030, the national tourism strategy highlights the visitor demand for "real experiences" and the interest in finding out about very local history in quirky places.

The completed project will improve the sense of belonging which people have in their community combined with a greater sense of pride in a desirable place for people to live, work and visit.

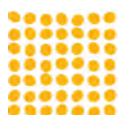
In addition the wider Fife community will find this a place to visit and explore.

We estimate that around 5000 people will use the building per year and impact assessment will indicate that the majority of these will report a greater sense of community belonging, ability to be active and opportunities to volunteer and get involved.

Our local economy will be boosted

We aim to restore the Dalgety Bay Hub in ways that are income generating. We will base the model on the concept of Community Wealth Building, ensuring the wealth created from the assets is re-invested into the asset itself and cash is retained in the local community. The cash flow projection shows significant turnover for the various elements;

² <https://www.gov.scot/publications/national-health-wellbeing-outcomes-framework/pages/5/>



Across all the activities there will be 5 core staff employed with an aspiration to have 5 additional staff funded by grants or contracts. The establishment of entrepreneurial space that will be the catalyst for the creation of new enterprises.

These new jobs and a secure supply chain locally will help to reduce welfare dependency in the local area. Using local supply chains for everything from food to printing, recycling etc will also be a key way of boosting the local economy.

From the outset the project strived to stimulate the local economy and not lead to facility or job displacement, focusing on creating new opportunities. This involves growing local businesses instead of displacing existing businesses and jobs. This allows access to the growth of local employment opportunities.

The project itself is community-led and adheres to the model of social enterprises.

Local wealth will be created and an economic impact assessment will be commissioned periodically to measure the financial difference this will make to Dalgety Bay.

3.4 Marketing and Communications

Objectives

We will build on the existing users and will create a communications and marketing strategy to drive interest in the new hub and specifically for customers to visit the cafe, learning and events. The Marketing Objectives are to

1. Retain loyalty from existing users to ensure they don't move on when the build is happening
2. Increase brand awareness for the new facility to attract new users groups and individual customers.
3. Promote customers numbers across the facility
4. Promote usage of the events
5. Create a place that will attract visitors, using the Coastal Path passing traded to ease people away from the East Neuk for a day visit.
6. Engage key ambassadors with a view to building a base of supporters and friends.

Branding

The building will require a new overarching brand to be rolled out across the various elements. We will involve the community as much as possible in this process.

Following a brand workshop and a naming workshop, designers will need to work through a co-produced process to create an agreed new logo, but more importantly, they will be able to build a coherent 'visual language' that reflects the organisation's values and gives Dalgety Bay Hub a unique, recognisable brand identity to be applied to both print and digital marketing.

Full brand guidelines will be put together. This will create a professional brand for communication with partners, local people and visitors

Segmentation, Targeting, Positioning

Various audiences will be the target for the new brand and the launch of the Dalgety Bay Hub both as it is on site being built and once it is completed and operational.

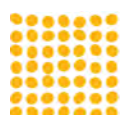
1. Local people to use the cafe, events space and learning and community spaces



2. Those beyond the area interested in activity on site
3. Visitors to the town
4. Tenants, groups and partners from the Statutory, third and private sectors

Each segment's profile is examined below.

Target audience	Nature and profile	Positioning - USP
1. Local people	<p>Local residents in the town of Dalgety Bay.</p> <p>Though not wealthy, likely to have some disposable income</p> <p>May spend leisure time near workplaces in Edinburgh and beyond so will need attractions to spend more time locally,</p> <p>In need of things to do and things for their family to do. Desire to gather together and get to know others.</p>	<p>Affordable</p> <p>Welcome and family friendly</p> <p>Dalgety Bay orientated – proudly articulating local history</p> <p>Clear outline of services on offer with good deals</p> <p>Attention to detail</p> <p>A great offering but working in collaboration with other businesses</p> <p>Re-invests surplus in social good and community</p>
2. Users outwith the area	<p>Fife residents with an interest in quality event space</p> <p>Those who may be walking in the vicinity</p>	<p>Reputation of high quality</p> <p>Particular offerings in relation to food in the café and events.</p>
3. Visitors and tourists	<p>Visitors looking for a quirky, real experience.</p> <p>Interested in unusual Fife heritage.</p>	<p>Access to real Fife People</p> <p>An alternative to the East Neuk</p> <p>Interesting and attractive properties</p>
4. 4. Statutory, third and private sector organisations	<p>Health & Social care professionals wishing to expand reach to those accessing services</p> <p>Shared opportunities to work with similar organisations to deliver care in a different way</p> <p>Community learning and development spaces</p>	<p>Creates opportunity to work differently</p> <p>Provides localised, personalised care for people accessing care in Dalgety Bay</p>

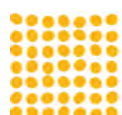


3.5 Audience Journeys

The flowcharts and tables below offer an overview of marketing activity for each segment, taking into account their needs at the different stages.



Local People and people outwith the immediate area					
Stage	Unaware	Aware	Consider	Engage	Advocate
	Looking for things to do, and looking for support Looking for a place to gather	Seeking and getting information.	Deciding whether to engage with the Dalgety Bay Hub	Committing to attending a service.	Give a testimonial Tell friends and family
Needs from comms	Visibility. Good deals	Relevant information. Targeted messaging. Door to door leafleting before launch Easy to find contact details. Welcoming reception Great website	Clear understanding of the options. Ability to discuss face-to-face. Ease of booking	Relevant services and spaces. Clear expectations and planning. Understanding prices and options	Mutual benefit of promotional activities. Clear brand guidelines
Channels	Social media – use of Facebook but also other platforms particularly instagram. Word of mouth Leafleting Deals and promotions Online search Paid search. PR PDF brochure Blogs	Website Social media QR codes Local flyers The Diary – the local newsletter	In-person / email / phone Following social media Reading LinkedIn posts	On-line email Meeting phone	Social media PR

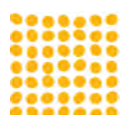


	Local newsletters				
What we want audience to feel or think	Curious about the building Curious about the services	Interesting menu at the cafe, attractive events Useful suite of local services	This is for me and my family	I trust The facility. I am happy with the price. I am excited about getting engaged	I have had a great experience with The Dalgety Bay Hub and want to help them promote their work so that other family and neighbours can benefit.
What we want audience to do	Remember the name. Know of the site and where it is	Visit website. Contact The Dalgety Bay Hub for more information.	Visit project web pages. Meet with representatives	Book a room, a course or a café table	Generate content / promote The Dalgety Bay Hub / tell others / provide a testimonial.

Tourist / Visitor Journey (a much smaller market segment)



Tourist/Visitor						
Stage	Unaware	Aware	Consider	Engage	Return	Advocate
	Planning a trip to Fife or to Scotland	Getting information.	Deciding whether to come.	Booking a visit	Returning for another visit	Telling friends.
Needs from comms	Visibility of what to do Information about why it is interesting Panels of local history	Easily accessible information. Clarity of what The Dalgety Bay Hub story is in new towns in Fife	Sufficient information about quirky stories that are not the usual (not the East Neuk of the Industrial heritage of places like Kirkcaldy)	Ease of booking Things to do Heritage information and people to speak to Link to other things and buildings locally The Dalgety Bay Hub removes headaches	Enjoying the visit Meeting local people	Referral to other possible visitors



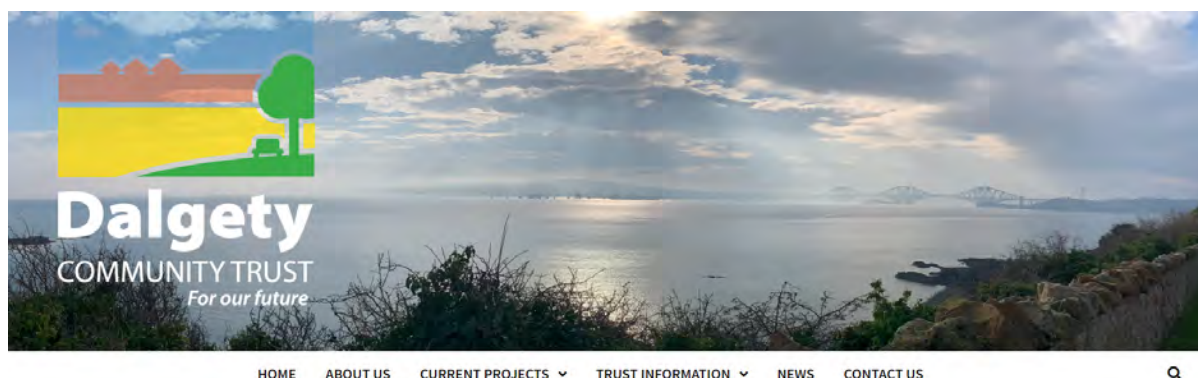
Channels	Sector press e.g. through National Trust or heritage blogs	Website Third party websites Visit Scotland Use of trip advisor	Website Social media Testimonials	Website Information sheets Email	Email Folders	Email Social media Conferences
What we want audience to feel or think	Dalgety Bay Hub is different and interesting Linked to other things to do in the area	The organisation has experience and a track record in giving visitors an interesting experience	This is a partner of choice to address bespoke issues	I feel relieved. I feel confident that heritage will be interesting and different	I will find out something interesting I feel mutual respect.	I am enjoying my visit and want to tell others.
What we want audience to do	Be interested and impressed	Visit website. Read detail	Ask for further information	Visit to discuss project.	Visit and enjoy the project	Recommend to other visitors.

3.6 Promotional Tactics

To support this, we will use our own staff, local volunteers with these skills and joint work with local colleges.

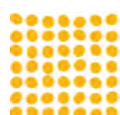
Website

The Trust already has a strong web presence.



A new website will need to be commissioned for the hub itself, by a company that understands the local area as well as the things that drive local people to get involved. It will need to contain information about The Dalgety Bay Hub. It will be more than a brochure site, showing what The Dalgety Bay Hub have done but also encouraging “calls to action” and stimulating on-line booking. It will be separate from, but will cross refer to the main DCT site.

It will need to have downloadable brochures for options for events, learning, spaces, menus etc.



In time a new website will be carefully built with the new brand as well as clear copy writing, tone of voice, visual language and navigation to ensure it resonates with the appropriate audience. Wording will include maximising search engine optimization.

Marketing is very much linked to fundraising and the website will also be utilised to attract donors, contractors etc articulating how to donate, leave a legacy or invest and what that impact would be.

Calls to action (“Book here” button throughout the site) will emphasise this as an active engagement tool rather than a passive summary of activity.

Photography & Archive

The Dalgety Bay Hub will invest in professional photography of projects, people and processes at different stages of the development in order to have high-quality options for the website, press releases, e-newsletters and social media. There should be archive photos as well as before and after photos to show the difference this makes

Social Media

A clear social media strategy will be developed

- *Twitter/X* will be used mostly for business to business audiences: partners, funders and referrers. There is no twitter/X presence at the moment so this will be created early, building a following in anticipation of the new hub. Smartly linking Trust and Hub accounts will boost followers and interest.
- *Instagram* is a good tool due to the high level of visual imagery and will be used to target café visitors and events.
- *Facebook* is most appropriate for a local community and will be used as more of a conversation tool. At the moment the Trust itself has over 1000 followers. A new facebook will be created for the hub and other community facebook groups will be used as well as periodic use of paid Facebook ads.

Physical Materials

Brand consultants will be commissioned to assist with the development of posters, flyers, templates etc which will all adhere to the brand guidelines to be used on and offline depending on the circumstances.

These can be left in public places such as hospitality outlets and shops.

Press Releases

We will create stories for the local press, with accompanying photographs linked to the news section to drive traffic to the website. This will increase in volume without being overwhelming to keep the organisation’s work in the sector and public mind.

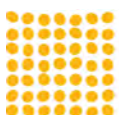
We already have a relationship with the key journalists especially in sector publications. We will feed regular news and deals to Fife Today, the Fife Free Press and the Courier. As well as this, press releases will be sent to local news outlets from the school, to churches to community groups.

Direct contact with Partners

Regular mailings and attendance at partnership meetings at Fife Council, Health and Social Care Network, Third Sector Forums etc.

E-Newsletter

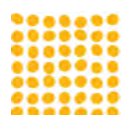
We will allow website visitors to sign up to an e-newsletter in order to build a database of interested contacts.



3.7 Monitoring the Marketing

To monitor the effectiveness of marketing activity:

KPI	Measure	Method
Awareness	No. of website visits & visitors Hits on the website as well as level and depth of engagement.	Google Analytics
	Referral routes to the website (using the URL, search, social media, partner site links)	Google Analytics
	Social media stats Numbers of followers (likes, views, reach/impressions)	Social media analytics
	Google Ads click through rates	Google Ads analytics
	PDF or hard copy leaflets sent out	Marketing records
Passive Engagement	No. of specific webpage visits Click throughs to other pages	Google Analytics
	Social media stats (shares, comments, mentions)	Social media analytics
	No. of blog post visits (useful to see which content is popular too)	Google Analytics
	Bounce rate from website	Google Analytics
	E-newsletter open and click through rates	Mailchimp
	No. and nature of questions received via email	Marketing records
Active Engagement	No. of meals or events No. of courses booked No. of rooms booked	Organisational records
	No. of events delivered	Marketing records
	No. of members	Membership records



4. Financial Strategy

4.1 Summary

Significant research has taken place into different options for uses and tenants. The vision is to find a solution that both achieves social, heritage and environmental change, but also generates an income and is financially sustainable. A key reason in selecting the current model is that it has been assessed as financially sustainable and will generate reserves over time.

4.2 Financial projections

Our key income streams will be from the café, events and let of space. Cash flow projections can be seen at appendix 1. The concept of a small retail outlet is not well defined yet to factor into the cash flow projections but will be done as the next phase progresses. It is highly likely that grant funded programmes and contracts (eg for health, social care and employability) will be sought but these again are aspirational and not factored in to the financial projection. There are clear opportunities to provide services using independent living fund, self-directed support budgets and Partnership Funding for social care initiatives. Each of these funds/budgets/initiatives will be specifically related to individuals using their social care budgets to access services in a different way so providers can, if supported to do so, collaborate to develop different options for people requiring care locally.

It would be highly unusual for such a centre not to have some level of grants and fundraising, but beyond working capital for year one of £25,000, we are showing sustainability beyond grant support. This offers a significant contingency.

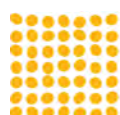
Core Staffing costs

Staffing costs are deliberately retained at a low level as a core staff team. Beyond this increased trading, funding and contracts can attract project and additional staff. The core team is as follows;

Core Staffing costs					
Core Posts	Salary	NI	Pension	Time	total
Development Manager	£28,000	£2,608	£1,400	1.0	£32,008
Admin/Finance/Facilities Officer	£24,000	£1,999	£1,200	0.5	£13,599
Cleaner/Caretaker	£22,000	£1,723	£1,100	0.5	£12,411
Total					£58,019
Café Staff					
Cook and Catering Manager	£26,000	£2,332	£1,300	1.0	£29,632
Catering assistants and front of house	£24,000	£1,999	£1,200	1.5	£40,798
Total					£70,430

The café team will be complemented by volunteers and employability placements. To increase the café team beyond this scale will require an increase in customer numbers and turnover. We are mindful of the adjacent bistro and offering something different.

It is also possible that this would be simply let out to a social enterprise or commercial catering company in which case a simple rent (and/or profit share) would be the model.



Running costs

There are a range of variables, but the following are the estimated costs of running the whole facility.

Overhead Expenses		
	Advertising	1,200
	Rates	1,440
	Water Rates	1,200
	Utilities	18,000
	Phone and internet	1,800
	Insurance	1,500
	Stationery, postage & Printing	120
	Staff costs : Core	58,019
	Staff expenses and training	600
	Volunteer expenses and training	1,800
	Professional and accountancy fees	3,000
	Repairs & Maintenance	1,200
	Security alarm and other contracts	300
	Refuse Collection	300
	Membership fees	500
	Cleaning materials	300
	Misc	1,200
	Total Overheads	92,479

Income Generation

Each element has their own turnover and each contribute profit to the central costs from which running costs and staffing are paid for. With 28 covers and added opportunity from attractive outdoor space, we are projecting around 50 daily customers in year one. There are only slight increases over the years. This can be substantially increased and if event catering is taken into consideration, these are felt to be very modest figures.

Room hire reaches 25% in year one and rises to no more than 40%. We are projecting two large bookings per month by year five and up to 3 ticketed events in year five. Again, these are felt to be very modest, but the projections are deliberately conservative to build in contingency.

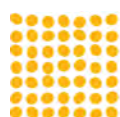
A £10,000 sinking fund is allocated to save for unexpected repairs and expenses.

The following is the growth picture over the five years.

	Yr1	Yr2	Yr3	Yr4	Yr5	Total
Income						
Trading	£81,950	£109,850	£137,530	£174,334	£177,334	£680,996
Grants and fundraising	£25,000	£0	£0	£0	£0	£25,000
Total	£106,950	£109,850	£137,530	£174,334	£177,334	£705,996
% sustainability	77%	100%	100%	100%	100%	
Expenditure	£92,479	£92,639	£104,827	£106,034	£107,265	£503,245
Surplus Deficit	£14,471	£17,210	£32,703	£68,300	£70,068	
Balance carried forward		£31,681	£49,913	£101,002	£138,368	

4.3 VAT

Due to the level of trading, the organisation may be VAT registered. An independent expert VAT assessment will be undertaken to identify VAT liability because food, sport and training are complex in relation to VAT as is the mix of trading and non-trading and how this is determined.



Beyond day to day finances, VAT reclaim may be important to the capital build so opting to tax early may be a route the Charity chooses. If VAT is added, there will need to be adjustments to pricing and demand to increase trading to cover that liability.

4.4 Capital Cost and Funding strategy

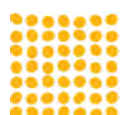
Cost

Costs for Dalgety Hub			
Capital build	£4,128,381		
External works	£845,533		
Professional fees(15%)	£746,087		
Insurances	£2,500		
Furniture and fittings	£50,000		
Storage and temp accommodation	£100,000		
Planning and BW fees	£35,000		
Site investigations	£20,000		
	£5,927,501		
Inflation (say 7%)	£414,925		
Total	£6,342,426		
Assumption that VAT is 100% reclaimed but this will need to be checked			
Capital project manager	30000		

Funding

This section sets out the current funding strategy for the re-development. It will be updated when final costs are understood.

Fund	Notes	Target amount
Fife Council	This is minuted in Council papers but will require match funding and an agreed design to be in place.	£2m
Scottish Land Fund	Though Fife Council indicated that a transfer of the site was likely they have not confirmed a price or whether there would be a charge. It may be prudent to utilise the Scottish Land Fund to purchase for a discounted price which could be re-invested back into the building prior to title transfer. In addition this would open up opportunities for further technical work and to fund legal and other fees.	95% of valuation of an asset with a discount expected on public buildings.
Community Ownership Fund	Set up to ensure that communities can support and continue benefiting from the local facilities, community assets and amenities most important to them but that are at risk of being lost. Mostly capital but some funding is also available for capacity building and initial running costs if it can be	Up to £2m (though previous ceiling of £250,000 is more likely) and up to 80% of costs. Say £2m



	<p>shown the result will be a viable and sustainable business.</p> <p>The fund closes in May but as spend needs to happen within 12 months this is not likely to be viable. Though there are no guarantees, there is a strong chance that the CoF will be re-launched after a new Government at UK level.</p>	
Regeneration Capital Grants Fund	<p>Fund applicant would be Fife Council so would need to be persuaded to bid on behalf of the Trust</p> <p>Likely to support a project FC have already funded.</p> <p>This budget is under severe pressure due to Scottish Government funding cuts. It is currently paused but the budget still exists so hope is that it will be re-launched next year. Timing may work well.</p>	Average Grant is £1m so say £1.5m
Place based investment fund	<p>Scottish Government Funding that is allocated by local authorities.</p> <p>Disaggregated by place so this can be relatively small amounts and the Council will have control of it.</p>	£100,000, though this may be ambitious.
CARES	<p>Will depend on the building as this is for retrofitting public buildings with renewables. As this is a new build, this may not be eligible.</p>	Up to £80,000
Charitable Trusts	<p>Garfield Weston Foundation</p> <p>Wolfson Foundation</p> <p>Henry Smith</p> <p>Landfill funding</p>	£500,000

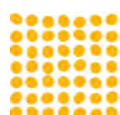
Community shares

Community based projects have raised significant sums through community share offers. Given the different funding environment and the liquidity likely to be low, the target would probably be more modest; however, a review of similar projects suggests that a target of around £25,000 – £50,000 could be achievable. This is potentially complex though and will require an associated new legal structure. It is not recommended at this time.

Loan Funding

The group will aim to avoid repayable finance, if possible, but some social lenders may offer an additional option depending on total cost and limitations on grants and community shares. If the cash flow is shown to be viable, there are options with other social lenders such as Big Issue Invest or Social Investment Scotland, though interest rates can be high.

Investing in Enterprise can offer a part loan, part grant product up to 25% in grant.



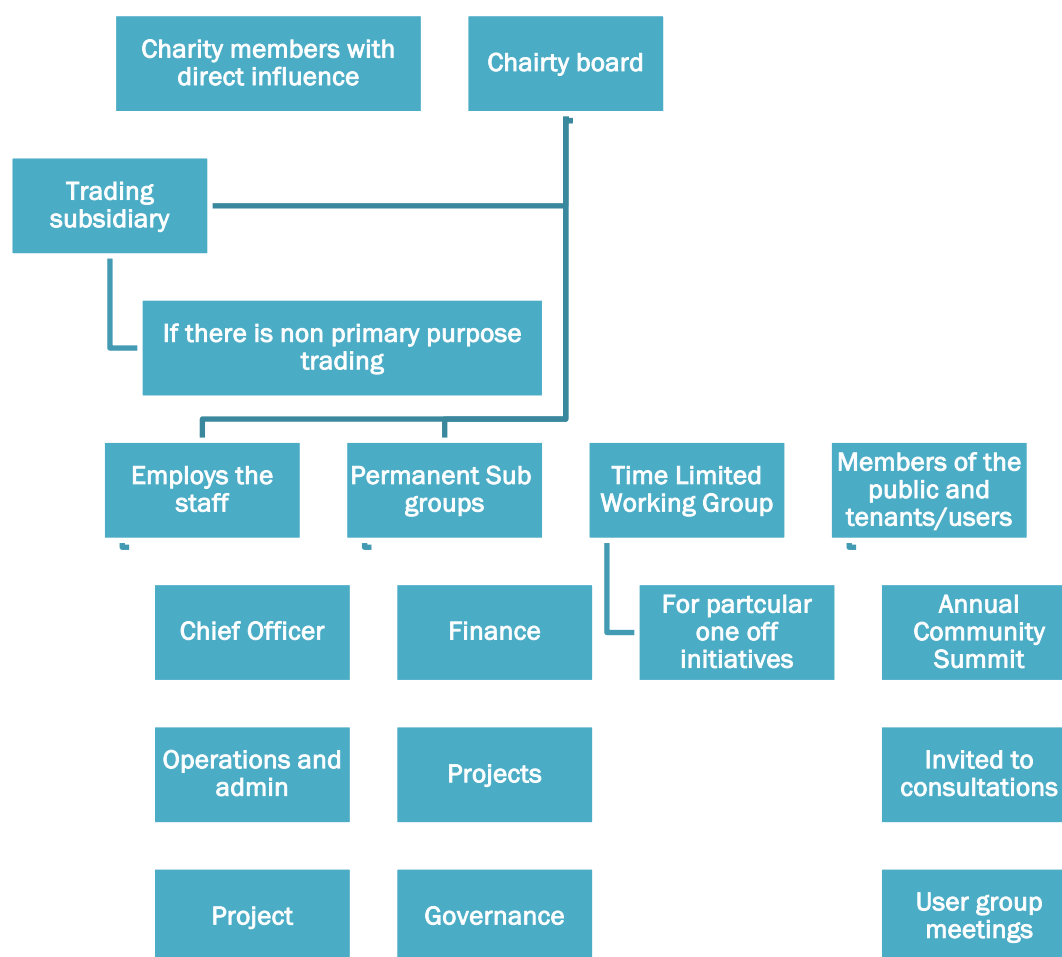
5. Governance and Management

5.1 Legal structure and Governance

Following independent advice, we have established the organisation as a Company limited by guarantee with charitable status, which has the benefit of charitable status (eg the rates relief) but also allows for primary purpose trading and the future establishment of a trading subsidiary if non-primary purpose trading increases.

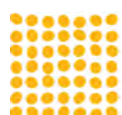
The Charity has a clear asset lock and social purpose. It will take ownership of the site from Fife Council and will be the owner, service provider and landlord of the hub.

In addition there is a need to build in local and user influence without them being directly involved in the governance and having legal liability. The following chart sets out how this is currently envisaged.



5.2 Skills and Capacity

The SCIO has a highly skilled board with individuals with technical experience as well as a knowledge of regeneration across Fife.



5.3 Management and staffing

We need to keep staffing to a minimum to ensure costs are efficient. However a good staff team is vital to social impact and financial viability. The proposed staffing structure for the Dalgety Bay Hub is as follows:

Operations Manager / Managing Director

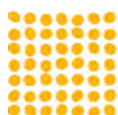
This post operates as the Chief Officer. Once the Dalgety Bay Hub is open, they will be responsible for the continued sustainability of the facility and for developing other community projects. As Manager, they will take an overview of the project and line-manage other staff and volunteers (though if numbers grow, this will be passed on). They will liaise with the funders, leading on the evaluation and reporting of outcomes. They will also have a lead role in overseeing the commercial outcomes and the sustainability of the Dalgety Bay Hub.

Responsibilities will include.

- Governance and liaison with the SCIO Board. This role is responsible for working closely with the Board and implementing the strategic direction of the organisation.
- New service development in response to evolving service user needs including looking for new user groups and partners. This includes developing, launching, consolidating and supporting new services but also investigating contract opportunities and winning new business.
- Managing key partners and users of the space at the Dalgety Bay Hub.
- Fundraising and bid writing for both grants and tenders.
- Financial stability. The Manager will be responsible for events hire, bookings, the cafe if managed centrally and managing costs including financial recording, reporting and day to day admin.
- Strategic links – representation on local planning groups and liaison with sector partners, the local authority etc.
- The recruitment and induction of new staff and the on-going line management of the whole team as it may grow over time.
- The recruitment and induction of volunteers and on-going volunteer development.
- Overseeing and managing the communication strategy to promote the site.
- Marketing. Ensuring there is a clear, strategic and achievable marketing plan; which communicates the Dalgety Bay Hub vision and mission and values effectively.
- Developing a brand's voice and identity through marketing campaigns
- Monitoring and evaluating the impact of our services. Liaising with funders and completing monitoring reports.
- Monitoring key performance indicators to track the success of a marketing campaign

Admin/Finance

- Answering questions about the organisation by phone or email and being the first point of contact for Dalgety Bay Hub
- Managing on-line data and filing systems
- Overseeing policies and processes including compliance such as Health and Safety and Data Protection.
- Scheduling meetings and taking notes



- Updating computer records
- Maintaining office correspondences
- Printing and photocopying paperwork
- Recording financial transactions and undertaking bank reconciliations

Cleaner/caretaker

- Cleaning the building or supervising a team of cleaners
- Inspecting the building, including heating, cooling, lighting and alarm systems to make sure they are in good working order
- Performing basic repairs and maintenance tasks as required
- Sourcing, booking and supervising contractors for major repairs
- Monitoring cleaning materials, tools, and furniture and reordering as required
- Opening building at the start of the day and locking all doors and windows when not in operation
- Adhering to the company’s safety policies to create a safe working environment for everyone

5.4 Volunteers

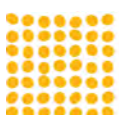
We envisage that volunteers will play an important role at The Dalgety Bay Hub undertaking tasks from maintenance to reception, marketing to events.

We intend to establish a more informal ‘user group forum’ to feed into business planning and operations.

5.5 Partnership

The Project has been developed in consultation and conjunction with a number of private, public and third sector partners across the local community and further afield.

Partner	Nature of Partnership
Fife Council	Owner of the asset and involved in supporting the asset transfer to the community. Funder Partner in town centre regeneration through the planning process (NPF4).
The Parish Church	Mutual support to ensure unique offering and cross-referral of spaces.
Tennis club	Mutual support and joint wellbeing programmes in the future.
Community Council	Conduit to ensure community influences the design and plans and that the Trust aligns with community priorities.
Sports and Leisure Centre	Cross referral and future joint wellbeing initiatives.
Library	Joint programmes eg literacy. Support with publicity and marketing
Business centre	Feeing new enterprises when the need more space.
School	Promotion to families and joint work with the school.



Fife Health & Social Care Partnership	Presentation and discussion with the wider Health & Social Care Partnership has begun to ensure early buy in and opportunity for developing more localised and personalised services for people requiring health and social care services in the future.
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5.6 Policies and procedures

Assistance will also come from Fife Voluntary Action, ACAS and other development Trusts, and from other third sector support organisations. Tenants will have their own policies specific to their own business.

Training will be provided to new board members, staff and (where appropriate) volunteers on the use of these policies.

- Health and Safety Policy
- Data Protection
- Privacy Policy
- Child Protection
- Vulnerable Adult Protection
- Full and detailed HR policies summarised in a staff handbook
- Grievance Policy
- Membership Policy
- Staffing Policy
- Volunteering Policy
- Recruitment and Training Policy
- Environmental Policy and Net Zero commitment
- Equalities, Diversity and Inclusion
- Policy governing allocation of space (rental policy)
- Conflict of Interest policy
- Specific policies in relation to the cafe space (e.g. PRS licence)
- Specific policies in relation to the food (e.g. food handling)

As well as these and more policies, we will be a Living Wage Employer and will buy into the Fair Work First agenda and ensure our suppliers do the same. We will do this too with just transition to net zero.

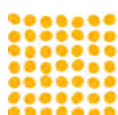
We will sign to a variety of good practice badges including the Business Pledge, Living Wage Employer, Disability Confident, Dementia Friendly etc.

5.7 Monitoring and reporting

What We Will Monitor

Areas measured to meet funders requirements include:

- Income Generation
- No of jobs created on site and in the area from employability programmes
- Numbers and nature of volunteers
- No of training courses delivered
- No of trainees engaged and destinations of these trainees



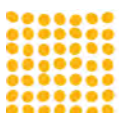
- Numbers room bookings
- Impact on wellbeing
- Levels of participation by local volunteers and activists
- Impact on the local economy (this will be harder to evidence) by having a clear local supply chain. We can look at SIMD changes over time.

Each of the funders has their own specific project monitoring and evaluation systems and methods of measuring success. We propose to create a unified system.

What we will use to Measure

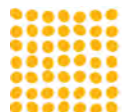
An updated evaluation plan will be established which will utilise;

- Immediate users evaluations after each intervention
- Short impact cards and digital interfaces in the cafe
- Annual users user surveys
- Video work with a selection of users from learning, wellbeing and community to identify representative life stories from users.
- Stakeholders interviews with referrers and partners to identify strategic change
- Monitoring of SIMD data zone information over time.

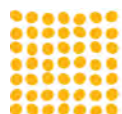


6. Risk Management

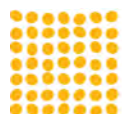
Risk	Impact	Probability	Existing Controls	Action Required	Lead Responsibility
Site and security of tenure					
Negotiations with Fife Council are unsuccessful	High	Low	<p>Positive discussions are ongoing and agreement has already been reached in principle with Fife Council.</p> <p>Local authorities across the country are divesting themselves of assets due to budget cuts.</p>	<p>Continue negotiations with Council.</p> <p>Legal advice to negotiate terms</p> <p>If required, consider Community Right to Buy route.</p> <p>Support from Community Ownership Support Service.</p>	Chair, Board
Building renovation and upgrade					
Cost volatility in the market	High	Medium to High	<p>Clear QS cost estimates reviewed over time</p> <p>Funding strategy in place with back up funders</p> <p>Cost plan prepared including 10% contingency and additional inflationary figure</p>	<p>On-going fundraising</p> <p>Innovative fundraising including community shares and bonds</p> <p>Phasing or reduction of spec.</p> <p>Social loans</p>	Chair, Board



Risk	Impact	Probability	Existing Controls	Action Required	Lead Responsibility
Delay securing funding threatening loss of early funding with spend deadline.	Medium	Medium	Enabling works and fees can be spent Phased approach	Support for the group in relation to capital fundraising. Attention to funder timescales.	Chair, Board
Unable to reach agreement in relation to some aspects of the upgrade plans.	High	Low	In-depth consultations with users Design options have already been developed in principle	Continuing to develop accommodation schedule. Ongoing engagement with current and potential users	Chair, Board.
Project delivery					
Costs are not covered by income generated.	High	Low to medium	Cashflows prepared, based on the market research at feasibility stage. Strong contingencies and reserves building in the cash flow	Realistic cashflow forecasting to ensure we understand the level of income we need to cover costs. On-going assessment of variables. Finance sub-group meeting monthly in the initial 2 years Diversification of trading. On-going seeking of grants and contracts. Local fundraising	Board then Project Manager
Insufficient reserves to manage cashflow.	High	Low	Building up trading income and ensuring no loan servicing	Build reserves during initial years.	Project Manager



Risk	Impact	Probability	Existing Controls	Action Required	Lead Responsibility
			Reserves planned in current cash flow via a sinking fund.	Very careful financial monitoring. Overdraft or working capital loan to manage cash flow e.g. VAT reclaim	
Loss of Key Personnel, Volunteers and Board Members.	High	Medium	Strong, committed cohort in place at present. New potential volunteers identified Current board has good links and partners	Write a succession plan for board members. Opportunities for training and development to encourage retention. Training and capacity building with groups. Development of volunteering support and induction procedures.	Chairman, Board and Project Manager
Project not supported by local community	High	Medium	Extensive community consultation involving everyone in the community with the chance to have their say. 92% supportive.	Ongoing updates, communication and consultation activities – especially around development of upgrade designs.	Board Team
Concern about displacement from other local facilities	Medium	Low to medium	Care has been taken to fill gaps and not complete in the design Regular contact with church, tennis and cafe	Continuing dialogue with partners in the community	Board



Appendix 1: Cash Flow Projections

Staffing

Core Staffing costs					
Core Posts	Salary	NI	Pension	Time	total
Development Manager	£28,000	£2,608	£1,400	1.0	£32,008
Admin/Finance/Facilities Officer	£24,000	£1,999	£1,200	0.5	£13,599
Cleaner/Caretaker	£22,000	£1,723	£1,100	0.5	£12,411
Total					£58,019
Café Staff					
Cook and Catering Manager	£26,000	£2,332	£1,300	1.0	£29,632
Catering assistants and front of house	£24,000	£1,999	£1,200	1.5	£40,798
Total					£70,430

Annual Projections

Dalgety Bay Hub		Year one												2023	Totals
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar		
	Weeks Per Month	5	4	4	5	4	4	5	4	5	4	4	4	4	
	Days Open Per Month	24	24	24	24	24	24	24	24	24	24	24	24	24	
Café															
	Visitors Per Day	45	50	60	60	60	55	45	45	45	45	45	45	45	
	Café spend Per Head	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	
	Average for snacks, lunch, etc														
	Income from Café	£10,800	£12,000	£14,400	£14,400	£14,400	£13,200	£10,800	£10,800	£10,800	£10,800	£10,800	£10,800	144,000	
	Café Cost of Sales	40%	£4,320	£4,800	£5,760	£5,760	£5,280	£4,320	£4,320	£4,320	£4,320	£4,320	£4,320	57,600	
	Café Staffing	see linked sheet	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	58,661	
	Café Profit/Loss	5.00%	£611	£1,331	£2,771	£2,771	£2,771	£2,051	£611	£611	£611	£611	£611	15,970	
Events															
	Number of events	1	1	1	2	2	2	1	1	2	1	1	1	1	
	Price of ticket per event	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	
	Number of people	50	50	50	50	50	50	50	50	50	50	50	50	50	
	Cost of event (performer etc)	50%													
	Events Profit/Loss	£250	£250	£250	£500	£500	£500	£250	£250	£500	£250	£250	£250	4,000	
Hall /Meeting Lets															
	Hall Let Fee per hour	30	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	
	Number of hours per month	360	360	360	360	360	360	360	360	360	360	360	360	360	
	Rooms to let	4	4	4	4	4	4	4	4	4	4	4	4	4	
	Cost per hour	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	
	Occupancy	10%	20%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	
	Day bookings	Weddings and conferences	500			500				500				500	
	Rental Profit/Loss	£2,660	£4,320	£5,400	£5,900	£5,400	£5,400	£5,400	£5,900	£5,400	£5,400	£5,400	£5,400	61,980	
Total income		£3,521	£5,901	£8,421	£9,171	£8,671	£7,951	£6,261	£6,761	£6,511	£6,261	£6,261	£6,261	81,950	
Overhead Expenses															
	Advertising	RV is £14500 currently x 49.9p c 80% charitable relief (NB discretionary could increase this to 100%)	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Rates	Estimate	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	1,440	
	Water Rates	Estimate with renewables - needs confirmation	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Utilities	Estimate	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	18,000	
	Phone and internet	Needs estimate	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	1,800	
	Insurance		£1,500											1,500	
	Stationery, postage & Printing	Link to staffing costs sheet	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	120	
	Staff costs : Core		£4,835	£4,835	£4,835	£4,835	£4,835	£4,835	£4,835	£4,835	£4,835	£4,835	£4,835	58,019	
	Staff expenses and training		£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	600	
	Volunteer expenses and training		£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	1,800	
	Professional and accountancy fees				£1,000									3,000	
	Repairs & Maintenance		£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Security alarm and other contracts		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300	
	Refuse Collection		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300	
	Membership fees		£500											500	
	Cleaning materials		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300	
	Misc		£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Total Overheads		£9,290	£7,290	£7,290	£8,290	£7,290	£7,290	£7,290	£7,290	£7,290	£7,290	£7,290	92,479	
Operating Profit		TOTAL PROFIT/LOSS	-£5,769	-£1,389	£1,131	£881	£1,381	£661	-£1,029	-£529	-£779	-£1,029	-£1,029	-£3,029	
Revenue Grants		And fundraising	£25,000											25,000	
Operating Cash Flow		without grants	-£5,769	-£7,158	-£6,027	-£5,146	-£3,766	-£3,105	-£4,134	-£4,663	-£5,442	-£6,471	-£7,500	-£10,529	
	with grants		£13,462	-£8,547	-£4,896	-£4,266	-£2,385	-£2,444	-£5,163	-£5,192	-£6,221	-£7,500	-£8,529	-£13,558	
														14,471	

Dalgety Bay Hub		Year two													Totals
		2024													
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Totals	
	Weeks Per Month	5	4	4	5	4	4	5	4	5	4	4	4	4	
	Days Open Per Month	24	24	24	24	24	24	24	24	24	24	24	24	24	
Café															
	Visitors Per Day	50	60	70	70	70	60	50	50	50	50	50	50	50	
	Café spend Per Head	Average for snacks, lunch, etc													
		£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	
	Income from Café	£12,000	£14,400	£16,800	£16,800	£16,800	£14,400	£12,000	£12,000	£12,000	£12,000	£12,000	£12,000	163,200	
	Café Cost of Sales	40%	£4,800	£5,760	£6,720	£6,720	£5,760	£4,800	£4,800	£4,800	£4,800	£4,800	£4,800	65,280	
	Café Staffing	see linked sheet													
		£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	
	Café Profit/Loss	5.00%	£1,331	£2,771	£4,211	£4,211	£2,771	£1,331	£1,331	£1,331	£1,331	£1,331	£1,331	27,490	
Events															
	Number of events	2	2	3	3	3	3	2	2	3	1	1	1		
	Price of ticket per event	Average													
		£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	
	Number of people	50	50	50	50	50	50	50	50	50	50	50	50	50	
	Cost of event (performer etc)	50%													
	Events Profit/Loss	£500	£500	£750	£750	£750	£750	£500	£500	£750	£250	£250	£250	6,500	
Hall /Meeting Lets															
	Hall Let Fee per hour	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	
	Number of hours per month	360	360	360	360	360	360	360	360	360	360	360	360	360	
	Rooms to let	4	4	4	4	4	4	4	4	4	4	4	4	4	
	Cost per hour	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	
	Occupancy	25%	25%	25%	25%	25%	30%	30%	30%	30%	30%	30%	30%	30%	
	Day bookings	Increase in occupancy rates in year 2 to 30% Weddings and conferences													
		500	500	500	500	500	500	500	500	500	500	500	500	500	
	Rental Profit/Loss	£5,900	£5,400	£5,900	£5,400	£5,900	£6,480	£6,980	£6,980	£6,480	£6,980	£6,480	£6,980	75,860	
Total income		£7,731	£8,671	£10,861	£10,361	£10,861	£10,001	£8,811	£8,811	£8,561	£8,561	£8,061	£8,561	109,850	
Overhead Expenses															
	Advertising	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Rates	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	1,440	
	Water Rates	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Utilities	RV is £14500 currently x 49.9p c 80% charitable relief (NB discretionary could increase this to 100%) Estimate													
		£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	18,000	
	Phone and internet	Estimate													
		£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	1,800	
	Insurance	£1,500												1,500	
	Stationery, postage & Printing	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	120	
	Staff costs : Core	2% cost of living increase													
		£4,932	£4,932	£4,932	£4,932	£4,932	£4,932	£4,932	£4,932	£4,932	£4,932	£4,932	£4,932	59,179	
	Staff expenses and training	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	600	
	Volunteer expenses and training	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	1,800	
	Professional and accountancy fees													2,000	
	Repairs & Maintenance	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Security alarm and other contracts	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300	
	Refuse Collection	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300	
	Membership fees	£500												500	
	Cleaning materials	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300	
	Misc	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Total Overheads	£9,387	£7,387	£7,387	£7,387	£7,387	£7,387	£7,387	£7,387	£7,387	£7,387	£7,387	£9,387	92,639	
Operating Profit		TOTAL PROFIT/LOSS	-£1,656	£1,284	£3,474	£2,974	£3,474	£2,614	£1,424	£1,424	£1,174	£1,174	£674	-£826	17,210
Revenue Grants		And fundraising												0	
Operating Cash Flow		without grants	-£1,656	-£372	£3,103	£6,077	£9,551	£12,165	£13,589	£15,013	£16,188	£17,362	£18,036	£17,210	17,210
	with grants	-£3,312	£913	£6,577	£9,051	£13,025	£14,779	£15,013	£16,438	£17,362	£18,536	£18,710	£16,384	17,210	

Dalgety Bay Hub		Year three													
		2025													
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Totals	
	Weeks Per Month	5	4	4	5	4	4	5	4	5	4	4	4	4	
	Days Open Per Month	24	24	24	24	24	24	24	24	24	24	24	24	24	
Café															
	Visitors Per Day	50	60	70	70	70	60	50	50	50	50	50	50	50	
	Café spend Per Head	Average for snacks, lunch, etc	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	
	Income from Café	£12,000	£14,400	£16,800	£16,800	£16,800	£14,400	£12,000	£12,000	£12,000	£12,000	£12,000	£12,000	163,200	
	Café Cost of Sales	40%	£4,800	£5,760	£6,720	£6,720	£6,720	£5,760	£4,800	£4,800	£4,800	£4,800	£4,800	£4,800	65,280
	Café Staffing	see linked sheet	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	
	Café Profit/Loss	5.00%	£1,331	£2,771	£4,211	£4,211	£4,211	£2,771	£1,331	£1,331	£1,331	£1,331	£1,331	27,490	
Events															
	Number of events	3	3	3	3	3	3	3	3	3	3	3	3	3	
	Price of ticket per event	Average	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	
	Number of people	50	50	50	50	50	50	50	50	50	50	50	50	50	
	Cost of event (performer etc)	50%													
	Events Profit/Loss		£750	£750	£750	£750	£750	£750	£750	£750	£750	£750	£750	9,000	
Hall /Meeting Lets															
	Hall Let Fee per hour	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	£20	
	Number of hours per month	360	360	360	360	360	360	360	360	360	360	360	360	360	
	Rooms to let	4	4	4	4	4	4	4	4	4	4	4	4	4	
	Cost per hour	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	
	Occupancy	Increase in occupancy rates in year 3 to 40%	35%	35%	35%	35%	35%	35%	35%	40%	40%	40%	40%	40%	
	Day bookings	Weddings and conferences	500	500	500	500	500	500	500	500	500	500	500	500	
	Rental Profit/Loss		£8,060	£8,060	£8,060	£8,060	£8,060	£8,060	£8,060	£8,060	£9,140	£9,140	£9,140	101,040	
Total income			£10,141	£11,581	£13,021	£13,021	£13,021	£11,581	£10,141	£10,141	£11,221	£11,221	£11,221	137,530	
Overhead Expenses															
	Advertising		£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Rates	RV is £14500 currently x 49.9p c 80% charitable relief (NB discretionary could increase this to 100%)	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	1,440	
	Water Rates	Estimate	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Utilities	Estimate with renewables - needs confirmation	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	18,000	
	Phone and internet	Estimate	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	1,800	
	Insurance		£1,500											1,500	
	Stationery, postage & Printing		£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	120	
	Staff costs : Core	2% cost of living increase	£5,030	£5,030	£5,030	£5,030	£5,030	£5,030	£5,030	£5,030	£5,030	£5,030	£5,030	60,363	
	Staff expenses and training		£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	600	
	Volunteer expenses and training		£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	1,800	
	Professional and accountancy fees												£2,000	2,000	
	Repairs & Maintenance		£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Security alarm and other contracts		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300	
	Refuse Collection		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300	
	Membership fees		£500											500	
	Cleaning materials		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300	
	Misc		£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Sinking fund		£10,000											10,000	
	Inflationary increase	3.00%	£134	£74	£74	£74	£74	£74	£74	£74	£74	£74	£134	1,004	
	Total Overheads		£19,619	£7,559	£7,559	£7,559	£7,559	£7,559	£7,559	£7,559	£7,559	£7,559	£9,619	104,827	
Operating Profit		TOTAL PROFIT/LOSS	-£9,478	£4,022	£5,462	£5,462	£5,462	£4,022	£2,582	£2,582	£3,662	£3,662	£3,662	£1,602	32,703
Revenue Grants		And fundraising												0	
Operating Cash Flow		without grants	-£9,478	-£5,456	£6	£5,468	£10,930	£14,951	£17,533	£20,115	£23,777	£27,439	£31,101	£32,703	32,703
	with grants		-£18,956	-£1,434	£5,468	£10,930	£16,391	£18,973	£20,115	£22,697	£27,439	£31,101	£34,305	32,703	

Dalgety Bay Hub		Year four													
		2026													
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Totals	
	Weeks Per Month	5	4	4	5	4	4	5	4	5	4	4	4	4	
	Days Open Per Month	24	24	24	24	24	24	24	24	24	24	24	24	24	
Café															
	Visitors Per Day	50	60	70	70	70	60	50	50	50	50	50	50	50	
	Café spend Per Head	Average for snacks, lunch, etc													
		£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	
	Income from Café	£12,000	£14,400	£16,800	£16,800	£16,800	£14,400	£12,000	£12,000	£12,000	£12,000	£12,000	£12,000	163,200	
	Café Cost of Sales	40%	£4,800	£5,760	£6,720	£6,720	£6,720	£5,760	£4,800	£4,800	£4,800	£4,800	£4,800	£4,800	65,280
	Café Staffing	see linked sheet	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	
	Café Profit/Loss	5.00%	£1,331	£2,771	£4,211	£4,211	£4,211	£2,771	£1,331	£1,331	£1,331	£1,331	£1,331	27,490	
Events															
	Number of events	3	3	3	4	4	4	3	3	3	3	3	3	3	
	Price of ticket per event	Slight price increase													
		£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	
	Number of people	50	50	50	50	50	50	50	50	50	50	50	50	50	
	Cost of event (performer etc)	50%													
	Events Profit/Loss	£900	£900	£900	£1,200	£1,200	£1,200	£900	£900	£900	£900	£900	£900	11,700	
Hall /Meeting Lets															
	Hall Let Fee per hour	Slight price increase													
		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	
	Number of hours per month	360	360	360	360	360	360	360	360	360	360	360	360	360	
	Rooms to let	4	4	4	4	4	4	4	4	4	4	4	4	4	
	Cost per hour	Slight price increase													
		£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	
	Occupancy	Leveling out at 40%													
		40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	
	Day bookings	Weddings and conferences													
		1000	1000	1000	1000	1000	1000	1000	500	500	500	500	500	500	
	Rental Profit/Loss	£11,512	£11,512	£11,512	£11,512	£11,512	£11,512	£11,012	£11,012	£11,012	£11,012	£11,012	£11,012	135,144	
Total income		£13,743	£15,183	£16,623	£16,923	£16,923	£15,483	£13,243	£13,243	£13,243	£13,243	£13,243	£13,243	174,334	
Overhead Expenses															
	Advertising	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Rates	RV is £14500 currently x 49.9p c 80% charitable relief (NB discretionary could increase this to 100%)													
		£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	1,440	
	Water Rates	Estimate													
		£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Utilities	Estimate with renewables - needs confirmation													
		£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	18,000	
	Phone and internet	Estimate													
		£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	1,800	
	Insurance														
		£1,500												1,500	
	Stationery, postage & Printing														
		£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	120	
	Staff costs : Core	2% cost of living increase													
		£5,131	£5,131	£5,131	£5,131	£5,131	£5,131	£5,131	£5,131	£5,131	£5,131	£5,131	£5,131	61,570	
	Staff expenses and training														
		£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	600	
	Volunteer expenses and training														
		£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	1,800	
	Professional and accountancy fees														
														£2,000	
	Repairs & Maintenance														
		£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Security alarm and other contracts														
		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300	
	Refuse Collection														
		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300	
	Membership fees														
		£500												500	
	Cleaning materials														
		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300	
	Misc														
		£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200	
	Sinking fund														
		£10,000												10,000	
	Inflationary increase	3.00%													
		£134	£74	£74	£74	£74	£74	£74	£74	£74	£74	£74	£74	1,004	
	Total Overheads	£19,720	£7,660	£7,660	£7,660	£7,660	£7,660	£7,660	£7,660	£7,660	£7,660	£7,660	£7,660	106,034	
Operating Profit		TOTAL PROFIT/LOSS	-£5,977	£7,523	£8,963	£9,263	£9,263	£7,823	£5,583	£5,583	£5,583	£5,583	£5,583	£3,523	68,300
Revenue Grants		And fundraising												0	
Operating Cash Flow		without grants	-£5,977	£1,547	£10,510	£19,773	£29,036	£36,860	£42,443	£48,026	£53,610	£59,193	£64,776	£68,300	68,300
	with grants		-£11,953	£9,070	£19,473	£29,036	£38,300	£44,683	£48,026	£53,610	£59,193	£64,776	£70,360	£71,823	68,300

Dalgety Bay Hub		Year five	2027												Totals
			Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
	Weeks Per Month		5	4	4	5	4	4	5	4	5	4	4	4	4
	Days Open Per Month		24	24	24	24	24	24	24	24	24	24	24	24	24
Café															
	Visitors Per Day		50	60	70	70	70	60	50	50	50	50	50	50	50
	Café spend Per Head	Average for snacks, lunch, etc	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10
	Income from Café		£12,000	£14,400	£16,800	£16,800	£16,800	£14,400	£12,000	£12,000	£12,000	£12,000	£12,000	£12,000	163,200
	Café Cost of Sales	40%	£4,800	£5,760	£6,720	£6,720	£6,720	£5,760	£4,800	£4,800	£4,800	£4,800	£4,800	£4,800	65,280
	Café Staffing	see linked sheet	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869	£5,869
	Café Profit/Loss	5.00%	£1,331	£2,771	£4,211	£4,211	£4,211	£2,771	£1,331	£1,331	£1,331	£1,331	£1,331	£1,331	27,490
Events															
	Number of events		3	3	3	4	4	4	3	3	3	3	3	3	3
	Price of ticket per event	Average	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12
	Number of people		50	50	50	50	50	50	50	50	50	50	50	50	50
	Cost of event (performer etc)	50%													
	Events Profit/Loss		£900	£900	£900	£1,200	£1,200	£1,200	£900	£900	£900	£900	£900	£900	11,700
Hall /Meeting Lets															
	Hall Let Fee per hour	Slight price increase	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25
	Number of hours per month		360	360	360	360	360	360	360	360	360	360	360	360	360
	Rooms to let		4	4	4	4	4	4	4	4	4	4	4	4	4
	Cost per hour	Slight price increase	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12	£12
	Occupancy	Levels at 40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%
	Day bookings	Target two per month	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
	Rental Profit/Loss		£11,512	£11,512	£11,512	£11,512	£11,512	£11,512	£11,512	£11,512	£11,512	£11,512	£11,512	£11,512	138,144
Total income			£13,743	£15,183	£16,623	£16,923	£16,923	£15,483	£13,743	£13,743	£13,743	£13,743	£13,743	£13,743	177,334
Overhead Expenses															
	Advertising		£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200
	Rates	RV is £14500 currently x 49.9p c 80% charitable relief (NB discretionary could increase this to 100%)	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	£120	1,440
	Water Rates	Estimate	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200
	Utilities	Estimate with renewables - needs confirmation	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	£1,500	18,000
	Phone and internet	Estimate	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	1,800
	Insurance		£1,500												1,500
	Stationery, postage & Printing		£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	£10	120
	Staff costs : Core	2% cost of living increase	£5,233	£5,233	£5,233	£5,233	£5,233	£5,233	£5,233	£5,233	£5,233	£5,233	£5,233	£5,233	62,802
	Staff expenses and training		£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	£50	600
	Volunteer expenses and training		£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	£150	1,800
	Professional and accountancy fees													£2,000	2,000
	Repairs & Maintenance		£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200
	Security alarm and other contracts		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300
	Refuse Collection		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300
	Membership fees		£500												500
	Cleaning materials		£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	£25	300
	Misc		£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	£100	1,200
	Sinking fund		£10,000												10,000
	Inflationary increase	3.00%	£134	£74	£74	£74	£74	£74	£74	£74	£74	£74	£74	£134	1,004
	Total Overheads		£19,822	£7,762	£7,762	£7,762	£7,762	£7,762	£7,762	£7,762	£7,762	£7,762	£7,762	£9,822	107,265
Operating Profit			TOTAL PROFIT/LOSS	-£6,079	£7,421	£8,861	£9,161	£9,161	£7,721	£5,981	£5,981	£5,981	£5,981	£3,921	70,068
Revenue Grants		And fundraising													0
Operating Cash Flow		without grants	-£6,079	£1,341	£10,202	£19,363	£28,523	£36,244	£42,225	£48,205	£54,186	£60,167	£66,148	£70,068	70,068
		with grants	-£12,159	£8,762	£19,063	£28,523	£37,684	£43,965	£48,205	£54,186	£60,167	£66,148	£72,128	£73,989	70,068

Visualisations - Initial Proposals
Dalgety Bay Community Hub
January 2024





Visualisation - Birds Eye View



Visualisation - Looking up the site



Visualisation - Looking towards entrance

Dalgety Bay Community Hub

LEEBOYD

Designers + Architects



Visualisation - Approaching from Moray Way



Visualisation - From Moray Way



Visualisation - Looking in to the courtyard



Visualisation - View from the roundabout



Visualisation - Cafe space



Visualisation - Hall



Visualisation - Hall

Site Location and Land Ownership



7 November 2024
Agenda Item No. 9

Housing Service – Domestic and Sexual Abuse Policy

Report by: John Mills, Head of Housing

Wards Affected: All wards

Purpose

The purpose of this report is to provide an update on the progress made in the work outlined in the Domestic and Sexual Abuse Policy. This Policy was approved by Cabinet Committee in November 2023.

As agreed at 02.11.23 Cabinet meeting – para. 173 of 2023.CC.95 refers – Cabinet Committee Minute - 2nd November 2023 - Report to be brought back in a year's time.

Recommendation(s)

It is recommended that Members: -

- (1) consider the annual update; and
- (2) note the work undertaken to meet the outcomes of the Domestic Abuse Policy

Resource Implications

Proposals for improvement are all in line with the current budget for the service.

Legal & Risk Implications

There are no legal risks in relation to this.

Impact Assessment

An Impact Assessment summary is attached to the report.

Consultation

The Domestic and Sexual Abuse Policy was consulted on with a wide range of participants including Fife Women's Aid, Fife Violence Against Women Partnership and has been to the Domestic Abuse Intervention Board (which is a specialist sub-group of Fife Housing Partnership). A strong feature of all the work we have undertaken in relation to domestic abuse has been working with survivors to ensure that learning is taken from their experiences.

1.0 Background

- 1.1 The Housing Service has been working to improve service delivery in relation to domestic abuse since the original Women's Health Research Report in 2016 "Change, Justice and Fairness" developed by Scottish Women's Aid. The report highlighted a range of significant areas which required improvement. In response to this, the service developed the "WHIR Project" which worked to develop improvements in the way services are delivered to women experiencing domestic abuse.
- 1.2 In November 2023 the new Domestic Abuse and Sexual Violence Policy was brought to Cabinet Committee for endorsement. This policy was developed based on best practice across the country and followed guidance developed by the Chartered Institute of Housing and Scottish Womens Aid. The definition of domestic abuse used within the policy is the countrywide agreed definition developed by the Scottish Government. The policy follows the principles laid down through the Equally Safe Strategy. The policy focusses on how we will support tenants experiencing domestic abuse and sexual violence.

2.0 Issues and Options

- 2.1 The Domestic and Sexual Abuse Policy has been in operation for a year and this report describes the progress made towards meeting the outcomes.
- 2.2 The policy aims to achieve the following outcomes: -
 - Domestic abuse is prevented but where it does occur, a co-ordinated, effective response is provided which enables victim-survivors access to a range of appropriate housing options, advice, information and support.
 - Inequalities are reduced and opportunities are created which promote improved life chances for women, men, children, young people, families at risk and other vulnerable people/groups of people affected by domestic and sexual abuse.
 - Our communities, workplaces and wider society embrace equality and mutual respect and reject all forms of domestic abuse.
- 2.3 In relation to providing housing advice to victim-survivors we have -
 - 177 women who have approached for Housing Advice due to domestic abuse and 13 men
 - Housed 180 victim-survivors who have indicated domestic abuse as being the primary reason for requiring to be rehoused
 - In financial year 24 / 25 we have had 114 people who have approached for Housing Advice due to domestic abuse. This is indicating that the number of people approaching for advice and assistance this year is likely to be significantly higher.
- 2.4 In relation to campaigning against domestic abuse and sexual violence to promote safer communities for women and girls, Housing staff took part in activities around the 16 days of activism. Housing staff took part in the first Reclaim the Night Walk in Kirkcaldy last November. Training sessions were delivered for staff during this period to highlight the Domestic and Sexual Abuse Policy and the 16 days of activism. These sessions were extremely well attended. Plans are already advanced for the Housing Service's contribution to the 16 days of activism this year – with staff being encouraged to take part

in the Reclaim the Night Walk and a podcast being developed for staff which will cover positive contributions of change around domestic abuse and sexual violence.

- 2.5 Fife Council Housing Service has been one of the pilot organisations for Equally Safe in Practice training. The training includes 3 modules of online learning covering gender equality, domestic abuse and sexual violence. In total 723 online learning units were completed by staff. Follow up sessions of reflective learning were developed for staff who completed the online learning to reflect on what they had learned and how to use the learning in their professional practice. The services involvement in the scheme has been so successful that the Equally Safe Team have invited us to take part in the new Kitemark accreditation scheme.
- 2.6 Further staff training was developed in the form of Toolbox talks for our partner services (Building Services, Customer and On-line Services) to help recognise the signs of domestic abuse and how to respond to this. Training has also been delivered around the national Domestic Abuse Disclosure scheme and staff have been encouraged to take part in trauma training. In the coming year we have ambitious plans to develop Difficult Conversations training to help staff work more effectively with vulnerable people.
- 2.7 Following the declaration of the Housing Emergency we have carefully monitored the impact of this around domestic abuse. In response to this we have had workshops with staff to capture their views around this and we continue to liaise with partner agencies (e.g. Fife Womens Aid) and Victim-Survivors to understand impacts. Numbers of victim-survivors approaching for advice are being carefully monitored.

3.0 Conclusions

- 3.1 This update report provides a snapshot around the activity taking place to ensure that continued progress is being made in relation to addressing the housing and support needs of victim-survivors.
- 3.2 A full range of activities are planned for the coming year to continue to help develop services. A particular focus will be accreditation to the new Equally Safe Kitemark to ensure that services meet recognised independent service standards.

Report Contact

Paul Short
Service Manager
Housing Services
Fife House,
Glenrothes
Telephone: 03451 55 55 55 + VOIP Number 480413
Email: paul.short@fife.gov.uk

7 November, 2024
Agenda Item No. 10

Strategic Housing Investment Plan 2025-2030

Report by: John Mills, Head of Housing Services

Wards Affected: All

Purpose

The report is to seek authority for the submission of Fife's Strategic Housing Investment Plan (SHIP) 2025/26 – 2029/30 to the Scottish Government. The plan is revised and updated annually for a rolling 5-year period.

Recommendation(s)

Members are asked to:

- (i) agree the Strategic Housing Investment Plan (SHIP) 2025/26 – 2029/30 based on the priorities and principles outlined in the report; and
- (ii) authorise the Head of Housing Services, in consultation with the Spokesperson for Housing and Building Services, to amend or substitute projects within the SHIP as and when required.

Resource Implications

Fife Council investment of £226.251m is available across 2024-29 to support the Affordable Housing Programme. This will support the completion of Phase 3, the Transitional Affordable Housing Programme (TAHP) and the first two years of Phase 4. The level of future investment required to continue with years three to five of Phase 4 is currently under review. This review will assess what an affordable level of investment looks like in future years and is anticipated to be presented to elected members for approval in early 2025. An additional £8.993m has been identified in the current HRA Capital budget to support the acquisition of privately owned properties. Additional investment to support acquisitions is currently under review and will be considered in the future.

The Fife Housing Association Alliance (FHAA) partners have all confirmed they have secured capital borrowing capacity to continue to invest in the delivery of the SHIP.

The overall resource requirement will also be dependent on the continuing support and level of support provided by the Scottish Government through Affordable Housing Supply Programme grant. The annual Resource Planning Assumptions (RPAs), which indicates the level of grant available during a financial year, have not been confirmed by the Scottish Government for future years. The guidance provided is to assume that RPAs during the SHIP period will be at the same level as the RPA for the current year 2024-25 which has been set at £26.237m. The Scottish Government recently confirmed an additional allocation of grant of £1.848m in 2024/25 to support the acquisition of

properties on the open market which should be used to help address temporary accommodation pressures.

Legal & Risk Implications

The Council has taken a positive attitude to managing legal and risk issues arising from working with private housing developers to deliver the Affordable Housing Programme. Development risks and other constraints will be assessed and considered, and any required mitigations will be put in place as risks and issues arise.

Compliance with Corporate Procurement processes will ensure projects represent best value for public money whilst recognising community and social benefits.

Funding risks include the need to maintain the HRA Business Plan rent assumptions over the life of the SHIP and effective management of the consequences of rising construction costs. As construction costs continue to increase, the number of affordable homes that can be delivered over a set timescale will be impacted.

The availability of land supply will continue to be a risk for both Council and Housing Association development. In addition, the timing of affordable housing contributions from private developers through the Affordable Housing Policy will also require to be managed.

Impact Assessment

An Equalities Impact Assessment has been undertaken and a summary is shown in Appendix 1. No negative impacts have been identified. A range of beneficial impacts were identified including increased access to new affordable housing and subsequent housing through chain of lets properties for those with protected characteristics.

An environmental assessment has been carried out using the Fife Environmental Assessment Tool (FEAT) for the SHIP and Affordable Housing Programme and no negative environmental impacts were assessed. Overall, long-term benefits were identified resulting from the provision of high quality, energy efficient affordable homes resulting in lower carbon emissions and increased health and well-being for tenants. A Strategic Environmental Assessment (SEA) screening request has been submitted to the SEA gateway for consideration and it is anticipated that a full environmental assessment will not be required.

It is anticipated that the building of affordable houses across Fife will have a beneficial impact on households in poverty and contribute to the Child Poverty Plan. It is also anticipated that the Affordable Housing Programme will have a beneficial impact on the Fife Climate Change Plan due to building houses to the EESSH standard and installing zero carbon emission heating systems.

Consultation

Consultation has been carried out in respect of the SHIP with the Scottish Government, Fife Housing Association Alliance, Scottish Water, various Council Services including Education and Children's Services, Economy, Planning & Employability Services, Health and Social Care Services, Assets, Transportation and Environment Services and various teams within Housing Services, including Affordable Housing, Area Teams, and Older Persons and Specific Needs.

Fife Councillors, Fife Tenants Forum and Fife Federation of Tenants and Residents Association were sent a draft copy of the SHIP and invited to provide any feedback or comments. A virtual information session was held on 30th October 2024.

1.0 Background

- 1.1 The SHIP is an important document which is submitted annually to the Scottish Government and sets out how investment in affordable housing could be directed over the next 5 years, in this case April 2025 to March 2030, to achieve the priorities and outcomes set out in the Local Housing Strategy (LHS). The LHS 2022-2027 was approved in November 2023 following a period of consultation with key partners, stakeholders and elected members.
- 1.2 Fife Council and Fife Housing Association Alliance (FHAA) conduct a joint working exercise to ensure the successful planning and development of the SHIP each year.
- 1.3 Fife Council and the FHAA have a strong track record in the delivery of new affordable housing through four phases of the Affordable Housing Programme (AHP) since 2010. The Transitional Affordable Housing Programme (TAHP) is currently in progress and aims to deliver 931 new affordable homes before the end of 2026. Phase 4 of the AHP is now underway which will cover the period 2024-29. Due to the recent 24% reduction in the affordable housing grant available in 2024/25 and uncertainty around grant availability in future years coupled with rising construction costs, the delivery of year 1 and 2 of Phase 4 has been subject to review to determine what can realistically be delivered with the resources available. Year 3 to 5 of phase 4 of the AHP is also currently under development and is anticipated to be presented to cabinet in early 2025.
- 1.4 The draft SHIP subject to Cabinet approval was submitted to the Scottish Government on 25th October 2024.

2.0 Issues and Options

- 2.1 The SHIP is a bid proposal to the Scottish Government to secure grant funding to deliver new affordable housing through the Affordable Housing Supply Programme (AHSP). The SHIP consists of two elements, firstly the context of the SHIP is provided as a narrative which supports the SHIP Projects Table which contains details on the proposed affordable housing projects expected to require Scottish Government funding and / or are due for completion during the five-year SHIP period.
- 2.2 The SHIP sets out the plan for delivering affordable housing, but it does not guarantee the availability of grant funding. The annual Resource Planning Assumptions (RPAs), which indicates the level of grant available during a financial year, have not been confirmed by the Scottish Government for future years. The guidance provided is to assume that RPAs during the SHIP period will be at the same level as the RPA for the current year 2024-25 which has been set at £26.237m. The Scottish Government recently confirmed an additional allocation of grant of £1.848m in 2024/25 to support the acquisition of properties on the open market which should be used to help address temporary accommodation pressures. Grant funding is secured on a project by project

basis and applications seeking affordable housing grant to support the delivery of specific projects will be submitted to the Scottish Government once the project has been approved by committee and a Design and Build contract concluded with the relevant developer.

- 2.3 Available subsidy levels are assumed at £131.185m through the AHSP and £11.013m through Second Homes Council Tax (2HCT) monies totalling £142.198m for Fife. Based on current grant benchmark levels, this level of subsidy could potentially contribute to the delivery of 1,472 new affordable homes including a mix of social rented & MMR new build properties and property.
- 2.4 The projects included in the Projects Table have been sourced from Fife’s Affordable Housing Programmes with future year’s projects also originating from Fife’s Local Development Plan and Affordable Housing contributions from planning applications. Phase 4 of the AHP is currently under review and subject to change based on the availability of resources. The SHIP Projects Table identifies the potential to deliver 2,299 completed affordable homes during 2025/26-2029/30. It must be noted that some of these completed homes will have received grant funding in previous years and the grant funding potentially received in later years may support homes delivered beyond the SHIP period. In addition, there is an over provision of 32% included across the 5-year SHIP period in line with Scottish Government’s guidance which is to accommodate unforeseen slippage of the programme. Members should note that projects listed in the SHIP Projects Table are not at this stage guaranteed to go ahead. It is considered that the proposed level of potential projects contained in the SHIP Projects Table puts Fife in a strong position to ensure full spend of its own grant allocation and prepares us to take advantage of any additional funding that may arise across the AHSP nationally or if other local authorities fail to spend their allocation.
- 2.5 The projects included within the SHIP Projects Table have the potential to deliver 2,299 affordable homes over the 5-year SHIP period. This exceeds the need identified through the combined Tayside and South-East Scotland Housing Need and Demand Assessments (HNDAs) of 2,005 affordable homes over 5 years by 294 homes. A further 50 affordable homes are estimated to be delivered in Fife through the Scottish Government’s Open Market Shared Equity (OMSE) scheme, taking the potential total to 2,349 affordable homes between 2025/26 –2029/30.
- 2.6 The breakdown of the potential affordable homes that can be delivered between different tenures and house types is shown in table 1 below:

Table 1: Tenure Breakdown of Affordable Homes in the SHIP

	General Needs	Specific Needs*	Total
Social Rented (all providers)	1,371	721	2,092 (91% of total)
Mid Market Rent (MMR)	207	0	207 (9% of total)
Total	1,578 (69% of total)	721 (31% of total)	2,299 (100%)

*Includes all Specific Needs properties including wheelchair properties and older persons housing

- 2.7 The SHIP demonstrates the Council's commitment to provide 30% of all new affordable housing as Specific Needs properties. It also reflects the current priority to maximise the delivery of social rented housing, with 91% of the total potential units being provided as social rented and 9% as Mid-Market Rent (MMR). Presently, all MMR properties will be delivered by our housing association partners.
- 2.8 The Council will continue to work with the members of the Fife Housing Association Alliance (FHAA) to deliver the housing association component of the SHIP. Following a review of their business plans, to determine their capacity to respond in both financial and development capacity, the FHAA signed a revised preferred developer agreement with Fife Council July 2021. This partnership agreement has been extended for a further five-year period to May 2029 as part of the proposed Phase 4 AHP.

3.0 Conclusions

- 3.1 Fife's SHIP 2025/26 – 2029/30 sets out the investment priorities for affordable housing over a 5-year period to achieve the housing outcomes set within Fife's LHS and shows the possibility to deliver 2,299 affordable homes subject to the availability of Scottish Government affordable housing grant and Housing Revenue Account (HRA) capital funding, thus ensuring that Fife has a robust delivery plan to meet housing needs in line with LHS priorities.

John Mills
Head of Housing Services

List of Appendices

1. Equality Impact Assessment Summary Report
2. Fife Strategic Housing Investment Plan 2025/26-2029/30

Report Contact

Helen Wilkie
Service Manager – Housing Condition and Supply
Housing Services
Email: Helen.Wilkie@fife.gov.uk

Appendix 1 Equality Impact Assessment Summary Report

Which Committee report does this EqIA relate to (specify meeting date)?

Cabinet Committee Thursday 7th November 2024
Strategic Housing investment Plan 2025/26 – 2029/30

What are the main impacts on equality?

There are no negative impacts on equality. There will be access to new affordable housing and subsequent housing from chain of let properties for those with protected characteristics.

In relation to a strategic decision, how will inequalities of outcome caused by economic disadvantage be reduced?

The new Affordable Housing will be a mix of social rent and mid-market rent & low-cost home ownership options. These options will increase the options available to those on low / limited income which will assist in tackling social disadvantage.

What are the main recommendations to enhance or mitigate the impacts identified?

The main recommendation is to ensure the appropriate mix of housing for those in need is included in new build developments and that these new properties are allocated appropriately.

If there are no equality impacts on any of the protected characteristics, please explain.

N/A

Further information is available from: Name / position / contact details:

Carole Kennedy
Interim Lead Officer Affordable Housing & Regeneration
Telephone Extension: 442955
Email: Carole.Kennedy@fife.gov.uk



Strategic Housing Investment Plan

2025/26 – 2029/30



Alternative Formats

The information included in this document can be made available in large print, braille, audio CD/tape and British Sign Language interpretation on request by calling: 03451 55 55 00 / Textphone: 18001 01383 44 11 77 / SMS for Deaf people 07985 761908 / Language Lines:

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03451 55 55 66 پر درخواست کرنے سے اس تحریر میں دی گئی معلومات بڑے پرنٹ 'بریل' آڈیو سی ڈی/ٹیپ پر اور ترجماتی والی برطانوی اشاراتی زبان (برٹش سائن لینگویج) میں مہیا کی جاسکتی ہیں۔

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Abbreviations

The following abbreviations have been used throughout the report:

2HCT	Second Homes Council Tax
AHP	Affordable Housing Programme
AHSP	Affordable Housing Supply Programme
FC	Fife Council
FEAT	Fife Environmental Assessment Tool
FHAA	Fife Housing Association Alliance
FHP	Fife Housing Partnership
FHR	Fife Housing Register
HEAP	Housing Emergency Action Plan
HMA	Housing Market Area
HNDA	Housing Need and Demand Assessment
HRA	Housing Revenue Account
LDP2	Local Development Plan 2
LHA	Local Housing Allowance
LHS	Local Housing Strategy
LHSA	Local Housing Strategy Area
MATHLR	Minimum All-Tenure Housing Land Requirement
NPF4	National Planning Framework 4
OMSE	Open Market Shared Equity
RPA	Resource Planning Assumption
RRTP	Rapid Rehousing Transitional Plan
RSL	Registered Social Landlord
SEA	Strategic Environmental Assessment
SHIP	Strategic Housing Investment Plan
TAHP	Transitional Affordable Housing Programme
ULTRF	Ukraine Long Term Resettlement Fund

1.0 Introduction, Purpose and Summary

1.1 Introduction

The Fife Housing Partnership (FHP) has developed the Strategic Housing Investment Plan (SHIP) for 2025/26 - 2029/30 to set out how investment in affordable housing should be directed to achieve the priorities and outcomes set out in the five-year Fife Local Housing Strategy (LHS) 2022-2027.

Five priorities have been identified within the LHS, 'priority 2: - More homes in the right places' demonstrates how local partners will meet housing supply targets over the term of the LHS. There are close links between the SHIP, LHS and the FIFEplan. In combination, these frameworks play a pivotal role in addressing homelessness, delivering equality and reducing child poverty.

1.2 Purpose

The SHIP is a working tool produced each year to support longer-term strategic planning. It provides a practical plan detailing how LHS investment priorities can be delivered, forms the basis for more detailed programme planning and provides a focus for partnership working. The SHIP is used by the Scottish Government to inform the allocation of resources from a national to a local level. The SHIP consists of two elements, firstly the context of the SHIP is detailed in this document and secondly the proposed affordable housing projects expected to require Scottish Government funding and / or are due for completion during the five-year SHIP period are detailed within the separate SHIP Projects Table.

1.3 Summary

The combined TAYside and South-East Scotland Housing Needs and Demand Assessments (HNDAs) indicate a requirement for an additional supply of 401 affordable homes per annum from 2021-30 – a total of 2,005 homes over the five-year period of the SHIP.

The 2025/26 - 2029/30 SHIP demonstrates the potential to deliver 2,299 affordable homes equating to around 460 homes per annum. There is an over provision of around 31.9% included to prepare for any slippage in the programme and to take advantage of any additional funding that may be available. A further 50 affordable homes are estimated to be delivered through the Scottish Government's Open Market Shared Equity (OMSE) scheme, taking the total to 2,349 affordable homes, an average of around 470 homes per annum. This demonstrates the potential to meet the affordable housing need as set out in the combined HNDAs.

2.0 Strategy, Consultation and Equalities

2.1 Strategic Links

The Fife Housing Partnership formed in 2002, has delegated responsibility on behalf of Fife Council for the development and delivery of the Local Housing Strategy and wider systems and processes to meet housing and related needs across all tenures of housing in Fife. The membership of the Partnership includes Fife Council, NHS Fife, Health & Social Care Partnership, the Scottish Government, the Fife Housing Association Alliance, Fife Tenants' and Residents Federations, the Scottish Rural Property & Business Association and Voluntary Sector Organisations.

The Fife Housing Partnership has prepared Fife's Strategic Housing Investment Plan 2025/26 – 2029/30 to set out how investment in affordable housing can be targeted to support the priorities, outcomes and actions of Fife's Local Housing Strategy 2022-2027. The Partnership has established a robust strategic planning framework which directly supports the delivery of housing outcomes within the Plan for Fife 2017-2027 and the Plan for Fife Recovery and Renewal 2021-2024 Update through the LHS, FIFEplan and the SHIP.

The partnership supports the Scottish Government's Housing to 2040 vision for everyone in Scotland to have a safe, high-quality home that is affordable and meets their needs in the place they want to be.

2.2 Local Outcome Improvement Plan

The Plan for Fife 2017-2027 sets out Fife's commitment to ensure that everyone has access to affordable housing options and commits to improving the quality of housing and to addressing the high levels of fuel poverty. The 2021-2024 Plan Update following the pandemic builds on that commitment by setting a number of policy priorities for action to support recovery and renewal across Fife. These are to lead economic recovery, tackle poverty and prevent crisis, address the climate emergency and drive action through a community wealth building approach with a focus on well-being for people and for place.

The Fife Partnership Board committed in August 2024 to retaining these policy priorities for action in the 2024-2027 period. The SHIP 2025/26 has a significant role in supporting people and communities to thrive through the provision of more affordable homes in the right places. Investment in the delivery of much needed affordable housing is essential to addressing homelessness, delivering equality and reducing child poverty. All of which are areas of concern identified in the Fife Strategic Assessment 2024 which has been produced to support the ongoing development of the Plan for Fife.

2.3 Local Development Plan (FIFEplan)

FIFEplan was adopted in September 2017 to replace Fife's three Local Plans. It complements and supports the Plan for Fife in supporting the Council's aims of providing more homes in the right places. FIFEplan's 'Policy 2: Homes' shows how housing development, including affordable housing, will be supported into the future to meet strategic housing land requirements including the Minimum All Tenure Housing Land Requirement (MATHLR) of National Planning Framework 4 (NPF4).

Work has commenced on the review of FIFEplan and the preparation of Local Development Plan 2 (LDP2). The evidence gathering stage of the Local Development Plan process has now been completed, the Evidence Report was approved by full Council committee on 21st March 2024 with submission to the Scottish Ministers on 15th April 2024 where it is currently being independently assessed during a “Gate Check”.

The next stage is the Proposed Plan stage, as part of the development of this stage a call for sites / content will be carried out where sites or ideas will be able to be put forward for consideration / inclusion in the Plan. More details will be published later this year through the Call for Content.

LDP2 is scheduled to be adopted in September 2027. Any updates to timescales and further details on the LDP2 review will be available in future Development Plan Schemes and our Fife Planning Update e-newsletter.

2.4 Local Housing Strategy (LHS)

The Fife Housing Partnership has successfully delivered four Fife Local Housing Strategy’s and is now implementing the fifth strategy which was approved in November 2023 following a period of consultation with key partners, stakeholders and elected members.

The LHS 2022-2027 is a five-year strategy, informed by updated HNDAs for the South-East Scotland and Tayside regions. It supports the delivery of housing and housing related services in Fife with actions identified to help maintain recovery from the Covid-19 pandemic, mitigate any increase in homelessness levels, promote equality in housing and help eradicate poverty in Fife.

The high-level aim of the LHS is to ‘provide housing choices for people in Fife’. Table 1 shows the five priorities that have been established for the LHS 2022-2027. Fife Council’s Housing Services and the Fife Housing Association Alliance have led in the development of the annual SHIP updates to successfully deliver the LHS outcomes including ‘priority 2 – more homes in the right places’.

Table 1: LHS Priorities 2022-2027

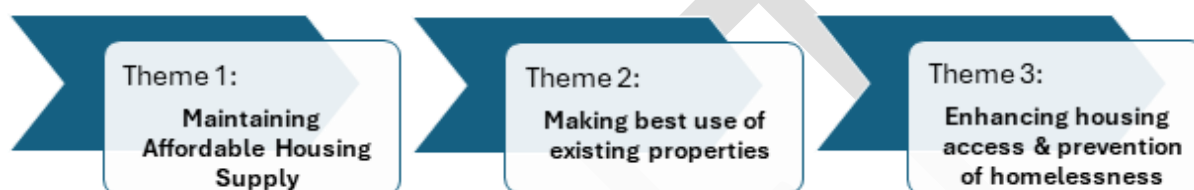
1.	Ending Homelessness
2.	More Homes in the Right Places
3.	A Suitable Home
4.	A Quality Home
5.	A Warm Low Carbon Home

The Fife Housing Partnership has carefully considered the priorities for affordable housing delivery by type and tenure. Prioritising investment is dependent upon a range of factors including relative need, availability of grant funding, land availability and development constraints. The approach has evolved through close working between regional and local partners, particularly through strong relationships with the development sector. The priorities of the LHS are translated into the SHIP scoring methodology (see Section 6.0 and Appendix 1) which considers these factors.

2.5 Housing Emergency

On the 21st of March 2024, Fife Council declared a housing emergency due to the unprecedented pressures on housing and homelessness services. This political decision was taken due to a range of systemic housing failures, although the main catalyst was a 24% reduction in Scottish Government Affordable Housing Subsidy. Other factors include reduced turnover in social housing following the Covid-19 pandemic, a significant increase in the demand for temporary accommodation which is resulting in a regular breach of statutory duties, an increased number of empty homes specifically in the private sector, as well as economic factors impacting affordability.

To respond to the housing emergency, a high-level Housing Emergency Action Plan (HEAP) was approved by Cabinet Committee in June 2024. Early stakeholder engagement established the following three themes for the action plan.



It is evident that the delivery of new affordable housing has a pivotal role to play in responding to the emergency, however, funding restrictions place limitations on the pace and scale of delivery. Alternative funding options and delivery models for affordable housing will be explored as part of the detailed action plan development.

A range of consultation has taken place to help inform action plan priorities. Further details can be found within section 2.6 consultation.

2.6 Consultation

The Fife Housing Partnership recognises that the success of the LHS depends on effective engagement with Fife's residents, community representatives, community planning partners and statutory bodies. The partnership has undertaken and contributed to a programme of regular consultations, exploring key housing issues, generating options and prioritising actions for the LHS 2022-27 including conferences, workshops, surveys and area-based activities. The LHS priorities, outcomes and actions have been reviewed and validated which has informed the LHS outcome plan and influenced the investment priorities for the SHIP. For example, the LHS workshops identified a need for new homes in particular areas to accommodate the higher density of over 75-year-olds. This has influenced the setting of a target to deliver more housing specifically for older persons and several housing projects have been included in the SHIP Projects Table which are expected to deliver retirement and extra care housing. It has also highlighted the need to maintain achieving our target to deliver 30% of the Affordable Housing Programme as specific needs housing.

Fife Council's Housing Services and the Fife Housing Association Alliance have led in the development of the annual SHIP updates to successfully deliver the LHS outcomes including 'priority 2 – More homes in the right places. The SHIP has been developed through collaboration and engagement with various

stakeholders including developers, communities and other council departments including, but not limited to, planning, education, economic development and health & social care (further details can be found in sections 9 and 10). This has influenced the projects that have been included in the SHIP Projects Table, as well as the tenure, mix of house types, property sizes and the prioritisation of the projects. In addition, housing mixes of potential projects have been influenced by the research outcomes and stakeholder views from the wheelchair and accessible housing study concluded in December 2022. Furthermore, consultation conducted on area housing plans in Fife, identified a 'lack of family homes' which has led to the setting of a target to deliver more family sized homes. (See sections 4.3 and 4.4 for further details).

A range of consultation has occurred to help inform the Housing Emergency Action Plan. This has included dedicated Fife Housing Partnership and Council Leadership Team workshops, a newsletter/feedback form circulated to Fife Council employees, public and voluntary representatives, engagement with local authorities in a similar position to capture experiences and a Housing Emergency Summit attended by 106 stakeholders, all with links to the three themes identified within section 2.5 above. The Summit provided guests with an opportunity to make pledges and proposals on how to respond to the housing emergency. Over 300 comments and suggestions were received. A predominant number of stakeholders had an avid interest in affordable housing including land promoters, private developers, Homes for Scotland and Planning Services. Various innovative ideas were proposed in response to the housing shortage in Fife, with some priority areas covering acquisitions, alternative build and tenures, development sites and land, off-the-shelf purchases and town centre developments. All comments will be considered to help scope the detailed Housing Emergency Action Plan as well as inform future SHIP priorities.

The SHIP is due to be considered by elected members and approved at Committee on 7th November 2024.

2.7 Equalities and Sustainability

The Fife Housing Partnership is fully committed to equalities and diversity and recognises that the planning and delivery of good quality housing with a range of choice plays a significant role in meeting strategic needs and addressing specialist equality issues.

No negative impacts have been identified following an equalities impact assessment which has been conducted to inform proposals in the SHIP. The delivery of new housing is expected to deliver positive impacts for people with protected characteristics under the Equalities Act 2010, for example in providing specialist housing for older people or people with a physical disability.

Another positive impact is the affordability of the new housing provided will benefit families on low or limited incomes. This ties in with the Child Poverty (Scotland) Act 2017- Local Child Poverty Action Report which aims to reduce housing costs for families in Scotland. New affordable housing will be targeted to reduce the number of children in situations of homelessness, offering stability and contributing to improved health, educational and social outcomes.

A Strategic Environmental Assessment (SEA) screening request has been submitted to the SEA Gateway for consideration as per Section 9(3) of the Environmental Assessment (Scotland) Act 2005. From the responses received officers have determined that a full environmental assessment is not required.

An Environmental Assessment has been carried out using the Fife Environmental Assessment Tool (FEAT) for the SHIP and the Affordable Housing Programme and no negative environmental impacts were identified. The provision of high quality, energy efficient affordable homes resulting in lower carbon emissions and increased health and well-being were identified as long-term positive impacts.

DRAFT

3.0 Identifying Housing Need

3.1 Housing Need and Demand

Due to Fife’s unique link to two city regions, two separate HNDA’s have been developed to inform the LHS and FIFEplan - the local Development Plan, both following the methodology set within Scottish Government guidance:

- TAYside HNDA – assesses housing need and demand for North-East Fife, Angus, Dundee and Perth and Kinross, this being concluded on the 9th of May 2023 when the Scottish Government confirmed it a ‘robust and credible’ assessment.
- South-East Scotland HNDA – assesses housing need and demand for Fife (West and Central), the City of Edinburgh, East Lothian, Midlothian, Scottish Borders and West Lothian, this being concluded on the 28th of July 2022 when the Scottish Government confirmed it a ‘robust and credible’ assessment.

The combined HNDA’s indicate that 2,392 households are in housing need and require social rented housing to meet that need. Table 2 below outlines the categories of need by area:

Table 2: Existing Housing Need

Households	Fife (West & Central)	Fife (North)	Fife Total
Homeless / housing insecurity	1,246	485	1,731
Both overcrowded and concealed	171	157	328
Requiring specialist housing	263	70	333
Total existing need	1,680	712	2,392

Source: TAYside HNDA (2021) and South East Scotland HNDA (2021)

These figures informed a range of HNDA scenarios and Tayside and South-East Scotland authorities agreed a preferred HNDA scenario of steady growth over 20 years from 2021 to 2040. Table 3 provides details on the average annual housing estimates by tenure between 2021-40. The combined HNDA’s identified that 944 new homes including 592 affordable homes are required in each year from 2021-25 under the steady growth scenario, and from 2026-30 this reduces to 402 new homes inclusive of 211 affordable homes each year.

Table 3: HNDA Housing Estimates for Steady Growth Scenario in Fife 2021-40.

Steady Growth Scenario	2021 - 2025	2026 - 2030	2031 - 2035	2036 - 2040	20 Year Total	20 Year p.a.
Social rent	489	153	58	48	3,738	187
Below market	102	58	56	47	1,316	66
Private rent	140	68	59	43	1,551	78
Owner occupied	213	123	122	102	2,796	140
Total p.a.	944	402	295	239	9,401	470
Affordable p.a.	592	211	114	95	5,054	253
Market p.a.	352	191	181	145	4,347	217

Source: TAYside HNDA (2021) and South East Scotland HNDA (2021) (Some totals affected by rounding)

Across the ten years from 2021-30 the average annual requirement in Fife is for 673 new homes which includes 401 new affordable homes and 272 market homes. A breakdown of housing estimates over ten years (2021-30) by tenure and Housing Market Area is shown in table 4 below. The figures indicate a requirement of 60% affordable housing (48% social rented and 12% below market) and 40% market housing (15% private rent and 25% owner occupied). This compares to a requirement of 52% affordable and 48% market housing detailed in previous assessments, indicating an increasing need for affordable housing as a proportion of global housing need and demand.

Table 4: HNDA Steady Growth Estimates per annum by Housing Market Area and Tenure – 2021-30

Housing Market Area	St Andrews and North-East Fife	Cupar and North-West Fife	Dunfermline and West Fife	Glenrothes, Kirkcaldy, & Central Fife	Fife Total & % tenure split
Social Rent	47	36	105	133	321 (48%)
Below Market Rent	8	6	30	37	80 (12%)
Private Rent	17	10	48	29	104 (15%)
Owner Occupied	10	13	62	82	168 (25%)
Total p.a.	82	66	245	280	673
Total Affordable p.a.	55	42	135	170	401 (60%)
Total Market p.a.	27	23	110	111	272 (40%)

Source: TAYside HNDA (2021) and South East Scotland HNDA (2021) / Steady Growth Scenario 2021-30 - averaged across ten years

Through observing the data at Housing Market Area level, some key points are noted below:

- The Glenrothes, Kirkcaldy & Central Fife HMA requires the highest number of new homes each year, this being 280 homes per annum or 42% of the overall requirement for Fife.
- The combined Tayside HMAs (Cupar & North-West Fife and St Andrews & North-East Fife) require 22% of Fife's overall annual housing requirement which is in line with the 21% of households located within the area.
- The Glenrothes, Kirkcaldy, & Central Fife HMA requires the highest number of social rented homes at 133 (41%) each year followed by the Dunfermline & West Fife HMA at 105 (33%) social rented homes each year.
- Demand for additional private rented homes is highest in the Dunfermline & West Fife HMA (48 per annum), although pressure of demand is most acute in the St Andrews & North-East Fife HMA which requires 21% of new homes in the area to be private rented each year.
- The Glenrothes, Kirkcaldy & Central Fife HMA and the Dunfermline & West Fife HMA demonstrate need for the highest number of below market rented homes each year with a requirement of 37 and 30 respectively.
- Across all Housing Market Areas, it is evident the predominant need is for social rented housing.

3.2 Specialist Housing Requirements

While the combined HNDAs provided the overall housing estimates for Fife, a range of specialist housing requirements have also been identified in Fife. These are summarised in Table 5 below.

Table 5: Specialist Housing Requirements in Fife

Specialist Housing Type	Provision	Need / Gap	Source
Accessible housing	22% of households say their home is accessible to a wheelchair user visiting the property.	2,689 accessible homes required across private and social housing tenures.	Wheelchair & Accessible Housing Study including household survey 2022. Carried out by Arneil Johnston consultants.
Wheelchair housing	1% of homes are wheelchair adapted housing.	612 wheelchair homes required across private and social housing tenures.	Wheelchair & Accessible Housing Study including household survey 2022. Carried out by Arneil Johnston consultants.
Adapted housing	18.5% of homes have adaptations / 35% of social housing.	2% of homes require adaptations / 8% in social housing. Low level of adaptations in private housing.	Scottish House Condition Survey 2017-19. (updated survey expected to be available 2026)
Non-permanent housing	1,100 households in temporary accommodation. Around 4,100 purpose-built student bedspaces St Andrews for 10,535 students.	2,655 households presenting as homeless. Identified need for around 1,000 additional bed spaces in St Andrews.	Fife Council April 2023-March 2024. University of St Andrews / online information.
Supported provision	953 sheltered. 309 very sheltered. 1,262 community alarm.	1,044 households requiring sheltered housing (nil points excluded).	Fife Council March 2024 Fife Housing Register July 2024.
Care and support for independent living at home	5% of households have one or more members receiving care.	Low provision of care services in private housing.	Scottish House Condition Survey 2017-19.
Site provision	50 pitches for Gypsy Travellers across 3 sites.	Site improvements underway.	Fife Council March 2024.

Source: Fife's Local Housing Strategy 2022-2027 with updates where available

4.0 Affordable Housing Supply

4.1 Housing Supply Targets

The LHS 2022-2027 contains a target for Housing Supply which has been derived from taking the HNDA steady growth scenario as a starting point and aligning to the Minimum All Tenure Housing Land Requirement (MATHLR). A range of factors which may have a material impact on the pace and scale of housing delivery were also considered, which included historic completions, available resources and policy considerations.

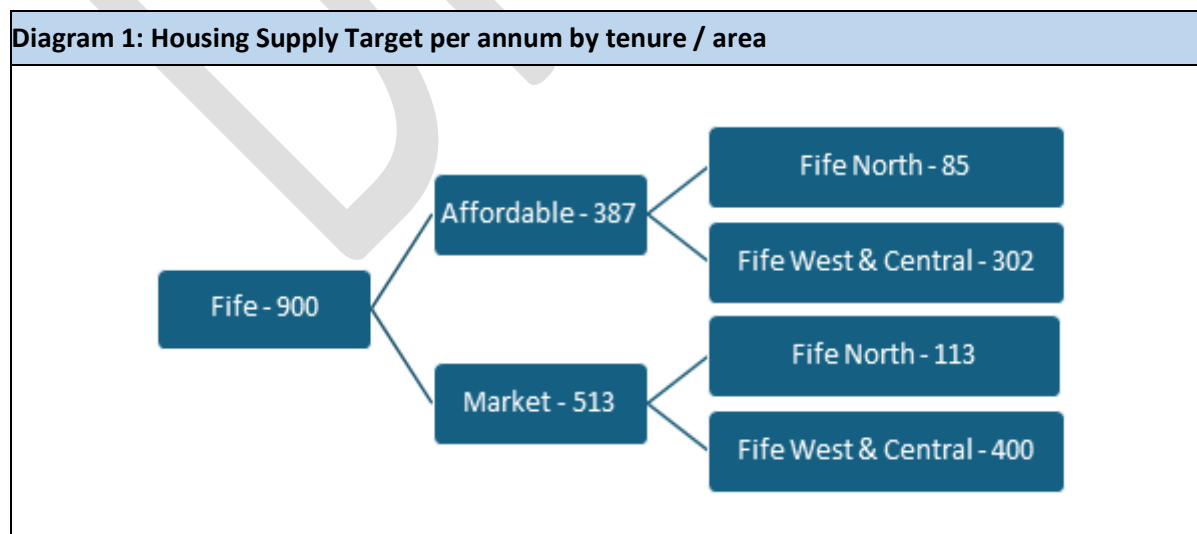
The HNDA estimates that 673 new homes will be required in each of the years from 2021-30 or 6,730 across ten-years. The MATHLR is 7,300 units over ten-years (730 p.a.). The MATHLR is higher than the HNDA steady growth estimate, principally due to the 25% flexibility allowance in the calculation. See Table 6 below for details.

Table 6: NPF4 Minimum All-Tenure Housing Land Requirement (MATHLR) – 10 Years

	Existing Housing Need	Newly Forming Households	Flexibility Allowance 25%	MATHLR
Fife (North)	700	700	350	1,750
Fife (West & Central)	1,700	2,750	1,100	5,550
Fife	2,400	3,450	1,450	7,300

Figures in NPF4 were rounded up or down to the nearest 50.

While historical completions between 2012/13 – 2021/22 have averaged at 1,009 p.a. and the average effective land supply in 2022 was 1,530 p.a., there are many uncertainties around the financial viability of development and construction sector capacity moving forward. Taking this into account, the Housing Supply Target in Fife has been set at 900 units per annum with a 43% target for affordable housing (387 units) and 57% target for market housing (513 units). The following diagram provides the target split by tenure and area.



Delivery of new housing will be taken forward in both the LHS and through land allocations in the FIFEplan. There will be less emphasis on pursuing housing targets with a greater focus on creating sustainable places, responding to demographic changes, regenerating estates, improving town centres and providing more homes in rural areas.

4.2 Affordable Housing Delivery

The Scottish Government in Housing to 2040 set out its ambition to deliver 100,000 new affordable homes during 2022-32, 70% of which would be for social rent. Fife partners continue to prioritise the delivery of new affordable housing as a key element in meeting the LHS vision for improved housing choices.

Since 2010, Fife has a strong track record in the delivery of new affordable housing through four 'phases' of the Affordable Housing Programme (AHP). The Transitional Affordable Housing Programme 2022-2024 (TAHP) is currently in progress and aims to deliver a total of 931 new affordable homes before the end of 2026. Phase 4 of the AHP is now underway which will cover the period 2024-29. Due to the recent 24% reduction in the affordable housing grant available in 2024/25 and uncertainty around grant availability in future years coupled with rising construction costs, the delivery of year 1 and 2 of Phase 4 has been subject to review to determine what can realistically be delivered with the resources available. Year 3 to 5 of phase 4 is also currently under development.

The Council and its partners are faced with the challenges of maintaining supply at current levels due to current economic conditions, reduction in grant availability and wider pressures on budgets including requirements to retrofit existing housing in the context of climate change.

4.3 Affordable Housing Investment Priorities

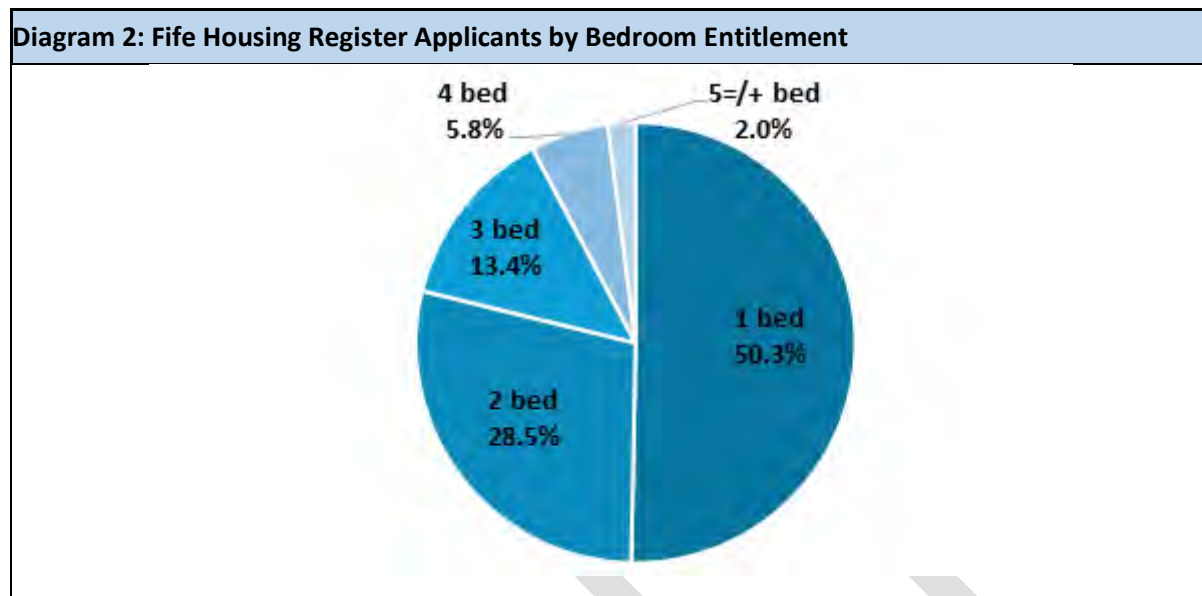
The priorities for affordable housing investment are informed by the findings of the combined HNDA's and are detailed in the LHS.

In the first five years of the HNDA steady growth scenario, 83% of the affordable housing requirement is for social rented housing and 17% for below market housing. Across ten years, this proportion adjusts to around 80% social rented housing and 20% below market housing. The current priority of the AHP is to maximise the delivery of social rented housing, however, future phases of the Affordable Housing Programme will need to ensure that housing supply is balanced to meet the tenure requirements emerging from the HNDA's and to maximise the delivery of affordable housing from the available resources by delivering alternative affordable options.

The HNDA housing estimates under the steady growth scenario have been disaggregated by household distribution across Fife's HMAs – refer to table 4 above. Glenrothes, Kirkcaldy, & Central Fife requires the highest number of social rented homes at 133 (41%) each year, followed by Dunfermline & West Fife at 105 (33%), St Andrews and North East Fife at 47 (15%) and Cupar and North West Fife at 36 (11%).

HNDA's estimate the amount of new housing required but not the property size that should be delivered. The need for specific property sizes can be identified through the bedroom entitlement for applicants on the Fife Housing Register with 78.8% of 12,069 households requiring one or two-bedroom homes and 21.2% for three bedrooms or more. Diagram 2 below details the breakdown of

applicants. However, the requirement varies across Fife depending on need, existing stock and turnover so the global figures need to be treated with caution.



Source: Fife Housing Register - July 2024 / Applicants by bedroom entitlement. Excludes nil points.

Around 8% of FHR applicants require a larger property of four or more bedrooms. Due to a lack of stock and limited turnover, a target for the delivery of new affordable homes suitable for larger families with five bedrooms or more has been set at 5% within the LHS 2022-2027.

In addition, household projections can be used to highlight a broad trend in need and demand across tenures. The National Records for Scotland 2018-based household projections indicate a reducing household size for Fife, more single person households, fewer family households, more households headed by people over 75 years and fewer headed by people aged 16-29 years. Future Housing Supply needs to reflect this changing demographic profile.

4.4 Specialist Housing Targets

Since 2017, a target of 30% has been set for specific needs housing provision within affordable housing programmes, inclusive of a 5% wheelchair housing target. Following the conclusion of HNDA3, Fife Council commissioned consultants in 2022 to carry out a wheelchair and accessible housing study to review these targets. The study has formed an evidence base for setting tenure specific targets within the LHS and SHIP for future housing delivery.

The targets for new affordable housing delivery for specific needs will remain at 30% for the duration of the Local Housing Strategy, as evidence suggest this is adequate to meet the outlined need. This is inclusive of wheelchair, amenity / accessible, retirement and extra care housing. The wheelchair target will however increase from 5% to 6.5% for all new affordable housing developments. The revised target of 6.5% will not result in an immediate increase in the supply of new wheelchair homes as developments due to be completed up to the 2025-26 period have been agreed at 5%. For this reason, it is anticipated the 6.5% target will come into effect from year 4 of the LHS.

A range of housing solutions will be explored to meet the affordable housing net annual need identified through the study rather than relying solely on the affordable housing programmes to deliver new build accessible and wheelchair housing. Work is progressing on the development of a

specific needs housing database for the private sector which is being led by the Disabled Persons Housing Service (Fife). The conclusion of this, will allow a mapping exercise to be undertaken on the wheelchair, accessible and specialist housing across all tenures in Fife.

Since 2017, when the 5% affordable housing wheelchair target was introduced, 117 new wheelchair accessible homes have been provided across Fife through the Affordable Housing Supply Programme (AHSP). The outlined need and targets for wheelchair housing will be reviewed alongside the development of phase 4 of the Affordable Housing Programme as well as on an annual basis through the LHS.

Although a target has been set for the delivery of wheelchair accessible affordable housing an all-tenure target has yet to be set as there are currently no mechanisms available to enforce an accessible wheelchair target on private developers. There are also recognised challenges in holding private developers to account, monitoring compliance and recording the completions in the private sector. A development area was added to the LHS from year 2 to establish an all-tenure wheelchair accessible housing target, however, this has been extended due to the challenges raised around compliance and monitoring. The development of policy to set and meet outlined needs and targets across all tenures for wheelchair accessible housing will be reviewed and developed with colleagues in planning through the preparation of LDP2 and reported on in future SHIPS.

Due to the need identified for households requiring supported housing, the delivery of older persons housing has been prioritised and a target to deliver 294 homes suitable for older persons between 2022 and 2027 has been set. Since 2017, 118 new homes specifically for older persons have been provided across Fife through the AHSP. The provision of older persons housing will be monitored through the annual LHS updates.

There are no investment priorities identified for other specialist provision at this time, however, other specific needs groups will be monitored regularly and where a future need is identified this will be addressed as required.

4.5 Future Affordable Housing Supply

Fife's SHIP has the potential to deliver 2,299 affordable units over the five-year SHIP period subject to the availability of funding. Details of the individual projects which make up these potential units is provided in the SHIP Projects Table. The SHIP Projects Table shows what could be delivered in Fife over the next 5 years based on the indicative Resource Planning Assumptions (RPAs) provided by the Scottish Government and assuming the associated required funding will be available through the HRA Capital Budget and FHAA's private finance to support the delivery of Fife's Affordable Housing Programme.

There is an over provision of around 31.9% included to prepare for any slippage in the affordable housing programme and to take advantage of any additional funding that may be available. The ability to take advantage of any investment opportunities arising from slippage elsewhere is part of managing the programme. This has been successful in the past and provides some flexibility.

Projects have been included as a result of the assessment of housing need within the area and consideration of the deliverability of the projects. It may not always be possible to deliver the exact housing mix and tenure currently detailed, until full consideration of project viability, land availability,

funding etc. has been given. Table 7 below provides a summary of the potential units that could be delivered by housing provider and tenure across each HMA.

Table 7: Tenure Mix of Proposed SHIP Projects

Housing Market Area	Social Rented Units		MMR Units		Total in HMA
	FC	HA	FC	HA	
Fife Wide	250	0	0	0	250
Glenrothes, Kirkcaldy & Central Fife	407	106	0	68	581
Dunfermline and West Fife	716	171	0	88	975
St Andrews & North East Fife (incl. Greater Dundee)	74	163	0	38	275
Cupar & North West Fife	113	92	0	13	218
Totals	1,560	532	0	207	2,299

Source: SHIP Projects Table

The high proportion of social rented properties currently reflected within the SHIP is indicative as every site will be subject to further design work and refinement. The LHS has identified an affordable housing requirement for 80% social rented housing and 20% below market rented housing across the first 10 years of the HNDAs steady growth scenario. Currently, the projects within the SHIP have the potential to deliver the affordable units as 91% for social rent and 9% for MMR reflecting both the Scottish Government's and Fife Council's priority for social rented housing. Future phases of the AHP will need to ensure that housing supply is balanced to meet the tenure requirements emerging from the HNDAs, therefore, opportunities to increase the supply of below market rented housing will continue to be explored.

Whilst the projects within the SHIP provide a target for meeting housing need, further analysis is required to agree the exact housing mix for size and tenure. This will be based on information from the combined HNDAs, analysis of Fife Housing Register housing applications, and consultation with Housing Associations, the Health & Social Care Partnership, the Specific Needs Team, Area teams and other groups as appropriate, ensuring the best strategic and local solutions to meet Fife's housing needs. In general, all projects are expected to meet the specific needs, wheelchair and larger houses targets as detailed in section 4.4. Any exceptions must be discussed and agreed with Fife Council at the earliest opportunity.

4.6 Future Specialist Housing Supply

Various targets have been set for specialist housing through the LHS as detailed in section 4.4 above. It is estimated that the projects included within the SHIP Projects Table have the potential to deliver 31% of the properties to meet specific needs and 7% of the properties to wheelchair accessible standard. It is anticipated that approximately 80 wheelchair accessible homes will be provided between 2024/25 and 2026/27 across Fife through the Affordable Housing Supply Programme (AHSP).

An estimated £18.5m investment will be required to deliver these new homes. A further 80 wheelchair homes could potentially be delivered if all projects in year 3 to 5 of the SHIP Projects Table were to proceed which would require an estimated £20 million investment.

It is also expected that 95 homes suitable for older persons will be completed in the next 2 years with potential for a further 184 homes to be delivered in future years.

4.7 Larger Family Homes

A target to deliver 5% of the new build social rented properties in the affordable housing programme as larger family homes has been set. It is estimated that the projects within the SHIP have the potential to deliver 3.5% of the properties as five or five plus bedroom houses. Unfortunately, it is proving difficult to achieve this target as many of the SHIP projects are being delivered in collaboration with private developers as part of their Affordable Housing Policy contribution and generally developers are reluctant to include larger properties as part of the negotiated affordable housing mixes. The importance of delivering large family homes will continue to be emphasised and it is anticipated that delivery will increase in future years.

4.8 Supply Through Property Acquisitions

Fife Council has identified £8.933m during 2024 to 2026 to support the purchase of open market housing that will be transferred into social housing. This funding will be targeted to meet local housing needs, support area-based regeneration, prevent homelessness and return empty homes back into use.

In April 2024 an additional £80m grant funding over 2 years to boost housing supply by acquiring properties to bring into use for affordable housing and help reduce homelessness was announced by the Scottish Government. Following agreement between COSLA leaders and Ministers the Scottish Government confirmed in September 2024 that Fife would be allocated £1.848m of this additional fund in 2024/25 which should be directed towards acquisitions to help address temporary accommodation pressures or, where appropriate, to bring long term empty homes back into use. The distribution of the additional £40m during 2025/26 will follow the same methodology, however, the exact amount to be awarded to Fife will be confirmed in the future.

This additional grant funding will supplement the £8.933m committed through the HRA Business plan and will assist in the acquisition of more open market properties. The primary focus will be the acquisition of existing properties by Fife Council, however, consideration will be given to any proposals submitted by our FHAA partners for use of the fund provided the properties are used to house a homeless household in temporary accommodation.

Our intention is to continue to acquire a minimum of 50 properties per annum which is reflected in the SHIP Projects Table, however, this is fully dependant on the average acquisition cost, the costs involved to bring the acquired properties up to lettable standard and the amount of grant claimed per acquisition. Future reviews of the HRA Capital Investment Plan will take place to identify additional funding to support the acquisition of open market properties as required.

4.9 Connection with Town Centre Activities

In response to the Town Centre First Principle, Fife Council has agreed a town centre housing approach to meet housing need and demand, identifying sites for new homes in town centres across Fife to facilitate regeneration. The approach is led by the Council's Town Centre Development Unit and is supported by housing partners.

To date this has included the repurposing of commercial buildings and land in both Kirkcaldy and Cupar. Planning approval has been granted at Inner Court, Cupar which will see a derelict, brownfield area redeveloped to create 23 affordable mixed tenure homes over the next few years. The development will positively contribute to Cupar's Town Centre by bringing a long-term vacant and disused site back into sustainable use, supporting the reopening of public pedestrian closes, providing affordable housing designed to meet need and enhancing the historic environment of the area. There are future projects proposed in Lochgelly, Kirkcaldy and Cowdenbeath which are also included in the SHIP Projects Table for development in later years subject to the availability of funding.

4.10 Connection with Regeneration Activities

Fife Council Housing Services and partners are currently working on several housing regeneration projects across Fife. Whilst some of these are predominately about the demolition of properties due to long term voids and / or poor condition, and will not involve redevelopment at this stage, others will see new homes developed over the next five years. A brief update on the various projects follows.

Kingdom Housing Association is continuing to progress the Southeast Inverkeithing project; a planning application has been lodged for the third and final phase, with a projected site start of April 2025.

Fife Council Housing Services and Kingdom Housing Association have developed a partnership approach to developing designs for the former Glenwood Centre site in Glenrothes, with an emphasis on providing housing for older people and including a Community Hub. It is anticipated that a planning application will be submitted towards the end of 2024.

Progress has been made with the Templehall development in West Kirkcaldy, involving a number of Fife Council services, with commitment to establishing a design team in the near future, and demolition of the existing community facilities expected shortly.

Redevelopment of the former Mayview flats site in Anstruther to provide a new Care Village in partnership with Social Work, has an estimated site start of late 2025. With the redevelopment of the associated Lady Walk care home site to provide general needs housing to follow on completion of the care village.

Demolition of flatted blocks was completed in early 2024 at Sir George Bruce Road, Oakley and Alexander Road, Glenrothes, with further demolitions planned to follow at Martin Crescent, Ballingry and Howard Place, Dysart. Although there are no plans for redevelopment at the Oakley or Ballingry sites, framework developer Lovell are currently preparing design proposals for future housing developments at the Alexander Road and Howard Place sites.

Work began in late 2023 to rehouse tenants in Law and Henryson Road, Dunfermline, as part of the first phase of the Touch regeneration project. Demolition is not likely to take place until late 2027 at the earliest, with redevelopment to follow.

5.0 Connection with Other LHS Priorities and Activities

5.1 Rapid Rehousing Transition Plan

Fife's first Rapid Rehousing Transition Plan (RRTP) was submitted to the Scottish Government in December 2018 in collaboration with a range of local partners from across the Council, Health and Social Care Partnership, NHS Fife, Housing Associations and the voluntary sector through Fife's Housing Support and Homelessness Public Social Partnership (PSP). When the RRTP was introduced in 2019, the Plan covered 5 years to March 2024.

Due to the RRTP 5-year plan ending, Fife developed a 3-year Homelessness Strategy, that was approved at Cabinet Committee on 11 January 2024. The Strategy builds on the RRTP and links to the Local Housing Strategy and the Plan for Fife, as well as key priorities in other strategies owned by Health and Social Care, NHS Fife etc.

The Strategy is housing led and the governance and implementation of the Strategy is overseen by the Ending Homelessness Together (Previously RRTP) Programme Board which is Chaired by the Executive Director for Communities. Membership of the board includes representatives from a number of Fife Council services such as Education, Children, Families & Criminal Justice, Communities & Corporate Development, Customer Services (Inc. No Wrong Door), Health and Social Care Partnership, NHS Fife, Partner Housing Associations and 3rd sector organisations.

The Strategy has 3 high level priorities:

Priority 1 – Preventing Homelessness.

Priority 2 – Securing that sufficient and a range of accommodation is available for people who are or may become homeless.

Priority 3 – Providing support for people who are or may become homeless, or need support to prevent then becoming homeless again.

Strategic housing priorities are aligned and consistent with Priority 2 of the Strategy to increase the supply of affordable housing. The following specific actions to support the increased supply of affordable housing have been identified in the Strategy :-

- Continue the Affordable Housing Programme to support the provision of new build properties.
- Continue the property acquisition programme to purchase housing on the open market.
- Support a range of initiatives to bring back into use Long Term Empty Homes (LTEH).

In addition, the Strategy links to the Housing Emergency Action Plan (HEAP) that is currently under development.

5.2 Gypsy / Traveller Sites

Fife Council is committed to raising standards across all three of its Gypsy Traveller sites. Improvement work is currently ongoing at Tarvit Mill in Cupar where amenity units are being replaced with Residential Mobile Homes (chalet style) accommodation. The improvements are estimated to be completed in early 2025. Capital funding is in place for the next two years to carry out similar improvement works at our remaining two sites at Heatherywood near Thornton and Thorntonwood

near Kelty. On completion of the improvements at Tarvit Mill, work will commence at Heatherwood followed by Thorntonwood.

In 2021-22, the Council was successful in its bid to the Scottish Government's Gypsy / Traveller Accommodation Fund and received a grant of £384,000 for part payment towards decant amenity units. This funding was used to supplement the Council capital monies to provide an on-site decant area, with temporary amenity units, where tenants will reside whilst the work to the main site is carried out and the new homes are completed.

Fife Council bid successfully for Round 2 grant funding from the Gypsy / Traveller Accommodation Fund in 2022-23 and was awarded a total of £397,910 funding, with £197,000 of this grant going towards the balance of the decant amenity units. The remaining £200,910 has funded decarbonisation measures for 16 new chalets including solar photovoltaic (PV) panels and associated equipment with battery storage. The site at Tarvit Mill in Cupar is one of the demonstration projects identified by the Scottish Government.

5.3 Empty Homes Services

Fife Council's Empty Homes Service has been operational since 2014. From May 2024 there are 2 Empty Homes Officers dedicated to bringing empty homes back into use, a total resource of 1.8 full time equivalent posts which is fully funded by Fife Council. Primarily the service offers advice and assistance to bring long-term empty properties back into use. It also offers advice on renting, selling and the refurbishment of properties.

The various routes used by the service to bring empty homes back into use include the following:

- The Empty Homes Matchmaker scheme which puts owners in touch with potential buyers.
- The Empty Homes Loan scheme, funded by the Scottish Government, provides funding for the purchase or renovation of an empty property. (The scheme is currently on hold and under review).
- Collaboration with the Housing Service Property Acquisitions team to identify empty properties for purchase by the Council.
- Area Focus Projects which take an in-depth look at all identified empty private sector residential properties in one specific area.
- Working with a genealogist company to track down missing owners.

Since 2014 Fife Council's Empty Homes Service has brought back 550 empty homes into use, table 8 below provides information on the 5-year trend of the number of empty homes returned to use and the length of time they have been empty.

Table 8: Number of Empty Properties Brought Back into Use

Year	Length of Time Homes have been Empty					TOTAL
	Less than 1 year	Between 1 & 2 years	Between 2 & 5 years	Between 5 & 10 years	More than 10 years	
2019/20	0	8	22	2	5	37
2020/21	3	6	18	8	4	39
2021/22	0	8	17	11	5	41
2022/23	7	19	23	8	5	62
2023/24	3	6	17	9	4	39
Totals	13	47	97	38	23	218

The support, advice or guidance provided to homeowners to bring empty homes back into use has been delivered in various ways and is detailed in table 9 below. This is tailored to the requirements of the homeowner and the condition of the property. In some cases, owners may have multiple support and advice methods to assist bringing empty homes back to use.

Table 9: Routes Used to Help Bring Properties Back Into Use

Empty Homes Support and Advice	19/20	20/21	21/22	22/23	23/24	Funding Required
Sold through Matchmaker Scheme	1	5	4	1	0	N
Used SG Empty Homes Loan Fund	0	0	1	0	0	Y
Purchased through Property Acquisition Programme	0	2	8	16	4	Y
Used external grant funding raised by YMCA Glenrothes	2	0	2	1	0	Y
Provided support to access VAT Discounts, merchants and services discounts etc.	12	12	12	21	18	N
Provided help and support to obtain Council Tax discretion enabling owner to bring property up to standard	18	9	18	13	8	N
Provided advice and information to owners about renting or selling	0	9	4	3	15	N
Provided facilitation, problem solving, partnership working (help with common repairs, renovation, sweat equity, etc)	11	11	11	3	6	N

Engagement with non-active owners and a range of services to encourage actions to bring properties back to use	0	0	0	6	11	N
Totals	44	48	57	67	63	

Where funding was required to bring empty properties back into use, the details are as follows: -

- Scottish Empty Homes Loans Fund - funding up to £20k for a single unit.
- Property Acquisition Programme - 30 units were supported by £1.290m in Scottish Government AHSP grant funding.
- External grant funding raised by YMCA Glenrothes - The YMCA were successful in bidding for funds from various funding streams, including from the Nationwide Foundation, to fund their Empty Homes Programme for 5 units.

The Empty Homes Service continues to review and develop options for the future including:

- Development of an Empty Homes Strategy which is due for consideration at the Fife Housing Partnership meeting scheduled for August 2024.
- Investigate the option for a policy on the use of Compulsory Purchase Orders.
- Monitor regulatory requirements that may impact empty homes delivery, such as Compulsory Sales Orders, Compulsory Rent Orders and Compulsory Owners Associations.
- Link with other housing strategies to alleviate homelessness and housing pressures
- Investigate options for a Missing Shares pilot project.
- Investigate options of a rolling enforcement fund and improve enforcement procedures to bring empty homes back into use.

5.4 Affordable Rural Homes for Key Workers

The Affordable Rural Homes for Key Workers Fund is available for local authorities and registered social landlords to acquire existing permanent affordable homes for key workers where there is an identified need. There are currently no proposals to utilise this fund as none of the partners of the Fife Housing Register (FHR), Fife's common allocation register, have specific key worker allocation policies.

Work is underway to review the potential for a common allocation policy for the FHR members and as part of this process the development of a key worker policy is being considered. In addition, a rural housing short life working group has recently been convened to looking into opportunities to access funding to support the delivery of affordable rural housing including this fund and the Rural and Islands Housing Fund. Currently there are no community led housing proposals in Fife and therefore no projects being brought forward through the Rural and Islands Housing Fund.

Any future proposals seeking support from either of these funds will be detailed in future SHIPs.

5.5 Ukraine Long Term Resettlement Fund (ULTRF)

Link Group have advised of their intention to submit a funding bid to the Scottish Government Ukraine Long Term Resettlement Fund (ULTRF) to bring 4 void properties in Kirkcaldy up to a lettable standard. Subject to a successful funding bid, these properties will be provided as furnished tenancies for a period of 3 years to displaced persons from Ukraine.

As part of the Housing Emergency programme approach, all potential funding options are being considered and reviewed to increase investment in medium – longer term housing options recognising that a number of households within the resettlement and humanitarian environment are likely to rely on local housing and homelessness services.

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6.0 Prioritising Projects

It is important that the SHIP provides a robust framework for prioritising projects so that the funding is utilised efficiently and in the areas of need.

Representatives from Housing Services and the Fife Housing Association Alliance reviewed and updated the scoring methodology used for the previous SHIP to ensure the priorities of the LHS 2022–2027 are reflected in the scoring. The Scottish Government has previously recognised that the ongoing use of the scoring methodology has enhanced the SHIP process.

A summary of the scoring methodology is provided in table 10 below. More detail on the scoring process is included in Appendix 1.

Table 10: Scoring Summary

Item	Points Range
Housing Need	45 - 85
Development Deliverability	0 - 160
Strategic Fit	10 - 50
Minimum to maximum points range	55 - 295

All the projects in the SHIP Projects Table have been scored under this system and were given a high, medium or low (H/M/L) priority, depending on their score.

It is important to note that the prioritisation reflects the current position of the status of projects and that priorities in the SHIP Projects Table are expected to change to reflect updated scores when project's circumstances change. Projects will continue to be progressed, and their priority will be reviewed on an ongoing basis.

7.0 Available Resources

7.1 Available Resources

To maximise the delivery of affordable housing it is essential to have the optimal management of resources available. In Fife, the main resources available to support affordable housing delivery are:

- Affordable Housing Supply Programme (AHSP)
- Fife Council Housing Investment
- Private Finance through Fife Housing Association Alliance (FHAA)
- Second Homes Council Tax (2HCT)
- Private Developer Contributions through the Affordable Housing Policy
- Fife Council and Housing Association Land
- Vacant and Derelict Land Fund
- Housing Infrastructure Fund.

7.2 Affordable Housing Supply Programme

Last year Fife's published Resource Planning Assumption for 2024/25 was £34.677m and due to the budget cuts made by the Scottish Government earlier in the year this was confirmed in May 2024 as £26.237m, which represents a significant reduction of 24%. The Scottish Government has yet to confirm RPAs for future years but have advised that the new reduced 24/25 figure should be assumed for each year of the SHIP. The assumed RPAs are detailed in table 11 below.

The total 5 years RPA from last years' SHIP was £175.685 and this has now reduced to £131.185m, a reduction of £44.5m in affordable housing grant which is equivalent to a loss of 395 affordable housing units (79 units per annum).

Table 11: Resource Planning Assumptions

Year	2025/26	2026/27	2027/28	20258/29	2029/30	Total
RPA	£26.237	£26.237	£26.237	£26.237	£26.237	£131.185

For the purposes of this SHIP the benchmark assumptions detailed in More Homes Division Guidance Note - Affordable Housing Supply Programme: Process and Procedures (MHDGN 2023/01) have been used. The Baseline benchmark grant funding available to Fife Council per social rented unit is £83,584 (3 person equivalent). The equivalent baseline benchmark per RSL social rented unit is £91,182 (3pe) and per RSL mid-market rent is £62,542(3pe). Additional funding per unit is available for various additional quality measures, for example the installation of automatic fire suppression systems or the installation of zero direct emission heating systems.

Following the reduction in grant funding in May 2024, it was agreed that this and next year's RPA of £26.237m will be fully allocated to new build projects only and there will be no grant available through the SLPA for property acquisitions. However, the Scottish Government confirmed in September 2024 that Fife's RPA for 2024/25 would be increased to £28.085m and the uplift in grant of £1.848m should be directed towards acquisitions to help address temporary accommodation pressures. This uplift represents the share allocated to Fife in 2024/25 of the additional fund of £40m announced in April 2024 to support the acquisition of properties on the open market. The distribution of the additional £40m during 2025/26 will follow the same methodology as this year, however, the exact amount to

be awarded to Fife will be confirmed in the future. Therefore, for SHIP purposes it is assumed that an average of £50,000 per unit grant funding will be available for the Open Market Transactions (OMTs) i.e. properties acquired by Fife Council on the open market.

The Scottish Government SHIP Guidance states that the SHIP should include a substantial over provision of at least 25% on an annual basis to allow for unforeseen slippage. This will ensure the Council and partners can spend the base allocation and may also allow advantage to be taken of any additional funding should it become available. This SHIP provides an average over provision of 31.9% across the 5-year period.

In addition, it is estimated that around 50 passports for Open Market Shared Equity (OMSE) homes will be issued in Fife over the next 5 years. This is a substantial reduction on last years' assumption of 100 passports due to the reduction in funding available. The funding to support these purchases is in addition to Fife's RPA allocation.

7.3 Fife Council Investment

There is currently a budget of £226.251m available across 2024-29 to support the Affordable Housing Programme. This will support the completion of Phase 3, the Transitional Affordable Housing Programme (TAHP) and the first two years of Phase 4. The level of future investment required to continue with years three to five of Phase 4 is currently under review. This review will assess what an affordable level of investment looks like in future years and will be presented to elected members for approval at a future date.

A land acquisition budget of £2m is also available for investment in land assets to support future new build programmes. The focus will be on acquiring Council owned land to continue to maximise the use of Fife Council assets.

There is also £8.993m identified in the current budget to support the acquisition of privately owned properties on the open market. As with the Affordable Housing Programme, additional investment required to purchase privately owned properties is currently under review and will be presented to elected members for approval at a future date.

7.4 Fife Housing Association Alliance Private Finance

Kingdom Housing Association, the lead developer within the Fife Housing Association Alliance (FHAA), continues to access private finance from a range of complementary and flexible finance options. Funding levels are in place to support the projected programme as well as to accelerate the programme if additional grant funding becomes available. The other RSL partners within FHAA, Fife Housing Group, Ore Valley HA and Glen HA, have all secured financing commitments to continue to invest in the delivery of new affordable housing that meets the needs of their local communities.

7.5 Second Homes Council Tax (2HCT)

Funding received from 2HCT has been committed to affordable housing projects to further enhance Scottish Government grant funding. Since this was introduced in 2005/06, £28.775m has been collected up to 2023/24, with a further estimated £1.93m expected to be allocated to affordable

housing projects annually from 2024/25 – 2029/30 (Source: baseline assumptions from the draft HRA Capital Investment Plan 2024-2034).

In January 2024, Fife Council Cabinet Committee agreed to levy an additional 100% Council Tax charge on all second homes, it is anticipated that any additional 2HCT income received will be allocated through the General Fund rather than to affordable housing projects.

The amount of 2HCT that has been collected previously as well as estimates for 2024/25 and 2025/26 and how it contributes to the provision of affordable housing in Fife is detailed in Table 12. Further information on individual 2HCT allocations can be found in the SHIP Projects Table.

Table 12: Second Homes Council Tax

Year	2HCT Raised (£m)	2HCT Spend (£m)	Affordable Units Assisted
Pre 2022/23	£24.930m	£16.599m	1,427
2022/23	£1.915m	£1.100m	99
2023/24	£1.930m	£2.150m	140
2024/25 (Estimates)	£1.930m	£4.713m	223
2025/26 (Estimates)	£1.930m	£4.650m	185

There is currently £8.344m unspent 2HCT monies and this will be carried on into future years, £6.981m of this is already committed to specific projects through previous grant offers and the 2024/25 Strategic Local Programme Agreement (SLPA) but cannot be drawn down fully until all the Scottish Government affordable housing grant has been claimed on each project. As mentioned above, the SHIP assumes a 2HCT contribution of £1.930m over the five-year timeframe totalling £9.650m. The use of 2HCT monies will assist the affordable housing programme in allowing more projects to be delivered than would otherwise be possible.

7.6 Private Developer Contributions through the Affordable Housing Policy

Through the Affordable Housing Supplementary Guidance each private housing site should contribute the relevant number of affordable housing units based on location percentages and site thresholds. The preference and priority is to provide social rented units in conjunction with the Council or partner Registered Social Landlord and the SHIP Projects Table details which projects meet the requirement of the affordable housing policy to deliver on-site affordable housing. However, where an on-site affordable housing provision is not required or practical to deliver commuted sums are requested. Once agreed through the planning application process, the requirement for a commuted sum is detailed within the associated Section 75 legal agreement. Once Developer contributions are received, Fife Council allocates the funds to affordable housing projects ensuring, where possible, these are spent in the same Local Housing Strategy Area or Housing Market Area in which they are collected.

The total amount of Commuted Sums that have been collected and how they have contributed to the provision of affordable housing in Fife is shown in Table 13.

Table 13: Commuted Sums

Year	Sums Raised	Sums Spent	Units Assisted
Pre 2022/23	£2.141m	£1.004m	657
2022/23	£0.176m	£0.000m	0
2023/24	£0.040m	£0.008m	51

There is currently £0.575m unspent Commuted Sums, these have been allocated to specific affordable housing projects for spend in future years. Any new monies received through Developer contributions will continue to be allocated to projects and approved by Fife Council and the Scottish Government. Commuted sums are not included in funding assumptions due to not being able to predict how much may be available in future years.

7.7 Fife Council and Housing Association Land

Fife Council land has contributed greatly towards the delivery of new affordable housing in previous years, largely from the Housing Revenue Account. This has helped substantially in the delivery of affordable housing. Fife Council continues to support the investment programme through the supply of sites both on the Housing Revenue Account and the Council's General Account with land transfers from other services agreed at 50% of Open Market Value. Housing Associations also maximise use of land in their ownership to deliver affordable housing. Council land to support future affordable housing programmes is in short supply as the majority of the available and more deliverable sites have now been utilised but efforts continue to look for opportunities and overcome constraints.

7.8 Vacant and Derelict Land Investment Programme Funding

The Scottish Government's 'Vacant and Derelict Land Investment Programme (VDLIP) is no longer open for applications having been suspended by the Scottish Government three years into its intended five-year cycle although Fife Council did not seek any monies from it in relation to any potential affordable housing projects. Fife Council has, however, secured funding from the Scottish Government's 'Vacant and Derelict Land Fund' (VDLF) and approvals are in place to support delivery, alongside Kingdom Housing Association, of three affordable housing projects included in the SHIP. These are High Street, Cowdenbeath; Inner Court, Cupar and Hall Street, Lochgelly.

7.9 Housing Infrastructure Funding

A business case to part fund the Dunfermline Strategic Growth Transportation Infrastructure Programme, as part of the Edinburgh and South East Scotland (ESES) Region City Deal was approved by Fife Council's Policy & Co-ordination Committee in May 2021 and the ESES City Region Deal Joint Committee in June 2021. This proposal, through the Housing Infrastructure Fund (HIF), will provide a means to unlock and accelerate investment in essential new strategic transportation infrastructure in the Dunfermline Strategic Growth Area. This will facilitate large-scale mixed-use development and

investment in the Dunfermline and wider Edinburgh City Region economy including unlocking up to 2,000 affordable and 6,000 private homes.

The delivery of the entire Dunfermline Strategic Development Area goes beyond the plan period of this SHIP. The strategic transportation infrastructure will be delivered over a 15-year period while the build out of the proposed 8,000 residential units will be delivered over an approximate 40-year period. The business case sought to secure £16.5m of HIF towards strategic transportation infrastructure. The grant will cover 25% of construction costs to align with the 25% affordable housing provision.

The Scottish Government has advised that the City Region Deal HIF funding shall not affect the amount of potential HIF funding Fife Council could access through its affordable housing programme. Funding will be applied for, and phased, over three, five-year grant periods to align with the Scottish Parliament parliamentary periods (a requirement of HIF funding). The initial phase 1 grant application of £4.85m, covering 2021/22 - 2025/26 has been approved by the Scottish Government. Table 14 below outlines the proposed grant over the 15-year infrastructure delivery period.

Table 14: Housing Infrastructure Fund Phasing

Grant Period	Phase 1 2021/22 - 25/26	Phase 2 2026/27 - 30/31	Phase 3 2031/32 - 35/36	Total
Grant	£4.85m	£6.1m	£5.58m	£16.538m

8.0 Delivery Outcomes and Required Resources

8.1 Delivery Outcomes

Fife's SHIP has the potential to deliver 2,299 affordable units over the 5-year SHIP period subject to the availability of funding. The individual projects are detailed within the SHIP Projects Table. It should be noted that the SHIP contains an average 31.9% over-provision which prepares for any slippage that may occur. The final output is therefore likely to be less than the number of units estimated. The over-provision also allows for any further investment that may become available to be utilised.

The breakdown of the number of units that can potentially be provided by both Fife Council and the FHAA is shown in table 15 below.

Table 15: Breakdown of Potential Affordable Units by Provider

Completion Year	FC Units	FHAA Units	Total Units
2025/26	217	237	454
2026/27	706	74	780
2027/28	279	125	404
2028/29	186	92	278
2029/30	172	211	383
Totals	1,560	739	2,299

A further 50 units are estimated to be delivered through the OMSE scheme, taking the potential delivery total to 2,349 affordable units between 2025/26 – 2029/30.

8.2 Meeting Housing Need

The potential for the SHIP to deliver 2,299 affordable units exceeds the affordable need identified through the combined Tayside and South-East Scotland HNDAs for 2,005 affordable units over 5 years by 294 units.

Based on the number of potential affordable units that can be delivered through the SHIP, table 16 below shows the potential to meet the affordable housing need identified in the combined HNDAs within the HMAs in Fife.

Table 16: Potential to Meet Housing Need through SHIP Projects

HMA	5 Year Need - Combined HNDA's	Potential SHIP Units	Supply against HNDA	% Need Met
Glenrothes, Kirkcaldy & Central Fife	845	581	-264	69%
Dunfermline & West Fife	675	975	+300	144%
St Andrews & North East Fife (incl. Greater Dundee)	275	275	+0	100%
Cupar & North West Fife	210	218	+8	104%
Fife Wide	n/a	250	n/a	n/a
Total	2,005	2,299	n/a	n/a

8.3 Required Resources

If all the potential projects detailed in the SHIP Projects table were to be delivered, then at least £173.016m of AHSP grant funding would be required over the 5-year SHIP period to support their delivery. The breakdown of the grant required by provider per annum is detailed below in table 17.

Table 17: Breakdown of Potential Grant Required by Provider

Year	FC Grant Required	FHAA Grant Required	Total Grant Required
2025/26	£22.082m	£16.400m	£38.482m
2026/27	£20.181m	£15.498m	£35.679m
2027/28	£15.029m	£16.556m	£31.585m
2028/29	£12.817m	£18.050m	£30.867m
2029/30	£15.183m	£21.220m	£36.403m
Totals	£85.292m	£87.723m	£173.016m

Assuming unlimited grant is available and awarded to all Fife Council projects detailed in the SHIP Projects Table and should all 1,560 Fife Council units be delivered (see table 15), this would mean a cost of around £173.330m to Fife Council (based on an average new build cost of £225k per unit and £125k per unit acquisition costs, however, it is noted that unit costs could rise).

As stated previously the SHIP Projects Table includes an over provision to allow for slippage, therefore, the estimated number of affordable units that could be delivered in Fife from the subsidy available from the combined AHSP (£131.185m) and 2HCT (£11.013m) funding (see sections 7.2 and 7.5 for details) is shown in table 18 below.

Table 18: No of Units Deliverable from Available Subsidy

Tenure	Funding Available RPAs & 2HCT (£m)	Assumed Grant Per Unit	Units Deliverable	% of total units
FC SR	£64.105m	£107,000	599	41%
FC (OMT)	£12.500m	£50,000	250	17%
HA SR	£48.593m	£115,000	423	29%
HA MMR	£17.000m	£85,000	200	14%
Totals	£142.198m	-	1,472	100%

Assumptions:-

1. AHSP grant shared equally between FC and FHAA and 2HCT allocated to FC projects only.
2. Assumed grants based on Benchmark grants as detailed in MHDGN 2023-01 (June 2023).
3. MMR delivery estimated at 14% (Between 20% LHS identified need & 9% potential SHIP delivery).

Assuming available subsidy is restricted to Scottish Government RPA and 2HCT monies (£76.593m), it is estimated that Fife Council will require around £89.432m funding to provide the 849 Fife Council units as detailed in table 18 above (based on an average new build cost of £225k per unit and £125k per unit acquisition costs, however, it is noted that unit costs could rise).

As part of preparing the HRA Capital Investment Plan, Fife Council will continue to monitor the investment required to support the delivery of the Affordable Housing Programme. The private finance capacity of the FHAA is sufficient to support the projected programme as well as to accelerate the programme if additional grant funding becomes available.

9.0 Development Constraints & Land Availability

9.1 Development Constraints

New build delivery can be affected by various development constraints, including:

- Planning issues
- Land availability
- Education capacity issues
- Capacity issues and embargos on drainage
- Unknown ground conditions
- Complications with Land Title
- Restrictions on private developer timescales on mixed tenure developments.

The following Fife Council services and external organisations are consulted to identify and eliminate these potential development constraints:

- Economy, Planning & Employability Services
- Assets, Transportation & Environment Services
- Housing Services
- Legal & Democratic Services
- Education Services
- Parks, Streets and Open Spaces Services
- Scottish Water
- Fife Housing Association Alliance.

Sites listed in the SHIP Projects Table are assessed for priority. This exercise includes assessing development deliverability and sites are scored and subsequently prioritised.

9.2 Education Contributions

There is no commuted sum requirement from Education Services on affordable housing developments provided by Housing Associations and Fife Council. As these payments are not eligible for grant funding there is no facility to provide any commuted sums toward education provision. However, where a proposed development would create a critical infrastructure capacity issue, particularly in terms of the primary school estate, contributions may still be required.

The Affordable Housing Board, charged with delivering the Council's Affordable Housing Programme, is aware of the shortfall in capacity for school places and GP practices. The board is tied into work to develop capacity through the Health & Social Care Partnership and City Deal.

9.3 Council Land

In keeping with the Fairer Fife Plan, the Council is continuing to undertake a systematic examination of the Council's land holdings, looking for potential land. A dedicated member of staff to identify Council owned land and investigate the potential for this to be developed as affordable housing has been appointed by Fife Council. A site register of potential sites has been developed, which can be incorporated into the wider Programme to meet demand where land supply is an issue.

Since beginning this process, over 20 ha of Council land has been identified and included in the Programme. In the last year, further sites have been identified, extending to 7.5 ha, which will deliver around 200 houses. This approach has therefore proven to be beneficial and will continue moving forward. A further 7.8 ha of land has been earmarked to support the affordable housing programme, which could potentially support the delivery of over 220 affordable homes in future years.

9.4 Other Public Sector Land

The Fife Housing Partnership has a continued interest in opportunities to deliver housing on surplus land owned by other public sector agencies such as the National Health Service; the Ministry of Defence; Scottish Enterprise Fife and the Forestry Commission.

9.5 Open Market Land Sales

Fife Council and the Housing Associations continually seek discussions with private developers and landowners with regards to the development of their sites for affordable housing. In 2024/25, the Council secured 4.92 ha of land to deliver 142 affordable homes, with a further 6.43 ha identified as sites which are likely to proceed within Phase 4 of the Affordable Housing Programme with the potential to deliver an additional 226 homes. Further sites are also being identified, through site marketing and the planning process and are being assessed for future inclusion in the programme.

10.0 Delivery Vehicles

10.1 Developer Arrangements

The Council will continue to work with the members of the Fife Housing Association Alliance (FHAA), comprising of Kingdom, Glen, Ore Valley Housing Associations, and the Fife Housing Group (FHG) to deliver the housing association component of the SHIP. Following a review of their business plan to determine their capacity to respond in both financial and development capacity the FHAA signed a revised preferred developer agreement with Fife Council in July 2021.

The main revision to the long-standing Partnership Agreement is the new commitment to ensure that on affordable housing sites or private developer sites with an affordable housing contribution of 50+ properties, there will be a joint tenure approach adopted to provide new council housing and housing association housing on the same site. This policy change promotes tenant choice in housing options for these larger sites. This partnership agreement has recently been extended for a further five-year period to May 2029 as part of the development of the proposed Phase 4 AHP.

Flexibility remains with this arrangement, if issues arise in delivery by the FHAA this will be kept under review through regular programme meetings and quarterly Affordable Housing Board meetings.

As such, all the Housing Association projects within this SHIP are promoted by FHAA partners which brings the following benefits:

- Access to a demonstrated track record in affordable housing development experience, ensuring projects are delivered on time and within budget.
- Knowledge transfer and sharing between the participating organisations.
- Access to a streamlined process and developed procedures and standards, optimising delivery.
- The potential to further develop the partnership arrangements through joint working and joint projects.
- Achieving wider benefits through training and apprenticeships.

10.2 Contracting with Private Developers

Due mainly to scarce land resources, it continues to be recognised that engagement with the private sector to deliver affordable housing is necessary. Fife Council and the FHAA have successfully delivered projects with private developer partners and discussions are continuing with developers who hold sites in areas of housing need for both 100% Affordable Housing & Affordable Housing Policy (Section 75) sites.

10.3 Offsite Construction and Procurement

The Scottish Government supports the delivery of homes across Scotland using a range of offsite methods, from timber frame construction through to fully modular development, and will continue to do so through the AHSP. Fife Council and the FHAA continue to utilise modern methods of construction across the AHP with the use of off-site construction in manufacturing timber frames remaining a core method. We have both adopted a fabric first approach to design and construction which allows us to create energy efficient homes. The use of modular construction continues to be

explored with the FHHA recently completing developments using Structurally Insulated Panels (SIPS) and factory finished panels.

Fife Council have identified two prospective sites within the SHIP to be part of the Edinburgh Home Demonstrator programme (EHDP). The EHDP was established to develop and test a new business model for the construction of affordable homes using offsite construction methods. This programme is based on collaborative procurement, whole life costings, development pipeline and general standardisation of affordable housing. Through this Fife Council has the potential to transform both the productivity and performance of the way we deliver future affordable homes, utilising a net zero carbon strategy and build new properties that have an energy performance specification that exceeds Gold Aspect 1.

The Council and the FHAA will continue to use a range of nationally recognised procurement frameworks to assist with the delivery of the Affordable Housing Programme, including SCAPE, Scottish Procurement Alliance (SPA) and Scotland Excel.

10.4 Open Market Transactions

In 2023/24 Fife Council successfully acquired 58 privately owned properties from the open market to bring into social rented use. The intention to continue to acquire a minimum of 50 properties per annum is fully dependant on the continued availability of grant funding to subsidise these acquisitions.

This intention is closely linked to the Fife Rapid Rehousing Transition Plan to increase the flow of statutory homeless households from temporary to permanent accommodation. Fife Council have also expanded this project to benefit tenants who are overcrowded or are under-occupying properties.

11.0 Conclusions

The SHIP sets out the investment priorities for affordable housing over the next 5 years (2025/26 – 2029/30) and how it will achieve the outcomes set out in the LHS and meet the affordable housing need as identified in the HNDA. The SHIP Projects Table details projects which have the potential to deliver 2,299 units throughout the 5-year period which would meet a range of identified housing needs. In addition to this, there are a further 50 Open Market Shared Equity (OMSE) units out with the AHSP estimated to be delivered within this timescale.

Prioritisation of projects has been carried out to ensure the resources are carefully allocated and details of the scoring methodology are provided along with details of current project priorities. This provides a snapshot in time which will be subject to change as projects are developed. The over provision of 31.9% detailed within the programme has been provided to take account of potential slippage from the proposed programme. It also prepares us to take advantage of any additional funding opportunities that may arise from elsewhere across the AHSP nationally.

The Council and the FHAA, alongside private developers will continue to work within the current funding environment and investigate alternative solutions to deliver units in more innovative ways while still seeking to meet the spectrum of housing needs. This will be based on what is deliverable for organisations.

12.0 Contacts

If you require further information about Fife's SHIP, please contact:

Helen Wilkie
Service Manager – Housing Condition & Supply
Fife Council Housing Services
Email: Helen.Wilkie@fife.gov.uk

Carole Kennedy
Interim Lead Officer – Affordable Housing & Regeneration
Fife Council Housing Services
Email: Carole.Kennedy@fife.gov.uk

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Appendix 1 - SHIP Scoring Methodology

Overview

The scoring and prioritisation will be completed by Fife Council Housing Services for all projects in the SHIP Projects Table. This will be done in consultation with the Fife Housing Association Alliance. The scoring methodology and points available can be summarised as follows:

Scoring Summary

Item	Points Range
Housing Need	45 - 85
Development Deliverability	0 - 160
Strategic Fit	10 - 50
Minimum to maximum points range	55 - 295

The priorities in the SHIP are expected to change to reflect updated scores when project's circumstances change. For example, the development status may increase from 10 to 70 points once a planning application has received approval. The scores and priority of projects will be reviewed on an ongoing basis.

Housing Need

The Housing Need points are separated into 2 categories.

Firstly, points are awarded based on the annual affordable housing requirement across the 4 Housing Market Areas, as identified through the combined Housing Need and Demand Assessments 2021-2040 (HNDAs).

Housing Market Area Need 10 Year Need (2021-2031)

HMA	Annual Affordable Housing Need	Points
Glenrothes, Kirkcaldy & Central	170	50
Dunfermline & West	135	40
St Andrews & North East (includes Greater Dundee)	55	30
Cupar & North West	42	20
Fife Total	401	

Secondly, points are awarded based on the percentage of affordable housing need met by the number of units delivered over the various affordable housing programmes across the 10 Local Housing Strategy Areas (LHSAs).

2024 – Unit Progress over all programmes

LHSA	Percentage of Need	Points
1. St Andrews	-37%	50
2. Cupar & Howe of Fife	-29%	45
3. Tay Coast	-16%	40
4. Levenmouth	-7%	35
5. Kirkcaldy	5%	30
6. Largo & East Neuk	15%	25
7. Dunfermline & Coast	19%	20
7. Glenrothes	21%	20
9. West Fife Villages	51%	10
10. Cowdenbeath	79%	5

Development Deliverability

The emphasis on deliverability needs to be strong and the Programme must contain sites that can be delivered within required timescales. The Development Deliverability points are separated into 2 categories.

Firstly, points are awarded based on the current development status of a project in terms of land ownership and progress through the planning system to reflect the deliverability of a project. Points under this category are awarded when each stage has been met.

Land Ownership and Planning Progress

Development Status	Points
Land Acquired	50
Planning Permission Granted (Full)	30
Delivery Timescale to be agreed through Section 75 Agreements	10
Minimum to maximum points range	0 to 90

Secondly, each project is allocated a Red, Amber or Green (RAG) status in terms of development deliverability. Further details on each category are detailed in the following table.

Strategic Fit

Wider Objectives

Strategic Importance	Points
Projects with wider council objectives	20

Secondly, points are awarded where a project meets additional Local Housing Strategy priorities as well as meeting identified housing need. Examples include: - specialist projects that meet strategic needs and address specialist equality issues such as extra care housing for specific client groups, hospital re-provisioning, new homeless centres and refugee accommodation. These points are awarded by the SHIP working group based on a low, medium or high priority.

Equalities Priorities

	Reason	Points
High	Urgent need for this project to meet identified high priority specialist needs as a high demand for clients has been identified.	30
Medium	The project would be of benefit in meeting specialist needs and is a medium priority because some client need has been identified.	20
Low	The project would be of benefit in meeting specialist needs, but this is a low priority because no client need has been identified.	10



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7 November 2024

Agenda Item No. 11

Fife Development Plan Scheme 14

Report by: Pam Ewen, Head of Planning Services

Wards Affected: All

Purpose

To seek approval of the Fife Development Plan Scheme, 14th edition for publication.

Recommendations

It is recommended that the committee:

- (1) approves, for adoption, the 2024 Fife Development Plan Scheme (fourteenth edition) for publication, deposit and copying to Scottish Ministers (Appendix 1); and
- (2) delegates non-substantive edits to the Head of Planning.

Resource Implications

None. Preparation of the Development Plan Scheme is part of Planning Services' work programme and is prepared within existing resources.

Legal & Risk Implications

The Planning (Scotland) Act 2019 requires the Council, when preparing the Development Plan Scheme, to seek the views of the public on what the content of the Participation Statement should be and have regard to any views expressed.

Impact Assessment

An Equalities Impact Assessment is not required because the report does not propose a change or revision to existing policies and practices. An environmental assessment is not applicable for this report because it does not directly impact the environment. An assessment using the Fife Environmental Assessment Tool (FEAT) is not required as it is not a recommended change to policy.

Consultation

The Head of Legal Services and Head of Finance have been consulted in the preparation of this report. There are no outstanding issues.

1.0 Background

- 1.1 All planning authorities in Scotland are to produce a Development Plan Scheme at least annually or when directed by Scottish Ministers. Development Plan Schemes:
- a) explain what the Development Plan is and its component parts including the Local Development Plan;
 - b) set out the timetable for preparing the next plan; and
 - c) explain how the public at large can get involved in preparing the Local Development Plan.

The most recent Fife Development Plan Scheme (DPS13) was published in 2023. The draft Development Plan Scheme for 2024 (DPS14) is presented in Appendix 1.

- 1.2 The Fife Development Plan is now comprised of the [Fourth National Planning Framework \(NPF4\)](#) and the adopted [Local Development Plan \(FIFEplan\)](#) together with supplementary guidance issued in connection with FIFEplan.
- 1.3 Legislation requires that as soon as is reasonably practicable after a Development Plan Scheme has been adopted, the Council is to send two copies of it to the Scottish Ministers, publish it (including by electronic means) and place a copy of it in each public library in Fife.

2.0 Discussion

- 2.1 Development Plan Schemes must include a Participation Statement which should say how and with whom consultation on the plan will take place. It should also say how the Council will involve the public and stakeholders in the preparation of the plan. The Statement will be used when the Local Development Plan is submitted to Scottish Ministers for examination to show how the Council has conformed with the Participation Statement's proposed means of engagement.
- 2.2 The Planning (Scotland) Act 2019 requires the Council, when preparing the Development Plan Scheme, to seek the views of the public on what the content of the Participation Statement should be and have regard to any views expressed. The 2022 edition of the Development Plan Scheme invited the public at large to express their views on the content of the Participation Statement. This invitation remains open in the 2024 edition and feedback will inform the public engagement stage.
- 2.3 The Participation Statement in this Development Plan Scheme reflects the preferences and most efficient way to keep Fife's citizens and other stakeholders informed about plan progress and how to engage. It recognises that some stages of plan preparation are better managed by in-person events, such as seeking views on the Proposed Plan. The proposed methods of engagement are based on experience and consistent with the draft guidance on effective community engagement in development planning published by the Scottish Government last year.
- 2.4 LDP2 will be known as *Fife's Place Plan* to reflect its role as a corporate document acting as the spatial expression of the *Plan4Fife*. The final published version of DPS14 will incorporate corporate branding prepared for *Fife's Place Plan*. The Local Development Planning Regulations state the Development Plan Scheme is to indicate the anticipated timetable for constitution of the Fife Place Plan (LDP2) and must specify when the Council expects to:

- a) publish its evidence report and its proposed local development plan;
- b) submit its proposed local development plan to the Scottish Ministers; and
- c) adopt the proposed local development plan.

The regulations and guidance specify the date convention to be used follows fiscal year quarters: 1Q = April-June; 2Q = July-September; 3Q October-December; 4Q = January-March.

- 2.5 The anticipated milestone dates for the Fife Place Plan (LDP2) between now and adoption are given below. Changes from the timescale given in Development Plan Scheme 13 come from a review of the Fife Place Plan project plan. These changes are a result of the extended Gate Check stage which is still current pending re-submission of the Plan's Evidence Report which is expected in January 2025.
- 2.6 Further work will be carried out to review the Local Development Plan stages to reduce timescales where possible, noting that Scottish Parliament and Council elections are scheduled in the period when the Proposed Plan will be prepared, consulted on with consequential analysis of representations, and preparation of examination material. Some cautious assumptions are made regarding the length of the plan examination which should be shorter given the role of the Gate Check in establishing the evidence base on which the plan will be prepared. With this revised timetable, plan adoption is within around 5 years of the Regulations coming into force – i.e. by May 2028 – the target date given in the Local Development Planning Guidance.

Table 1 - Fife's Place Plan (LDP2) stage timetable

Stage	Expected date DPS13 (2023)	Expected date DPS14 (2024)	Change from DPS13 (2023)
Evidence Report submission to Gate Check	1Q 2024/25 (April 2024)	1Q 2024/25 (submission) 4Q 2024/25 (January 2025) (re-submission)	No change New
Gate Check close		1Q 2025/26 June 2025	New
Proposed LDP2 and consultation	4Q 2025/26 (January 2026)	1Q 2026/27 (June 2026)	+ 5 months
Submit Proposed Plan to Scottish Ministers	1Q 2026/27 (June 2026)	2Q 2027/28 (Sep. 2027)	+15 months
Examination Report		2Q 2028/29 (Sep. 2028)	New
Adoption	2Q 2027/28 (September 2027)	1Q 2028/29 (May 2028)	+ 8 months

3.0 Conclusions

- 3.1 This edition of the Development Plan Scheme discharges the Council's legislative requirement to publish its Development Plan Scheme at least annually. It includes:
- a) information on the changes to development planning coming from the Planning (Scotland) Act 2019;
 - b) an up-to-date timescale for the key stages in preparing the Fife Place Plan;
 - c) updates on planning guidance, development frameworks, and development briefs; and
 - d) contact information for the public to communicate with Planning Services.
- 3.2 Future editions of the Development Plan Scheme will be reported to this Committee.

List of Appendices

1. Fife Development Plan Scheme 2024 (fourteenth edition)

Background Papers

- [Planning \(Scotland\) Act 2019 \(opens in a new window\)](#)
- [The Town and Country Planning \(Development Planning\) \(Scotland\) Regulations 2023 \(opens in a new window\)](#)
- [Local Development Planning Guidance, 2023, Scottish Government \(opens in a new window\)](#)

Report Contact:

Craig Walker, Lead Officer (Policy & Place),
Planning Services
Fife House, North Street, Glenrothes, Fife KY7 5LT
Telephone: 03451 55 55 55 Ext. 471781
Email: craig.walker@fife.gov.uk

7th November 2024

Fife Development Plan Scheme 2024

Fourteenth Edition

Prepared by
Planning Services





Crossgate, Cupar © Andrew Beveridge, Fife Council



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About the Development Plan Scheme

The Town and Country Planning (Scotland) Act 1997 (as amended by the Planning (Scotland) Act 2019), and the Town and Country Planning (Development Planning) (Scotland) Regulations 2023, require planning authorities to prepare a Development Plan Scheme each year.

This is the fourteenth edition of Fife' Development Plan Scheme which:

- Provides information about Fife's Development Plan and its preparation timetable;
- Summarises updated information on planning guidance, development frameworks and development briefs; and
- Lets stakeholders know when and how they can get involved in the plan preparation.



Development Planning

The planning system in Scotland is led by development plans which form the basis for making planning decisions.

The Fife Development Plan is now comprised of the [Fourth National Planning Framework \(NPF4\) \(opens in a new window\)](#) and the adopted [Local Development Plan \(FIFEplan\) \(opens in a new window\)](#) together with supplementary guidance issued in connection with FIFEplan.

Following NPF4's adoption by the Scottish Government, the former **SESplan** and **TAYplan Strategic Development Plans** no longer have effect and are not part of the Development Plan. NPF3 and Scottish Planning policy have also been superseded.

The Act introduced provisions for **regional spatial strategies**. These are not part of the development plan but are to be taken into account in preparing local development plans. The Act does not prescribe the geographical areas to be covered by regional spatial strategies, nor at this stage the procedures for their preparation.

An interim regional spatial strategy has been produced for South East Scotland. It includes all of Fife. There is currently no agreed timescale for a formal version and the relevant part of the Planning (Scotland) Act 2019 is not in force at the time of writing.

[Local place](#) plans have also been introduced by the Act. These do not form part of the Local Development Plan but have an important role in preparing it. More information on local place plans is given later in this scheme.

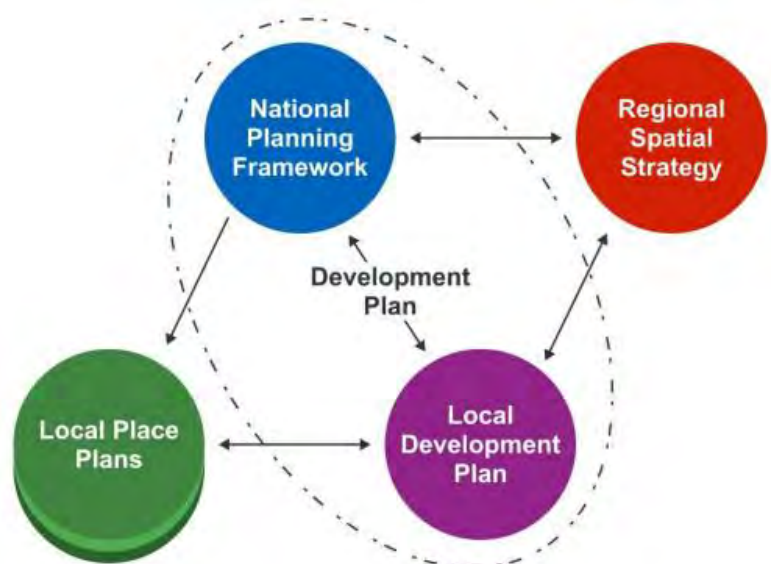


Figure 1 – The statutory development plan and related plans



Fife's Local Development Plan

Adopted FIFEplan (Fife Local Development Plan)

The current Local Development Plan, FIFEplan was adopted on 21 September 2017. As it was adopted more than five years ago, it needs to be updated.

The Fife Place Plan (LDP2)

Under the new Planning Act Local Development Plans (LDPs) are to be reviewed every ten years, rather than five years as previously. The process for the preparation of LDPs has changed. There is no Main Issues Report stage; instead, the first main stage is the preparation of an Evidence Report. The Evidence Report will set out the Council's views on the matters listed which the local development plan will address and be the basis provide an independent assessment of whether the Council has sufficient information to prepare the Plan. That assessment will be by a person appointed by Scottish Ministers during a 'Gate Check' at the start of the plan preparation process.

Every planning authority in Scotland should have a new style LDP in place within around five years of the Regulations coming into force – that is, by May 2028. LDP2 will be called the Fife Place Plan to reflect its role as a corporate document acting as the spatial expression of the *Plan4Fife*. It is programmed to be adopted by the Council in 2028. The milestone steps for the Fife Place Plan between now and adoption are outlined on this page and the timetable is set out later in this Development Plan Scheme.

Plan themes and changes

The Fife Place Plan will be quite different from FIFEplan in 2017. It will contain fewer policies because NPF4 provides most policies for development management. Climate change and the nature crisis will be core themes. The Fife Place Plan will be more place-focussed by setting out development requirements and objectives for local areas. As far as possible, development briefs and guidance will be included in the Plan. It will also be prepared alongside the Council's updated Local Outcome Improvement Plan, Plan4Fife, which will set the corporate policy direction for the Fife Place Plan to follow as a spatial land use plan.



Fife Place Plan (LDP2) Timetable

The timetable for the plan preparation shows the expected dates for each plan stage. The date convention used is in accordance with local development planning regulations and guidance: 1Q = April-June; 2Q = July-September; 3Q October-December; 4Q = January-March.

Stage	Expected date	Change from DPS13 (2023)
Evidence Report submission to Gate Check	1Q 2024/25 (April 2024) <i>[was April 2024]</i>	No change
Evidence Report re-submission to gate check	Q4 2024/25 (January 2025)	New stage
Gate Check Close	1Q 2025/26 (June 2025)	New stage
Proposed LDP2 and consultation	1Q 2026/27 (June 2026) <i>[was January 2026]</i>	+ 5 months
Submit Proposed Plan to Scottish Ministers	2Q 2027/28 (Sept 2027) <i>[was June 2026]</i>	+ 15 months
Examination Report	2Q 2028/29 (Sept 2028)	New stage
Adoption	1Q 2028/29 (May 2028) <i>[was September 2027]</i>	+ 8 months

The changes since the 2023's Development Plan Scheme reflect a reassessment of the original project timeline, considering the impact of updated local development planning regulations and guidance published in 2023, along with additional information requested by the DPEA for the Gatecheck process.

The democratic process for preparing the LDP is set out in the Council's committee powers : Fife's seven Area Committees have a role in considering the potential impact of strategic policy proposals and making recommendations to the relevant committees. Cabinet Committee has a remit to recommend the Local Development Plan Evidence Report, the Local Development Plan, and the Local Development Plan Delivery Programme for final approval by the full Fife Council.



Participation Statement

The Participation Statement is a summary of when and how the Council proposes to engage the public on the production, adoption, and implementation of the Development Plan. This will include future changes to NPF4 although the consultation on that part of the Development Plan will be led and run by the Scottish Government. The Participation Statement also considers who is to be included, how we will consult, and the steps we will take to involve the public in the process.

When you can influence the Fife Place Plan (LDP2)

There are three stages where the public can influence the shape of the next plan: early engagement (Evidence Report); the call for content (the beginning of Proposed Plan stage); and following publication of the Proposed Plan.

Figure 2 – Fife Local Development Plan engagement activity found on next page(s)



Plan stage	Engagement	How	When
<p>Early canvassing of views -</p> <ul style="list-style-type: none"> • Younger persons (age 16-25) engagement – June 2022 • 20 Minute Neighbourhood Case Study survey – September 2022 • Have Your Say on the Future of Fife’s places survey engagement outcomes (Fife-wide) – October 2022 • PAS Engaging with gypsies, travellers, and travelling show people – Fife-wide – February 2023 • Businesses and Organisations Survey • Disabled Persons & Place survey engagement outcomes (Fife-wide) – April 2023 • Play Sufficiency Assessment (Fife-wide) – May 2023 	<p><i>Involve</i></p> <p><i>Consult</i></p> <p><i>Collaborate</i></p>	<ul style="list-style-type: none"> • Online and in-person • Web based surveys and commissioned engagement • In person at Sinclairtown, Freuchie, Tayport, Donibristle, North Queensferry, Kingsbarns, Canongate, Lumphinnans, and Torryburn primary schools (Living Well Locally and Play Sufficiency Assessment) • In Woodmill and Bell Baxter High Schools (Play Sufficiency Assessment) • Community sessions in Cupar, Lochore, and Buckhaven (Play Sufficiency Assessment) 	<p>June 2022- August 2023</p>



Plan stage	Engagement	How	When
Inviting community bodies to prepare local place plans	<i>Involve</i>	<ul style="list-style-type: none"> • Invite to all community councils and registered community bodies • Social media • Dedicated local place plans website (opens in a new window) created • Webinar workshop • Capacity support provided online and in person by Planning Aid Scotland 	May 2022-end June 2024
Participation Statement	<i>Inform Involve Consult</i>	<ul style="list-style-type: none"> • Invite in Development Plan Scheme 12 (2022) to comment on how the Council should consult and engage. • Social media • E-newsletter 	December 2022-November 2023
Gate check <ul style="list-style-type: none"> • The Scottish Government's Planning & Environmental Appeals Division (DPEA) will conduct the gate check. This is to provide an independent assessment of whether the Council has sufficient information to prepare an LDP 	<i>Inform</i>	<ul style="list-style-type: none"> • Website • Online forums • E-newsletter 	April 2024 - April 2025 (subject to DPEA work programme)



Plan stage	Engagement	How	When
<p>Plan preparation -</p> <ul style="list-style-type: none"> • Call for content – what the Plan should say for communities and Fife-wide to address the issues identified in the Evidence Report 	<p><i>Inform</i> <i>Involve</i></p>	<ul style="list-style-type: none"> • Website • Online forums • E-newsletter <p>Report back in a 'you said, we did' format.</p>	<p>Nov 2024 – Feb 2025</p> <p>June 2026</p>
<p>Proposed LDP (draft plan)</p> <ul style="list-style-type: none"> • Plan approved by Fife Council and published for public consultation – a minimum of 12 weeks 	<p><i>Consult</i></p>	<ul style="list-style-type: none"> • Website • Notification for neighbouring land (conterminous with or within 20 metres of the boundary of a specific site) • In person drop-in events • E-newsletter 	<p>June – September 2026</p>
<p>Modifying the plan</p> <ul style="list-style-type: none"> • Assess representations to the Proposed LDP • Negotiate changes where agreement can be reached with objectors (and other affected parties) to make modifications to the Proposed LDP 	<p><i>Inform</i></p>	<ul style="list-style-type: none"> • Website • Online forums • E-newsletter 	<p>September 2026 – July 2027</p>
<p>Submit Plan to Scottish Ministers for examination</p>	<p>There is no consultation on this stage. The examination is led and managed by the Scottish Government, but the LDP website will be updated with the latest news</p>		<p>September 2027</p>
<p>LDP progress</p>	<p><i>Inform</i> <i>Involve</i> <i>Consult</i></p>	<ul style="list-style-type: none"> • LDP webpage • E-newsletters • Media articles and news 	<p>Throughout the plan preparation period since May 2022.</p>
<p>National Planning Framework</p>	<p><i>Inform</i></p>	<ul style="list-style-type: none"> • LDP webpage • E-newsletters 	<p>When changes are made to NPF4</p>



A summary of all engagement will be published in an engagement calendar as the Plan progresses.

Comments on this version of the Participation Statement are invited through the contact address in the HAVE YOUR SAY box on the last page.

Plan stage	Strategic Environmental Assessment	Habitats Regulations Assessment	Flood Risk Assessment	Development Plan Transport Assessment	Public Sector Equality Duty Assessment	Fairer Scotland Duty Assessment
Evidence Report	✓ Note 1		✓		✓	✓
Plan preparation including site assessment	✓	✓	✓	✓	✓	✓
Proposed Plan (draft plan)	✓	✓	✓	✓	✓	✓
Adopted Plan	✓				✓	✓

Figure 3 – Fife Local Development Plan assessments

Note:

1. The Evidence Report is not subject to a Strategic Environmental Assessment (SEA) Environmental Report but it will scope the SEA and will be accompanied with a scoping report.



Action Programme

The Action Programme identifies what is needed to implement FIFEplan. The Action Programme shows the linkages between development and the provision of related infrastructure and helps to coordinate activity in identifying priorities and funding.

The new-style local development planning, replaces these with Delivery Programmes. **Delivery Programmes** are to be focussed on supporting delivery of the Local Development Plan, and must be approved by the full Council, and updated every at least every two years following the Plan's adoption.



Community Planning

Community Planning is how public bodies work together and with the community in each council area to make life better for people. Fife's Local Outcome Improvement Plan *Plan 4 Fife: 2017-2027* was published in April 2018 as Fife's new Community Plan. An update to this was published in August 2021 *Recovery and Renewal: Plan4Fife 2021-2024 Update*.

Local Community Plans for each of Fife's seven local committee areas are in place, and these are in the process of being updated. Neighbourhood Plans have also been developed for selected areas. All these above plans will help to identify priorities as we review the Local Development Plan.



Local Place Plans

The 2019 Planning Act introduced provisions to enable community bodies to prepare [Local Place Plans](#). These will not form part of the development plan but will help to inform it.

An invitation to communities to prepare Local Place Plans was issued in May 2022, through:

- Letters to community councils
- Our Planning e-newsletter
- Fife Voluntary Action e-newsletter
- News and social media releases

Local Place Plans have been introduced to encourage communities to be active participants in planning for their futures. Examples of the issues that they might address include:

- Proposals for new homes (including affordable), local employment, tourism or community facilities
- Sites which help support new renewable energy projects, or climate change adaptation measures, such as flood mitigation
- Improvements to town and neighbourhood centers
- Improvements to open space, play facilities and active travel
- Conservation of the natural and built environment
- Land for community food growing

These are plans for local communities that have a focus on development, land use and 'place-making' (an all-inclusive approach to the design, development, regeneration and management of the built environment).

Our [register of Local Place Plans](#) shows where Local Place Plans have been created by community groups across Fife.



Supplementary Guidance

The main purpose of supplementary guidance is to help applicants understand what planning authorities expect in relation to planning applications.

Supplementary guidance prepared in connection with a Local Development Plan, subject to meeting consultation requirements, forms part of the Development Plan and is referred to in this document as statutory supplementary guidance.

Supplementary guidance prepared for the former Strategic Development Plans no longer have effect and have been withdrawn.

A range of statutory Supplementary Guidance has been produced since the adoption of the Local Development Plan:

- Making Fife's Places Supplementary Guidance
- Affordable Housing Supplementary Guidance
- Minerals Supplementary Guidance
- Low Carbon Supplementary Guidance

The Council will also continue to use existing non-statutory guidance listed in this Development Plan Scheme and will prepare other guidance on a range of planning matters as required. A full list of current and proposed Fife Council planning guidance is included in Figure 4.

Non-statutory guidance Policy for Development and Noise was produced in 2021. This guidance aims to ensure that new development does not lead to detrimental impacts on existing businesses and future investment, or to impacts on the health and wellbeing of new or existing residents exposed to unacceptable levels of noise.

The future of Supplementary Guidance

Statutory provisions for Supplementary Guidance have been removed under the 2019 Planning Act. Local Councils will still be able to produce supplementary guidance on specific planning issues, but this will no longer have 'development plan' status.



Figure 4 – Supplementary Guidance, Development Frameworks and Development Briefs
(position at September 2024)

Topic	Status	Timescales
Statutory Supplementary Guidance		
Affordable Housing	Adopted Supplementary Guidance	Adopted Autumn 2018
Making Fife's Places	Adopted Supplementary Guidance	Adopted Autumn 2018
Minerals	Adopted Supplementary Guidance	Adopted Autumn 2018
Low Carbon Fife	Adopted Supplementary Guidance	Adopted January 2019



Topic	Status	Timescales
Non-Statutory Guidance		
Planning Obligations Framework Guidance	Approved Framework March 2015 - A new version of this guidance was prepared in 2017 and is a material consideration in determining planning applications. In addition, an updated version of this guidance is in preparation.	Scheduled for Cabinet approval in late 2024.
Houses in Multiple Occupation in Central St Andrews Conservation Area	Approved Supplementary Planning Guidance June 2011.	To be reviewed as part of the Fife Place Plan (LDP2)
Lochgelly Supplementary Planning & Transportation Guidance	Approved Supplementary Planning Guidance September 2011	Complete
St Andrews Design Guidelines	Approved Supplementary Planning Guidance August 2007	Complete
Inverkeithing Design Guide	Approved Supplementary Planning Guidance October 2024	Complete



Topic	Status	Timescales
Development Frameworks & Briefs		
East Sands Urban Design Framework	Approved September 2010	Complete
Levenmouth Strategic Land Allocation Strategic Framework	Approved October 2012	Complete
St Leonards Fields and Memorial Hospital	Approved November 2011	Complete
Development brief for Bonnygate, Cupar gap site	Approved November 2012	Complete
Gap site at 269-293 High Street, Cowdenbeath	Approved March 2011	Complete
Millgate Development Brief, Cupar	Approved November 2008	Complete
Crail North Development Framework	The community led charrette report 'Deciding Crail's Future' and Crail's Local Place Plan will inform the Council's framework for this site.	Timescales to be confirmed – to follow assessment of 'Local Place Plan' by local community.
Rosyth Waterfront Development Framework	Approved December 2017	Complete
ATS depot, Cupar	Updated Brief Approved March 2019	Complete
Madras College (Kilrymont) – Design & Development Framework	Framework approved January 2020	Complete



Topic	Status	Timescales
Town Centre Frameworks		
Kirkcaldy Town Centre Design & Development Framework	Approved October 2015 (Review due 2023/2024)	Complete
Kirkcaldy Charrette Area - Green Infrastructure Masterplan	Produced April 2018	Complete
Kirkcaldy Town Centre Car Parks Design & Development Brief	Produced February 2023	Complete
Glenrothes Town Centre Design & Development Framework	Produced September 2016	Complete
Glenrothes Town Centre Masterplan	Approved March 2021	Complete
Cowdenbeath Town Centre Design & Development Framework	Approved July 2015	Complete
Leven Town Centre - Urban Design Study	Produced August 2012	Complete



KEEP IN TOUCH

You can keep in touch with the Policy & Place team preparing the Fife Place Plan (LDP2) using the options shown.

@FifePlanning

Follow us on X for updates from Fife Council's Planning Services.

Visit the FIFEplan Local Development Plan webpage to read news on the Local Development Plan, access mapping, and register for the Planning Update (e-newsletter)

Fife Planning E-newsletter

Sign up to regular email updates on the progress of Fife's Development Plan and news from the Planning Service:
<http://eepurl.com/wnVzr>

www.fife.gov.uk/LDP

If you prefer to write to us, you can do so by addressing your mail to:

**Policy & Place Team,
Planning Services,
Fife House,
Glenrothes,
Fife KY7 5LT**

We also welcome your views on the Participation Statement which sets out how we will engage with you and keep you informed.

HAVE YOUR SAY

E-mail your suggestions on this Development Plan Scheme to:
fife.devplan@fife.gov.uk



Fife Development Plan Scheme 2024
Fourteenth Edition



07 November 2024

Agenda Item No. 12

Climate Change – Public Bodies Duty Report

Report by: Pam Ewen, Head of Planning

Wards Affected: All

Purpose

This report presents Fife Council's annual submission of Fife Council's 'Public Bodies (Climate Change) Duties Report' for financial year 2023-24, for approval.

Recommendation(s)

The committee is asked to:

- (1) approve the draft Public Bodies Duties Report (Appendix 1) and instruct officers to submit to the Scottish Government by 30th November 2024

Resource Implications

Other than the officer time involved in collating the information to include in Fife Council's annual Public Bodies Duties Report return, there are no resource implications relating to compilation of this paper.

Legal & Risk Implications

In terms of and under the Climate Change (Scotland) Act 2009 as amended (the "2009 Act"), public sector bodies are legally required to reduce greenhouse gas emissions and support Scotland's adaptations to a changing climate. For the purposes of the 2009 Act, all local authorities including the Council as designated "Major Players" are legally required to report annually on their greenhouse gas emissions and what they are doing to help adaptation to a changing climate.

In the preparation of this report, the Council is also required to have regard to the current Scottish Government guidance published under Part 4 of the 2009 Act.

In terms of Risk, failure to proactively address the climate and ecological emergency across all service delivery areas carries significant reputational risk, particularly considering the political ambition at both local and national level around the climate change agenda. In addition, failure to take a proactive approach to climate change action will limit opportunities to secure external funding.

Impact Assessment

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

An assessment using the Fife Environmental Assessment Tool (FEAT) is not required as it is not a recommended change to policy

Consultation

Consultation with Fife Council officers across directorates has been undertaken to allow an accurate and complete picture of the council's performance in cutting carbon emissions and adapting its assets, services and Fife itself, to the physical impacts of climate change.

Heads of Property Services, Housing, Environment and Building Services, Roads & Transportation Services, Communities and Corporate Development, Finance, Legal and Democratic Services, Revenue & Commercial Services, Chief Executive Officer of Fife Coast & Countryside Trust have all been consulted.

1.0 Background

- 1.1 Part 4 of the Climate Change (Scotland) Act 2009, referred to as the 'Public Bodies Duties' sets out the Scottish Government's duties on how the public sector should take action on climate change. The Act was updated in 2014 to require annual mandatory reporting. Mandatory targets were amended by the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, and Fife Council has a duty to continue to demonstrate progress to meeting the emissions targets for 2030 (at least 75% lower than the baseline), 2040 (at least 90% lower than the baseline), and net zero carbon by 2045.
- 1.2 The Heat in Buildings Strategy (October 2021) proposes public sector buildings should achieve net zero carbon emissions by 2038. As changes are made by Scottish Government to the scale of public sector building standards, changes to Building Regulations and other future requirements, depending on changes introduced, these are likely to result in additional financial pressure to the Council.
- 1.3 Fife Council is required to submit an annual report to the Scottish Government detailing its compliance with climate change duties, including its carbon footprint and the progress made in cutting emissions (mitigation) and adapting Fife, services and assets to the physical impacts of climate change (adaptation). This includes an opportunity to showcase where Fife Council are making use of procurement to mitigate and adapt to climate change. A voluntary section on wider Fife emissions asks reporting bodies to detail how they are working with the community to tackle climate change in their wider geographic area.
- 1.4 The Public Bodies Duties report has been submitted to this committee in this format since 2014. It is a snapshot of the Council's performance for the previous financial year.
- 1.5 Sustainable Scotland Network is the current secretariat for these reports, they publish annual guidance, review reporting and host previous reports.

2.0 Issues and Options

- 2.1 The Plan4Fife identifies "Addressing the Climate Emergency" as one of its four main objectives. The Addressing the Climate Emergency Board, made up of Heads of Service, Senior Managers, and partner representatives, oversees the implementation of the priorities outlined in the Climate Fife Strategy 2024 to ensure the successful delivery of the Plan4Fife.

2.2 Key Results- Fife Council's carbon footprint

- 2.2.1 Fife Council's total carbon footprint has increased by 2%, primarily driven by a rise in grid electricity (7% increase).
- 2.2.2 Fife Council's scope 2 emissions (indirect energy consumption) increase is related to electricity consumption by its vehicles (145% increase), alongside a rise in public use of electric vehicle (EV) charging points (85% increase). While this has contributed to a higher overall footprint, the growing demand for EV charging is a positive sign of a shift towards cleaner transportation. The increased public uptake of electric vehicles reflects progress in the transition to sustainable travel, which, in the long run, will help reduce carbon emissions and support the Council's climate goals. The addition of electric cars and vans to the Council's fleet further demonstrates a commitment to advancing low-

carbon solutions. However carbon emissions from fleet petrol and diesel (scope 1) also rose, so there was no reduction in fossil fuels for vehicle use to offset the increase in electricity emissions for travel. Fife Council's claimed business mileage has also increased from 2022/23 to 2023/24, reflecting a return to pre-pandemic levels.

- 2.2.3 There has been a gradual but consistent decrease in electricity consumption across buildings and infrastructure (scope 1), which demonstrates that some of the energy-saving measures implemented are starting to have an impact. This reduction, while modest, is an encouraging sign that efforts to improve efficiency and lower emissions in these areas are moving in the right direction. However, there is still much work to be done to achieve larger, sustained reductions.
- 2.2.4 Achieving only 46% reduction in our total carbon footprint compared to the 2011/12 baseline, we are not confidently on track to meet our long-term climate goals without additional actions in line with Climate Fife 2024. This highlights the need for accelerated action and enhanced measures to close the gap and realign with our projected goals.

2.3 Fife wide carbon emissions

- 2.3.1 The total Fife area emissions increased from 2021 to 2022 (latest data available from UK Government¹), and the per capita emissions has also increased. Sector emissions increased for industry, commercial and transport sectors, but decreased in the domestic sector. (See data in Appendix 1, Recommended Wider Influence section, question 1.)
- 2.3.2 Council officers continue to encourage emissions reduction by Fife businesses who can access non-repayable grants of up to £2,850 to help achieve net-zero emissions. This funding supports premises improvements, waste reduction, reuse, and the creation of green jobs. Business Gateway Fife advisors and Economic Development staff are actively encouraging uptake.
- 2.3.3 Fife Council is actively addressing employability and climate action through initiatives like the Community Improvement Squad Academy (CISA) and the Lochore Meadows Green Skills Academy. CISA offers participants outdoor work experience, training, and employability support while improving local communities. In partnership with Fife Council Grounds Maintenance Services, CISA helps participants gain skills for fast-track recruitment into grounds maintenance roles. The Lochore Meadows Academy focuses on green jobs and environmental skills for young people, rebuilding a vandalized structure as part of their practical experience. Both programs emphasize upskilling, community improvement, and support for sustainable careers.

2.4 Adaptation

- 2.4.1 Fife is already experiencing impacts of unavoidable climate change. Anecdotal evidence from Roads and Transportation Services, Housing and the Emergency Resilience have indicated a growing number of storm and flood related impacts.

¹ www.gov.uk/government/collections/uk-local-authority-and-regional-greenhouse-gas-emissions-national-statistics

- 2.4.2 Fife Council continues to address climate change risks through a range of initiatives. Key actions include progressing flood studies as part of the 6-year cycle under the Flood Risk Management Act. Fife Council also works with partners such as Scottish Government, SEPA and Dynamic Coast to review coastal impacts. Adaptation measures include pre-flood checking, installing flood pods in high-risk areas, and using “Metdesk” data for severe weather warnings.
- 2.4.3 Fife's Local Resilience Partnership ensures a coordinated, multi-agency response to incidents including a growing number of severe weather incidents, prioritising assistance to vulnerable communities. The Emergency Resilience team supports communities to establish Emergency Resilience Community Groups to enable proactive community actions.
- 2.4.4 The Council is also advancing nature-based solutions, engaging in projects such as the River Leven restoration project which focuses on naturalisation, tree planting, and biodiversity improvements. Adaptation is now being fully integrated into the revised Open Space, Forest and Woodland, and Local Biodiversity Action Plans.

2.5 Future Action

- 2.5.1 The Council initiated a refocus of the Sustainable Energy and Climate Action Plan in 2023, culminating in a revised Climate Fife Strategy and Action Plan in March 2024. Climate Fife 24 highlights actions to be delivered by 2027, and identified 3 areas in which transformational changes are required across energy, climate resilience and community climate action; these are the 3 Big Moves.
- 2.5.2 Council officers across a number of services are working to integrate climate actions in relevant plans and strategy development which will further enhance future climate mitigation and adaptation. This includes tackling climate adaptation through emerging Fife Place Plan, Forest and Woodland Strategy, and Local Biodiversity Action Plan.

3.0 Conclusions

- 3.1 Fife Council's carbon footprint has over all increased by 2% from 2022/23 to 2023/24 necessitating additional efforts to reduce emissions related to delivery of public services in Fife. Per capita emissions are also growing, identifying a need for further climate actions by communities, householders and businesses in Fife. Climate Fife 2024 sets out the planned actions to enable these improvements.
- 3.2 Fife is already experiencing impacts of climate change, and improving resilience to these is key to delivery of Climate Fife 2024.

List of Appendices

1. Appendix 1: Fife Council's 2023/24 report on progress of Public Bodies Climate Change Duties. (A Word document version will be created for the Committee papers)

Background Papers

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

- Guidance on Public Bodies Climate Change Duties Annual Compliance Reporting, Aug 2024: [PBDR Guidance 2024 August v1.2.pdf \(sustainable-scotland.org.uk\)](https://www.sustainable-scotland.org.uk/wp-content/uploads/2024/08/PBDR-Guidance-2024-August-v1.2.pdf)

Report Contact: Shona M Cargill, Lead Officer (Sustainable Development)
Author Name: Shona Cargill Lauren Wyse
Author's Job Title: Lead Officer (Sustainable Development) Graduate Project Officer
Workplace: Fife House
Telephone: 03451 55 55 55 + VOIP Number 446961
Email: ShonaM.Cargill@fife.gov.uk

PART 1: Profile of Reporting Body**1(a) Name of reporting body**

Fife Council

1(b) Type of body

Local Government

1(c) Highest number of full-time equivalent staff in the body during the report year

15,753

1(d) Metrics used by the body

Specify the metrics that the body uses to assess its performance in relation to climate change and sustainability

Metric	Units	Value	Comments
Floor area	m2	73.81	Units are kWh per m2. We monitor electricity consumption in kWh per m2 of GIA.
Floor area	m2	164.43	Units are kWh per m2. We monitor oil consumption (burning oil / kerosene) in kWh per m2 of GIA.
Floor area	m2	115.33	Units are kWh per m2. We monitor the consumption of green electricity via Fife Council generation, in kWh per m2 of GIA.
Floor area	m2	32.8	Units are kWh per m2. We monitor the consumption of green electricity via Fife Council generation, in kWh per m2 of GIA.
Other (please specify in comments)		108.97	Rates per sqm are calculated against assets where there are both a GIA value and energy consumption for the utility, i.e. the GIA of assets that have no Gas consumption are not included in the calculation of the rate per sqm.

1(e) Overall budget of the body

Specify approximate £/annum for the report year

Budget	Budget comments
£1,033,354,715	This is figure is from the 2023-24 Annual Accounts

1(f) Report type

Specify the report year type

Report type	Report year comments
Financial	Financial

1(g) Context

Provide a summary of the body's nature and functions that are relevant to climate change reporting

As a Local Authority we are considered to be a major player under the Climate Change Act's public duties reporting requirements. As a major player we feel that it is important to offer leadership within our wider region. While the Council's direct footprint only represents 3% of Fife's total carbon footprint, through our policies, projects and service delivery we have an influence over upwards of 33% of Fife's total carbon footprint. Our influence on Fife-wide emissions can be direct or indirect. After the NHS, the Council is the largest employer in the region. We are a major landowner in Fife. We also operate a large property portfolio within Fife which comprises thousands of properties from leisure centres, offices, schools, landfill sites, and care homes to social housing units. We also set planning policy and make strategic decisions about where and how Fife should be developed in the future. These decisions will shape Fife's future resilience to the projected impacts of climate change and our future emissions trajectory. As a Local Authority in an area with an expanding population, Fife Council provides a wide range of services that are relevant to climate change reporting. Some of the ways that the Council influences emissions and adaptive capacity include:

- The development of strategic transport policy;
- Roads design and maintenance works;
- Operation and maintenance of street lighting;
- Our decisions about where to site assets and how we build, operate and maintain them (such as schools and leisure centres) and how these will be linked to the transport network, powered, landscaped;
- Development of low carbon transport networks such as electric and hydrogen vehicles;
- Development of active travel networks to encourage walking and cycling;
- Council subsidy of commercial passenger transport (i.e. bus routes);
- Council provision of accessible transport for vulnerable residents (Fifebus);
- Contracting bus and taxi transportation for school children;
- Our procurement of low carbon transport technologies (EVs, hybrid EVs and hydrogen / diesel hybrids) for Council and community use;
- Supporting fuel efficient driving schemes both within the Council fleet and with fleet operators across Fife (ECOSTars scheme);
- How and where we place residents who are seeking social housing (i.e. close to family and their place of work);
- How Council staff work ;
- The development of planning policy and planning guidance;
- Granting planning permission;
- Building standards inspections;
- Decisions about the Council's affordable housing programme;
- Providing discounted insulation and other energy efficiency measures to private and social housing residents;
- Working with local businesses to share best practice in terms of emissions reductions. Fife Council influences emissions from land use and land use change in a number of ways too, including:
- Waste management and waste disposal options;
- Management of our own significant land-holdings;
- Expanding our use of biofuel powered heating systems;
- Flood risk management and coastal protection;
- Encouraging biodiversity, reforestation and natural flood management by the use of blue –green infrastructure;
- Using regeneration to achieve sustainability and climate change objectives;
- Building local networks (e.g. Fife Environmental Partnership) to share environmental best practice and partnership solutions; and
- Working with local landowners to share best practice in terms of emissions reduction and using the land to enhance adaptive capacity. The list above is not exhaustive but illustrates the sheer depth and breadth of services provided by the Council and some of the ways that we can influence climate change mitigation and adaptation in Fife.

PART 2: Governance, Management and Strategy**Governance and Management****2(a) How is climate change governed in the body?**

Provide a summary of the roles performed by the body's governance bodies and members in relation to climate change. If any of the body's activities in relation to climate change sit outside its own governance arrangements (in relation to, for example, land use, adaptation, transport, business travel, waste, information and communication technology, procurement or behaviour change), identify these activities and the governance arrangements. Provide a diagram / chart to outline the governance structure within the body.

Policy and strategy regarding climate change are agreed by Committee. During the reporting year this includes the Cabinet Committee which will scrutinise and approve refresh of the 2020 Climate Fife Strategy, and scrutinises and approves the Public Bodies Climate Change Duties Report. Fife has a series of Committees established with a scrutiny and audit function; the Environment, Transportation and Climate Change Scrutiny Committee monitors the performance of services and funded third party organisations, consider decisions of the Cabinet Committee, and can scrutinise and investigate any particular matter determined by the Committee. Planning Committees scrutinise planning and related applications, and Local Area Committees approve implementation of projects at a local level. For the forthcoming review of the Local Development Plan, Fife Council will consider approval of key stages of the Plan.

Fife Council also operates within the Fife Partnership (the Community Planning partnership which includes wider public sector organisations). They produce Fife's Local Outcome Improvement Plan / Community Plan called 'A Plan for Fife' (https://www.fife.gov.uk/__data/assets/pdf_file/0024/340656/Recovery-and-Renewal-Plan-for-Fife-2021-24.pdf), with cross-partner environmental strategy and action undertaken by the Fife Environmental Partnership (FEP). FEP's role within The Plan for Fife is to develop and deliver environmental projects.

The Addressing the Climate Emergency (ACE) Board reports to the Fife Partnership Board and Recovery and Renewal Leadership Group. Membership includes Executive Director, E&E, (Lead); Head of Planning, Head of Finance, Director of Property and Management (NHS), Chair of Fife Environmental Partnership, Head of Customer Service & Support Zero Waste Scotland. The ACE Board monitors implementation of Fife's strategy "Climate Fife" and annual reporting is undertaken to the Fife Partnership on progress.

2(b) How is climate change action managed and embedded in the body?

Provide a summary of how decision-making in relation to climate change action by the body is managed and how responsibility is allocated to the body's senior staff, departmental heads etc. If any such decision-making sits outside the body's own governance arrangements (in relation to, for example, land use, adaptation, transport, business travel, waste, information and communication technology, procurement or behaviour change), identify how this is managed and how responsibility is allocated outside the body. Provide a diagram to show how responsibility is allocated to the body's senior staff, departmental heads etc.

Climate change strategy is implemented and managed through the Addressing the Climate Emergency Board. With overall decision making in relation to climate change and delivery of services conducted by the Council Executive Team (CET). CET is the most senior management body in the council, made up of the Chief Executive and the five Executive Directors. Duties and responsibilities are cascaded through directorate and service management teams.

Strategy

2(c) Does the body have specific climate change mitigation and adaptation objectives in its corporate plan or similar document?		
Provide a brief summary of objectives if they exist.		
Wording of objective	Name of document	Document link
Reducing the impact of the climate emergency	Plan4Fife	https://our.fife.scot/plan4fife/plan-for-fife-2021-24
Greater resilience to climate change	Plan4Fife	https://our.fife.scot/plan4fife/plan-for-fife-2021-25
Increased community capacity to tackle climate change	Plan4Fife	https://our.fife.scot/plan4fife/plan-for-fife-2021-26
Reduced carbon emissions	Plan4Fife	https://our.fife.scot/plan4fife/plan-for-fife-2021-27

2(d) Does the body have a climate change plan or strategy?
If yes, provide the name of any such document and details of where a copy of the document may be obtained or accessed.
Throughout 2023/24 the Climate Strategy was reviewed and the refreshed strategy and action plan was released in March 2024. Climate Fife 2024 Strategy and Action Plan: https://www.fife.gov.uk/__data/assets/pdf_file/0020/560072/C

2(e) Does the body have any plans or strategies covering the following areas that include climate change?				
Provide the name of any such document and the timeframe covered.				
Topic Area	Name of document	Link	Time period covered	Comments
Waste management	Zero Waste Fife. Resource Strategy & Action Plan	https://www.fife.gov.uk/__data/assets/pdf_file/0032/193379/Resources-Strategy-Action-Plan.pdf	2018 - 2028	

2(f) What are the body's top 5 priorities for climate change governance, management and strategy for the year ahead?
Provide a brief summary of the body's areas and activities of focus for the year ahead.
With Climate Fife 2024 being launched, and a review of the Plan for Fife underway, the ACE Board will be working to maintain momentum of climate actions. A series of collaborative partnership projects are being established in 2024/25, and a Delivery Group will drive their development and deployment while the ACE Board continues to deliver strategic leadership through Fife Council and the partner organisations.

2(g) Has the body used the Climate Change Assessment Tool(a) or equivalent tool to self-assess its capability / performance?

If yes, please provide details of the key findings and resultant action taken.

(a) This refers to the tool developed by Resource Efficient Scotland for self-assessing an organisation's capability / performance in relation to climate change.

With Climate Fife 2024 being launched, and a review of the Plan for Fife underway, the ACE Board will be working to maintain momentum of climate actions. A series of collaborative partnership projects are being established in 2024/25, and a Delivery Group will drive their development and deployment while the ACE Board continues to deliver strategic leadership through Fife Council and the partner organisations.

Further information

2(h) Supporting information and best practice

Provide any other relevant supporting information and any examples of best practice by the body in relation to governance, management and strategy.

PART 3: Corporate Emissions, Targets and Project Data

Emissions

3(a) Emissions from start of the year which the body uses as a baseline (for its carbon footprint) to the end of the report year								
Complete the following table using the greenhouse gas emissions total for the body calculated on the same basis as for its annual carbon footprint / management reporting or, where applicable, its sustainability reporting. Include greenhouse gas emissions from the body's estate and operations (a) (measured and reported in accordance with Scopes 1 & 2 and, to the extent applicable, selected Scope 3 of the Greenhouse Gas Protocol (b). If data is not available for any year from the start of the baseline year to the end of the report year, provide an explanation in the comments column.								
(a) No information is required on the effect of the body on emissions which are not from its estate and operations.								
(b) This refers to "The greenhouse gas protocol. A corporate accounting and reporting standard (revised edition)", World Business Council for Sustainable Development, Geneva, Switzerland / World Resources Institute, Washington DC, USA (2004), ISBN: 1-56973-568-9.								
Reference Year	Year	Year type	Scope 1	Scope 2	Scope 3	Total	Units	Comments
Baseline year	2011/12	Financial			95,803	95,803	tCO2e	Used as baseline year because this was the first year we reported using the WRI 3 scopes methodology (but no record of 3 scopes)
Year 1 carbon footprint	2012/13	Financial			92,124	92,124	tCO2e	(No record of 3 scopes)
Year 2 carbon footprint	2013/14	Financial			91,813	91,813	tCO2e	(No record of 3 scopes)
Year 3 carbon footprint	2014/15	Financial			93,431	93,431	tCO2e	This figure is a revision as an error was discovered in our fleet fuel consumption figures (the feeder data used for capturing fuel consumption uses a slightly different date range to the reporting year).
Year 4 carbon footprint	2015/16	Financial	34,588	48,270	6,003	88,861	tCO2e	Full audit of carbon footprint data undertaken.
Year 5 carbon footprint	2016/17	Financial	34,882	42,497	5,753	83,133	tCO2e	Calculated in line with the lessons learned from previous audits of the footprint (in 15-16 and 16-17).
Year 6 carbon footprint	2017/18	Financial	36,069	34,619	5,125	75,814	tCO2e	Calculated in line with lessons learned from previous submissions and Fife Council footprint policy.
Year 7 carbon footprint	2018/19	Financial	32,733	25,489	4,103	62,325	tCO2e	
Year 8 carbon footprint	2019/20	Financial	31,359	21,236	2,990	55,585	tCO2e	
Year 9 carbon footprint	2020/21	Financial	27,367	16,089	6,200	49,655	tCO2e	
Year 10 carbon footprint	2021/22	Financial	30,954	17,035	6,369	54,358	tCO2e	
Year 11 carbon footprint	2022/23	Financial	29,315	15,147	5,691	50,153.00	tCO2e	
Year 12 carbon footprint	2023/24	Financial	28,927	16,468	6,803	52,197.42	tCO2e	
Year 13 carbon footprint								
Year 14 carbon footprint								
Year 15 carbon footprint								

Complete the following table with the breakdown of emission sources from the body's most recent carbon footprint (greenhouse gas inventory); this should correspond to the last entry in the table in 3(a) above. Use the 'Comments' column to explain what is included within each category of emission source entered in the first column. If there is no data consumption available for an emission source enter the emissions in kgCO2e in the 'Consumption' column of one of the "Other" rows and assign the scope and an emission factor of 1.

(a) Emissions factors are published annually by the UK Department for Business, Energy & Industrial Strategy

Emission Factor Year The emission factor year is auto-assigned based on your answer to Q1f, if it is incorrect please contact SSN.
 You can now filter emission sources by "type" in column C to enable quicker selection of emission source in column D.
 User defined emission sources can be entered below remote/homeworking emissions - rows 101 to 129. If you require extra rows in the table please send the template to ccreporting@ed.ac.uk.

Emission	Emission source	Scope	Consumption data	Units	Emission factor	Units	Emissions (tCO2e)	Comments
Electricity	Electricity: UK	Scope 2	77,605,846	kWh	0.20707	kg CO2e/kWh	16,070.00	FC owned non-domestic buildings including inhabited by Trusts plus Infrastructure and EV charging points.
Electricity	Transmission and distribution - Electricity: UK	Scope 3	77,605,846	kWh	0.01792	kg CO2e/kWh	1,390.00	FC owned non-domestic buildings including inhabited by Trusts plus Infrastructure and EV charging points.
Fuels	Natural gas	Scope 1	99,792,033	kWh	0.18293	kg CO2e/kWh	18,255.00	FC owned non-domestic buildings including inhabited by Trusts.
Fuels	Gas oil	Scope 1	926,994	kWh	0.2565	kg CO2e/kWh	238	FC owned non-domestic buildings including inhabited by Trusts.
Fuels	Burning oil (Kerosene)	Scope 1	45,439	kWh	0.25	kg CO2e/kWh	11	FC owned non-domestic buildings including inhabited by Trusts.
Renewables	Renewable Heat Purchase Direct Supply	Scope 2	9,840,789	kWh	0.000000	kg CO2e/kWh	0	RWE biomass plant supply to Glenrothes district heat network
Fuels	LPG	Scope 1	233,910	kWh	0.2145	kg CO2e/kWh	50.00	FC owned non-domestic buildings including inhabited by Trusts.
Bioenergy	Wood chips	Scope 1	13,802,280	kWh	0.01074	kg CO2e/kWh	0	FC owned non-domestic buildings including inhabited by Trusts. Plus Dunfermline District Heat and Anaerobic Digester.
Water	Water treatment	Scope 3	597,538	cubic metres	0.19000	kg CO2e/cubic metres	60	"Incomplete" FC owned non-domestic buildings including inhabited by Trusts that are on our monitoring system. See row 62 due to underlying spreadsheet error.
Water	Water supply	Scope 3	597,538	cubic metres	0.10000	kg CO2e/cubic metres	60	"Incomplete" FC owned non-domestic buildings including inhabited by Trusts that are on our monitoring system.
Fuels	Diesel (average biofuel blend)	Scope 1	4,076,452	liters	2.51206	kg CO2e/litres	10,240.00	Fleet use and plant at the resource recovery sites.
Fuels	Petrol (average biofuel blend)	Scope 1	63,210	liters	2.09747	kg CO2e/litres	133.00	Fleet and tools.
Transport - car	Average car - Unknown	Scope 3	6,788,651	miles	0.26817	kg CO2e/miles	1820	FC staff business mileage obtained from mileage expense claims, do not log the vehicle fuel used.
Waste	Household/Municipal/Domestic waste - Landfill	Scope 3	4,903	tonnes	497.04471	kg CO2e/tonnes	2,437.00	Average weight per uplift applied
Waste	Organic: food and drink waste - Anaerobic digestion	Scope 3	1,592,460	tonnes	8.91242	kg CO2e/tonnes	14.00	Average weight per uplift applied

Waste	Organic: food and drink waste - Composting	Scope 3	32.720	tonnes	8.91242	kg CO2e/tonnes	0.3	Average weight per uplift applied
Electricity	Electricity: UK	Scope 2	196,623	kWh	0.20707	kg CO2e/kWh	41	FC fleet EV charging
Electricity	Electricity: UK	Scope 2	1,723,527.000	kWh	1.20707	kg CO2e/kWh	357	Public EV charging
Homeworking	Homeworking (office equipment + heating)	Scope 3	2,898,000	FTE Working Hour	0.33378	kg CO2e/FTE Working Hour	967	Annual estimate based on 2500 workers 70% WFH
Water	Water treatment	Scope 3	597,538	kWh	0.19	kg CO2e/kWh	114	FC owned non-domestic buildings including inhabited by Trusts. Biomass is measured on heat meters after the boilers, so is divided by boiler efficiency (assumed to be 88%) for consumption data.

3(c) Generation, consumption and export of renewable energy

Provide a summary of the body's annual renewable generation (if any), and whether it is used or exported by the body.

Technology	Renewable Electricity		Renewable Heat		Comments
	Total consumed by the body (kWh)	Total exported (kWh)	Total consumed by the body (kWh)	Total exported (kWh)	
Air Source Heat Pump					There are a variety of small air source heat pump installations mostly on primary schools, nurseries and extensions but they are not separately metered so this figure is unknown.
Biogas			2,668,000	506,920	Anaerobic digester produces biogas, electricity generation is claimed by 3rd party. Heat used by Dunfermline District Heat Network.
Biomass			13,802,280	828,137	TOTAL CONSUMED CHP 1 Exported via district heat
Landfill gas CHP			4,439,000	843,410	CHP from council landfill gas, turbines owned and operated by external company claiming the revenue for electricity
Solar PV	112,822				Electric figure is for Kelty PS, Kirkcaldy HS and Falkland PS. Array on a shed at Lower Melville Wood that uses the full supply and Napier Care Home. All systems designed to avoid export with no export meters employed.
Wind	623	225,570			Lower Melville Wood - TURBINE NO LONGER BELONGS TO FIFE COUNCIL

Targets
3(d) Organisational targets

List all of the body's targets of relevance to its climate change duties. Where applicable, targets for reducing indirect emissions of greenhouse gases, overall carbon targets and any separate land use, energy efficiency, waste, water, information and communication technology, transport, travel and heat targets should be included. Where applicable, you should also provide the body's target date for achieving zero direct emissions of greenhouse gases, or such other targets that demonstrate how the body is contributing to Scotland achieving its emissions reduction targets.

Name of target	Type of target	Target	Units	Boundary/scope of target	Year used as baseline	Baseline figure	Units of baseline	Target completion year	Progress against target	Comments
Climate Emergency Carbon Reduction Target	Absolute	Net Zero	tCO2e reduction	All emissions	2014/15	95,803	tCO2e	2044/45	50,032.00	Net zero is based on current emissions. Baseline year 2011/12 and target 2038/39
Zero direct estate emissions	Absolute	Net Zero	tCO2e reduction	Scope 1	2014/15	62,485.00	tCO2e	2044/45	36,751	Baseline year 2014/15 and target year 2038/39

3(da) How will the body align its spending plans and use of resources to contribute to reducing emissions and delivering its emission reduction targets?

Provide any relevant supporting information

Fife Council's corporate plan identifies Addressing the Climate Emergency as a priority. Services are therefore expected to take actions to reduce emissions and deliver on its emissions reduction target in a phased way. A capital allocation of £13.6 million was approved for non-domestic buildings (from 2021/22 to 2026). This was updated on 22 June 23 as Full Council approved £14.9m for Net Zero works. To maximise the impact of this investment, it is being deployed for ASHP systems with capacity sized to meet 60% of the peak heat demands in buildings, with the existing gas boilers being retained for back-up and top-up. This will allow for up to 90% of the annual heat demand for these buildings to be met with ASHP, dramatically cutting their CO2 emissions. Not sizing ASHP for the peak demands and largely staying within the existing electric supply capacity to each site, means that less pressure will be put on the electricity grid, meaning a greater grid capacity will remain for EV charging, solar pv and other ASHP installations in the locality of each site. As fewer internal works are required, each building can operate as normal with no decanting of building users required - this is especially important for schools as there are only 6 Summer holiday periods between now and 2030. Pragmatic easily implemented insulation works will be done where these are identified. Where possible projects will be undertaken when opportunities arise during major refurbishment works and for extensions, for example during recent works at 4 theatres, LED lighting was installed. As well as investment in energy efficiency and CO2 cutting projects, the council has/is recruiting people to implement the works - principally a Net Zero Lead Professional, a trainee BEMS officer and 2 M&E designers to support the programme.

3(db) How will the body publish, or otherwise make available, it's progress towards achieving its emissions reduction targets?

Provide any other relevant supporting information. In the event that the body wishes to refer to information already published, provide information about where the publication can be accessed.

In addition to the PBDR published on SSN's website, this is included in the Council web pages.
Prior to the submission of the PBDR to SSN, a summary Committee paper is submitted to Fife Council's Cabinet Committee, which is annually published via Fife Council's public website.
In March 2024 Fife Council produced a focussed action plan covering 2024-27, which includes the progress to date to achieve carbon emissions reduction, and set out the priority actions for the next 3 years to reduce emissions and adapt to climate change. A progress reporting portal is also being established to make a summary of ACE Board reporting available via the Council's website.

Projects and changes

3(e) Estimated total annual carbon savings from all projects implemented by the body in the report year		
Emissions source	Total estimated annual carbon savings (tCO2e)	Comments
Electricity		BEMS (Building Energy Management System) adjustments & improvements.
Natural gas		BEMS (Building Energy Management System) adjustments & improvements. Repairing the leak detection system on the Dunfermline Community Energy Scheme & the leaks subsequently discovered.
Fleet transport	86	Abandoning Gas Oil use and moving to Diesel Bio Fuel.
Total	86	

3(f) Detail the top 10 carbon reduction projects to be carried out by the body in the report year											
Provide details of the 10 projects which are estimated to achieve the highest carbon savings during report year.											
Project name	Funding source	First full year of CO2 savings	Are these savings figures estimated or actual?	Capital cost (£)	Operational cost (£/annum)	Project lifetime (years)	Primary fuel/emission source saved	Estimated carbon savings per year (tCO2e/annum)	Estimated cost savings (£/annum)	Behaviour change	Comments

3(g) Estimated decrease or increase in the body's emissions attributed to factors (not reported elsewhere in this form) in the report year			
If the emissions increased or decreased due to any such factor in the report year, provide an estimate of the amount and direction			
Emissions source	Total estimated annual emissions (tCO2e)	Increase or decrease in emissions	Comments
Estate changes	413	Decrease	There has been a decrease from 420 to 413
Total		-413	

3(h) Anticipated annual carbon savings from all projects implemented by the body in the year ahead		
Emissions source	Total estimated annual carbon savings (tCO2e)	Comments
Fleet Transport		Additional 16 vans added to fleet
Total		

3(i) Estimated decrease or increase in emissions from other sources in the year ahead			
If the body's corporate emissions are likely to increase or decrease for any other reason in the year ahead, provide an estimate of the amount and direction.			
Emissions source	Total estimated annual emissions (tCO2e)	Increase or decrease in emissions	Comments
Total			

3(j) Total carbon reduction project savings since the start of the year which the body used as a baseline for its carbon footprint		
If the body has data available, estimate the total emissions savings made from projects since the start of that year ("the baseline year").		
Total savings	Total estimated emissions savings (tCO2e)	Comments
Total project savings since baseline year		

Further information

3(k) Supporting information and best practice
Provide any other relevant supporting information and any examples of best practice by the body in relation to corporate emissions, targets and projects.
<p>Fleet Services are continuing to strive to bring the most fuel efficient vehicles and alternative fuelled vehicles onto the Council's Fleet. Working with our key stakeholders we're actively trying to reduce the Council's fleet of vehicles and to promote alternative methods of service delivery through vehicle procurement and telematics.</p> <p>Property Services are implementing phase 2 of a programme to install ASHP (Air Source Heat Pump) systems in buildings to supply the majority of the heating demand while retaining site gas boilers for top-up and back-up duties. This programme of ASHP works has been developed specifically to reach an intermediate target to cut 68% off CO2 emissions from non-domestic buildings by 2030, in the most pragmatic and economic way possible. The council are seeking opportunities to reduce electric demands via LED lighting and solar pv roof installations which will aid the grid in coping with additional demands from ASHP and EV charging, thus assisting in the decarbonisation process. Where possible, refurbishment and maintenance is being done in a way that mitigates CO2 emissions. For example, if gas boilers are reaching the end of life, ASHP and/or district heating are being considered rather than as imple like for like as per previous practice.</p>

PART 4: Adaptation**Assessing and managing risk****4(a) Has the body assessed current and future climate-related risks?**

If yes, provide a reference or link to any such risk assessment(s).

Fife Council has corporate climate change risk in the Corporate Risk Register. SEPA produced Flood Risk Management Strategies which informed Local Flood Risk Management Plans requiring flood risk studies, including coastal, to be conducted. FC are progressing these studies as part of the 6 year cycle required under the Flood Risk Management Act 2009. Our Flooding, Shoreline, and Harbours team has supported the Scottish Government on the Scotland's Dynamic Coast project to provide a National Coastal Change Assessment for Scotland. The outcomes from the Dynamic Coast project can be found online here: <http://dynamiccoast.com/> Further works were carried out by SEPA under the National Flood Risk 2 assessment issued in Autumn 2018. A Fife Local Climate Impacts Profile (LCLIP) 2000-2010, was produced by Fife Council Transportation Services, with guidance from the UK Climate Impacts Programme (UKCIP) and the Scottish Climate Change Impacts Partnership (SCCIP). The LCLIP considered the vulnerability of Council services to severe weather events in that decade. It is also available online at: <https://climatechange.fife.scot/> As signatories to the Covenant of Mayors' Initiative on Adaptation to Climate Change (aka EU Mayors Adapt - <http://mayors-adapt.eu/>) the Council completed a risk and vulnerability assessment for the region https://www.fife.gov.uk/__data/assets/pdf_file/0028/219970/Climate-Fife-Sustainable-Energy-and-Climate-Action-Plan-2020-2030.pdf.

4(b) What arrangements does the body have in place to manage climate-related risks?

Provide details of any climate change adaptation strategies, action plans and risk management procedures, and any climate change adaptation policies which apply across the body.

In 2023/24 Fife Council updated the 2019 Climate Risk & Vulnerability Assessment. That was completed in June 2023, and will be followed by development of the Big Resilience Move under Climate Fife to augment the flood management strategies & action plans detailed below.

A number of services have their own contingency plans which are implemented during severe weather events.

The following strategies and plans already consider climate change adaptation:

- Shoreline Management Plan
- Plan4Fife (LOIP)
- Local Flood Risk Management Plans
- Fife Council Transportation Development Guidelines
- Fife Climate Change Impact Profile (LCLIP)
- Local Transport Strategy
- Fife Safeguarding of Infrastructure Programme (Roads and Bridges)
- Roads Maintenance Policies and Standards 2011
- Bridge Strengthening Programme
- SEStran Regional Transport Strategy
- Climate Change Adaptation Framework 2010
- Climate Change Strategy - Climate Fife
- Flooding Emergency Procedures

Taking action

4(c) What action has the body taken to adapt to climate change?

Include details of work to increase awareness of the need to adapt to climate change and build the capacity of staff and stakeholders to assess risk and implement action. The body may wish to make reference to the Scottish Climate Change Adaptation Programme ("the Programme").

The following adaptation actions were undertaken in the reporting year:

- to increase awareness of the need to adapt, and to build staff capacity via a programme of Climate Literacy training.
- pre-flood checking
- we continue to maintain our Flood Pods in high risk areas within Fife.
- deployed Property Flood Resilience Grants to Fife householders who have experienced floods.
- A number of services have their own adaptation actions and contingency plans which are implemented during severe weather events, the Council also already has a suite of well-developed response plans for generic emergency events which could impact Fife-wide or Council-wide.
- Vaisala weather data from the Met Office is passed onto the Emergency Resilience team who then issue notices to services of severe weather events being forecast
- Metdesk is used by Roads & TRansportation Services to access weather forecasting in relation to service deployment.

Working in partnership is an essential part of our adaptation strategy. Fife Council is a core member of the Fife Local Resilience Partnership (LRP) which already has a severe weather plan for Fife dealing with snow, wind storms, ice and flood events. LRP partners:

- Maintain, test and exercise plans and procedures for an effective multi-agency response to severe weather events.
- distribute early notification of severe weather forecasts
- work with communities to develop community emergency plans for their local area
- identify and target assistance to the most vulnerable members of communities
- run a severe weather exercise annually. Fife Council officers are a core part of these exercises
- Flood Studies have been completed and continue to be progressed as stated within the Local Flood Risk Management Plans. There are additional Surface Water Management Plans and Natural Flood Management activities that have started. All these studies have sustainable approaches, including managed adaptive principles embedded, and include awareness raising and self help for local communities.

4(d) Where applicable, what contribution has the body made to helping deliver the Programme?

Provide any other relevant supporting information

The following actions outline Fife Council's contribution to delivery of the Adaptation programme:

As a 'Major Player' Fife Council have completed 10 Flood Studies and have a further 12 underway that will seek to address the potential impacts of climate change on all sources of flooding in Fife.

Fife Council are currently partners in a number of nature based solutions projects with adaptation outcomes, including:

- Lyne Burn Project - naturalisation of 800m of culverted burn, planting of 2,000 trees, nature education classes, renovation of a derelict community garden, wildflower meadows, tree adoption
- River Leven project - aiming to naturalise part of the lower catchment.
- Our Open Space Strategy, Forest and Woodland Strategy and Local Biodiversity Action Plan are being revised to include adaptation as a core outcome.

We have established a Coastal Communities Fund, which provides funding towards climate resilience projects undertaken by local community groups.

- Fife Council deployed Property Flood Resilience grants to homeowners and undertook flood resilience works for impacted Council tenants.

Review, monitoring and evaluation

4(e) What arrangements does the body have in place to review current and future climate risks?

Provide details of arrangements to review current and future climate risks, for example, what timescales are in place to review the climate change risk assessments referred to in Question 4(a) and adaptation strategies, action plans, procedures and policies in Question 4(b).

Fife Council includes climate risk as part of its Corporate Risk Register. This risk is monitored and updated every 6 months to ensure that it remains current, and is informed by the latest science, with a formal review every two years.

A review of the Risk & Vulnerability Assessment (as noted in 4a) was completed in June 2023. This will inform the overall risk profile and a climate risk indicator added to the corporate performance reporting from 2023. The Addressing the Climate Emergency Board are overseeing development of activities under the Big Resilience Move..

4(f) What arrangements does the body have in place to monitor and evaluate the impact of adaptation actions?

Please provide details of monitoring and evaluation criteria and adaptation indicators used to assess the effectiveness of actions detailed under Question 4(c) and Question 4(d).

The overall strategic risk is scored and review as noted above. Operationally, the frequency of winterisation activities (gritting, snow clearing etc.) undertaken is recorded on the corporate reporting system, allowing a year to year comparison of how winter weather has changed. The amount of time spent by Transportation Services road operations crews on responding to flooding events is recorded to allow an understanding of how external events impact the Services work schedule and staff deployment. External contractors working on construction projects capture wet-day information (i.e. days when construction work was suspended or delayed because of inclement weather) to comply with Fife Council procurement contract terms. Fife Council has to pay passenger transport subcontractors standstill costs on days that services cannot operate due to severe weather conditions. These costs are 50% of normal operating costs. Standstill data costs are collated but are not readily available (they are stored on ERP, or xls database).

Progress of the Climate Fife action plan 2023-27 is monitored by the Addressing the Climate Emergency Board quarterly.

Future priorities for adaptation

4(g) What are the body's top 5 climate change adaptation priorities for the year ahead?

Provide a summary of the areas and activities of focus for the year ahead.

1. Complete the 2025 revision of the Risk & Vulnerability Assessment, develop details of the Big Resilience Move.

2. Incorporate climate resilience into local community plans

3. Complete the Coastal Change Adaptation case studies to inform process and engagement activities and support development of the Coastal Change Adaptation Strategy and Fife's Place Plan.

4. Continue the Climate Literacy programme (incorporating climate adaptation) for staff and Elected Members.

5. The Flooding, Shoreline & Harbours team within Structural Services, as part of our statutory duties concerning the Flood Risk Management (Scotland) Act 2009 have assessed areas within Fife that are deemed to be Potentially Vulnerable Areas (PVAs) at risk of flooding. Fife Council are in 4 Local Plan Districts and have work to carry out in 18 PVA's.

Further information

4(h) Supporting information and best practice

Provide any other relevant supporting information and any examples of best practice by the body in relation to adaptation.

PART 5: Procurement**5(a) How have procurement policies contributed to compliance with climate change duties?**

Provide information relating to how the procurement policies of the body have contributed to its compliance with climate changes duties.

Before a contracting authority buys anything, it must think about how it can improve the social, environmental and economic wellbeing of the area in which it operates, with a particular focus on reducing inequality. To achieve this we have identified through our ongoing refresh of our existing Procurement Strategy that Sustainability and Addressing the Climate Emergency as a Strategic Driver - Sustainable Procurement (Environmental, Social, Economic, Ethical considerations) including:

- o Addressing the Climate Emergency
- o Community Wealth Building (Spending Pillar)

We will ensure consideration of Sustainable Procurement in all appropriate procurement exercises and this includes:

- o Environmental, social, economic, and ethical factors.
 - Choose suppliers committed to sustainability (e.g., carbon reduction, waste minimization).
 - Evaluate suppliers' environmental policies to support Fife's net-zero goals.

o Focus on addressing the climate emergency and community wealth building.

o Before purchasing, evaluate how it impacts the local area and reduces inequality.

Consideration of Sustainable Procurement will be supported by

o Utilisation of the Scottish Governments Sustainable Procurement Tools which includes the Sustainable Procurement Prioritisation Tool and the Sustainability Test.

o Engage suppliers early to create climate-friendly solutions.

o Eliminate waste in the supply chain and promote a circular economy.

5(b) How has procurement activity contributed to compliance with climate change duties?

Provide information relating to how procurement activity by the body has contributed to its compliance with climate changes duties.

Key areas on ongoing work and improvements (projects) include

- Engage with Climate colleagues and seek expert support such as Scottish Government contractor, Sustainable Procurement Ltd. to educate and inform of opportunities and options.
- Investigate opportunities to get Officers 'Climate' trained.
- Consider, where possible the potential of reuse, repair and recycling of goods whilst scoping requirements, rather than default being to buy new.
- Engage with suppliers and others to get understanding of opportunities around carbon reducing actions that can be delivered in different markets and build into specifications etc. Also to ensure that suppliers are actively engaged in supporting a Just Transition to net zero.
- Include environmental considerations in procurement activity, by incorporating into the specification and/or applying relevant selection/award criteria where relevant and proportionate to do so.
- Where possible to do so, utilise a whole-life costing approach to ensure value for money in procurement, whilst minimising environmental damage and maximising socio-economic benefits.
- Procurement shall continue to provide applicable input to the 'Public Bodies Duties Report' (PBDR) as part of fulfilment of the Council's Public Sector Climate Change Duties.

Further information

5(c) Supporting information and best practice

Provide any other relevant supporting information and any examples of best practice by the body in relation to procurement.

We will support Climate Fife 2024 Strategy actions:

- Decarbonize buildings.
- Improve energy efficiency.
- Construct low-energy-use buildings.
- Develop affordable housing with zero-emissions heating.
- Invest in renewable energy projects.
- Promote zero waste and re-use schemes.
- Enhance electric vehicle infrastructure.
- Foster biodiversity projects.
- Provide climate literacy training.
- Support local businesses' transition to net zero.
- Collaborate with Food4Fife for sustainable food procurement.

We will ensure compliance with Sustainable Procurement Duty:

- o Fulfill objectives for fair work practices, local economic impact, and community benefits.
- o Apply appropriate tools and guidance from the Scottish Government.
- o Monitor and report on climate change and circular economy outcomes.

PART 6: Validation and Declaration**6(a) Internal validation process**

Briefly describe the body's internal validation process, if any, of the data or information contained within this report.

Fife Council's audit team undertakes regular audits of our performance across the range of Council Performance Indicators (including carbon emissions). Internal audits are undertaken on a 3 to 5 year cycle. An internal audit of Council climate activities was undertaken Autumn 2022 - Spring 2023.

Validation and sign off of this Public Sector Bodies Duties Report, the report was submitted for scrutiny and sign off to the following Fife Council officers and Committee:

Cabinet Committee

Head of Property Service

Head of Planning

Head of Housing

Head of Environment and Building Services

Head of Roads & Transportation

Head of Communities and Neighbourhoods

Head of Finance

Head of Legal and Democratic Services

Head of Revenue & Commercial Services

Chief Executive Officer, Fife Coast & Countryside Trust

6(b) Peer validation process

Briefly describe the body's peer validation process, if any, of the data or information contained within this report.

A post submission peer validation review was undertaken in 2023, and is intended for 2024.

6(c) External validation process

Briefly describe the body's external validation process, if any, of the data or information contained within this report.

This report has not been subject to formal external validation primarily due to resourcing ie staff time and budget constraints.

We are considering resource implications of this late 2024 and beyond.

6(d) No validation process

If any information provided in this report has not been validated, identify the information in question and explain why it has not been validated.

6(e) - Declaration

I confirm that the information in this report is accurate and provides a fair representation of the body's performance in relation to climate change.

Name:	Shona Cargill
Role in the body:	Lead Officer (Sustainable Development)
Date:	10/10/2024

Recommended Reporting: Reporting on Wider Influence

Wider Impact and Influence on GHG Emissions

Q1 Historic Emissions (Local Authorities only)

Please indicate emission amounts and unit of measurement (e.g. tCO2e) and years. Please provide information on the following components using data from the links provided below. Please use (1) as the default unless targets and actions relate to (2).

(1) UK local and regional CO2e emissions: **subset dataset** (emissions within the scope of influence of local authorities);

(2) UK local and regional CO2 emissions: **full dataset**;

Local Authority: (please state)	Fife
DESNZ Dataset: (full or sub-set)	Full

Source	Sector	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Units	Comments
DESNZ Sectors	Total Emissions		3,550.20	3,570.20	3,194.40	2,884.20	2,944.70	2,882.50	2,847.20	2,751.70	2,431.90	2,521.40	2,391.10	2,474.20	ktCO2e	
	Industry and Commercial		2,056.10	2,033.00	1,694.00	1,515.40	1,578.30	1,566.60	1,537.30	1,471.40	1,172.00	1,431.30	1,181.50	1,356.30	ktCO2e	
	Domestic		835.4	897.5	869.6	732.5	727.1	665	651.6	633.5	624.2	589.20	609.00	609.00	513.6	ktCO2e
	Transport total		658.7	639.7	630.8	636.3	639.3	650.9	658.3	646.8	635.7	500.9	600.6	604.3	ktCO2e	
	Per capita		12.4	12.4	11.1	10.2	10.7	10.1	9.9	9.6	8.7	8.9	8.7	8.9	ktCO2e	
Other Sectors																

2(a) Targets

Please detail your wider influence targets

Sector	Description	Type of target (units)	Baseline value	Start year	Target	Target/End year	Saving in last year measured	Latest year measured		comments
Overall Reduction Target	Net Zero Carbon Emissions in Fife by 2045	Absolute (tCO2)		1990	Net Zero	2045		2020		
Waste and Resource Efficiency	Household waste •70% recycling and composting (all waste) by 2025. • Maximum of 5% of waste to landfill by 2025. • 15% waste reduction (against 2011 levels) by 2025. • 33% food waste reduction (against 2013 level) by 2025				less than 5% landfill	2025				

2b) Does the organisation have an overall mission statement, strategies, plans or policies outlining ambition to influence emissions beyond your corporate boundaries? If so, please detail this in the box below.

"In September 2019, Fife Council declared a climate emergency. Following public consultation, Climate Fife, the Fife Sustainable Energy and Climate Action Plan (SECAP), was approved by Committee in February 2020. The Climate Fife vision to 2050 is to be: Climate friendly, having transformed the economy, infrastructure, land use and energy system to decarbonise how we live; Climate ready, with plans and projects to increase the resilience of Fife communities and the economy to help minimise the impacts from unavoidable climate change; and Climate just, ensuring that all Fifers and the Fife environment can benefit from this transition.

Climate Fife recognises the transformation needed over the next decade to tackle the climate emergency across Fife Council and other community planning partners. Governance includes the Fife Partnership board. An update of the Local Outcome Improvement Plan, the Plan4Fife, now has the Climate Emergency as one of four core priorities, with the Addressing the Climate Emergency Board. The 2024 Climate Fife identified 3 areas where transformational changes are required, as well as 6 action themes."

Q3) Policies and Actions to Reduce Emissions

Please detail any of the specific policies and actions which are underway to achieve your emission reduction targets

Sector	Start year for policy/action implementation	Year that the policy/action will be fully implemented	Annual CO2 saving once fully implemented (tCO2)	Latest year measured	Saving in latest year measured (tCO2)	Status	Metric/indicators for monitoring progress	Delivery role	During project/policy design and implementation, has ISM or an equivalent behaviour change tool been used?	Please give further details of this behavior change activity	Value of investment (£)	Ongoing Costs (£/year)	Primary funding source of implementation of Policy/Action	Comments
Transport	2012	N/A		2023		In Implementation	eFife in 2023-24, the eFife network was expanded by a further 1 no. 7kW and 6 no. 22kW charge points for public use across Fife. In addition, a 160kW charge point was installed at Bankhead depot to facilitate charging of larger fleet vehicles in the future. This brings the public network in Fife to 67 units at 51 locations.	Direct delivery	No	We can monitor take up and use of each unit, as well as the different EV users on the eFife network. The network is marketed through Charge Place Scotland as well as on the Fife Council website.			Grant Funding (UK)	
Transport	2006	N/A		2023		In Implementation	School Travel Plans: Engagement with schools continues - Primary Schools, 81 schools have up to date travel plans and 53 are under review. High Schools, 9 have up to date travel plans, of which 5 are needing reviewed.	Influencing	No	Encourages staff, pupils and parents/guardians to consider the way they travel to/from school and during the school day. They are also given an action plan to implement to improve active travel to the schools from the catchment areas.			Other	No funding required as it a document which needs to be drafted with input from staff, pupils, parents/guardians, with support from Travel Plan team.
Transport	2012	N/A		2023		In Implementation	Bikeability is the Scottish Cycle Training Scheme for school pupils aimed at P4's to S2's. Level 2 (Teaches rules of the road and basic skills for riding on road) - 28 schools delivering to 814 pupils. Overall this increases the number of pupils completing Level 2. Level 1 (Teaches basic skills such as balance, controlling the bike and making turns) - 43 schools delivering to 1434 pupils. Level 3 was not delivered last year, as no	Direct delivery	No	We monitor all training of staff and pupils that the Bikeability is delivered to.			Grant Funding (UK)	
Transport	2014	N/A		N/A		In Implementation	Walk Once a Week (WOW) - no longer funding for and therefore not part of the offer to schools	Direct delivery	N/A				N/A	
All Sectors	2023	N/A		N/A		Complete	The SME Development Grant scheme can provide Fife businesses with non-repayable grants of up to £2,850. This can be used to help businesses move towards achieving net zero emissions through a range of measures, including premises improvements, waste reduction or reuse, and the creation of green jobs. BGFife advisors and Ec Dev staff are engaging local businesses to encourage take-up of the grant.	Direct delivery	No				N/A	
All Sectors	2023	N/A		N/A		In Implementation	The Specialist Business Advice programme, led by Business Gateway Fife provided businesses with free consultancy support for audit, energy and carbon reduction.	Indirect delivery	No				N/A	

All Sectors	2023	N/A		N/A		In Implementation	A small survey of the Construction Sector was carried out by Fife Council Ec Dev team. The results are still being fully analysed, however the early indication is that the Sector is focused on recovery from Covid restrictions and staff shortages. Ec Dev Projects focused on increasing leadership skills and raising awareness of Net Zero best practice in the Sector are being developed. The Ec Dev property & land team are commissioning a survey of all FC commercial property that will ascertain the Energy rating for each property- A programme of investment (or disposal) will be developed to ensure the properties meet the highest Energy efficiency rating they can achieve as part of embedding energy efficiency measures into the planned refurbishment programme. The I3 programme through the Edinburgh City Deal investment will continue to	Direct delivery	No				N/A	
All Sectors		N/A		N/A		In Implementation	Ongoing work with FC Procurement Service and Anchor Organisations within Fife to establish current frameworks, identify joint and differing objectives and identify common pinch points that prevent local producers from fully engaging with public bodies. A pilot project is being developed between FC catering and local farmers to better examine cost and benefit implications for both sides. Discussion across the Tayside and Fife LAs (Tay city deal) has commenced to examine areas where Regional projects to increase the supply of local produce to the Public Sector and large private sector businesses, can be formulated.	Direct delivery	No				N/A	
Energy	2019	N/A		N/A		In Implementation	Forth and Tay Offshore - local authorities, government agencies and the private sector work together to support and advise companies on Scotland's east coast about the business opportunities from the growth from offshore wind.	Direct delivery	No				Public/Private Partnership	As at 05/09/2024, UK has hit a historic milestone of 30 gigawatts (30,000 megawatts) of wind generation capacity. FTO Mapping Offshore Wind Capabilities Survey in progress to capture key themes within supply chain, report available circa end of October 2024: 80 responses from circa 400 members; location, activity status, employment and the effect on the local economy.
Housing and Communities	2024	2025		2023		Proposed	Jubille Grove sheltered housing complex proposed to connect to the Glenrothes Energy Network	Direct delivery	No				Capital Investment	
Energy	2023	2023		2024		In Implementation	Server Farm at Datacentre replaced reducing number of nodes and power draw of each node	N/A	No				N/A	
Energy	2022	2023		2024		In Implementation	Fife wide network switch replacement. Reduction in overall units. Units also have a smaller power draw	N/A	No				N/A	

All Sectors	2024	2024	N/A	Complete	The Business Efficiency Grant scheme provided non-repayable grants of up to £20,000 and could be used to support businesses to increase the energy efficiency of their premises, equipment and processes	Direct delivery	No						N/A	
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Q4) Partnership Working, Communications and Capacity Building

Please detail your Climate Change Partnership, Communication or Capacity Building Initiatives below.

Key Action Type	Description	Organisation's project role	Lead organisation (if not reporting organisation)	Private partners	Public partners	3rd Sector partners		Outputs	Comments
Partnership Working	Levenmouth Rail Line Reopening - The new Leven station is also beginning to take shape. Located next to Leven Leisure Centre, with easy access to connecting bus services and all existing active travel routes, the new station will have 133 car parking spaces with provision for EV charging and cycle storage. There will also be 'blue badge' accessible parking spaces. The first passenger services on the new rail link are scheduled to start rolling in and	Please select from drop down box							
Please select from drop down box	The Levenmouth Reconnected Programme (LRP) is a £10 million fund managed by Fife Council, which aims to maximise the economic and social opportunities presented by the new Leven rail link, the regeneration of the River Leven and its proposed path network, investments in renewable energy, as well as other initiatives being implemented within Levenmouth.	Please select from drop down box							
Please select from drop down box	Levenmouth Connectivity - On road active travel network - We are looking to upgrade approximately 24km of Levenmouth's existing roads and paths to accommodate the safer travel of walkers, wheelers and cyclists traveling. Of this, 10km will be segregated from vehicles. This part of the project is being managed by Fife Council on behalf of The Leven Programme	Please select from drop down box							
Partnership Working	Fife Climate Forest - Climate Action Fife.	Lead	FCCT		Fife Council, Fife College	Greener Kirkcaldy (lead partner), CLEAR Buckhaven & Methil, Edible and Tasty Spaces Rosyth (EATS), Fife Communities Climate Action Network, Ore Valley Housing Association, People Learning About Nature in Tayport (PLANT), St Andrews Environmental Network (StAndEN), Transition University of St Andrews and Youth 1st		Connect communities together with a shared vision about trees, woods, and forests. Help nature to recover by creating bigger, better, connected areas	
Partnership Working		Supporting	Kingdom Housing Association as housing developer	RWE are decarbonised heat suppliers. Vital Energy/ Campion Homes.	Scottish Government More Homes Division			85 decarbonised domestic heat supplies.	Scheme was developed during 2022/23, though heat draw started in June 2023.

Partnership Working	Forth & Tay Offshore works on behalf of members to promote the capabilities of companies and organisations in the offshore wind sector and to assist them in accessing new opportunities.	Participant	Scottish Engineering	Scottish Engineering, Inch Cape Renewables, SSE Renewables, EDF Renewables, Forth Ports Limited	Dundee City, Angus, Leith, Scottish Borders Councils, Scottish Enterprise, South of Scotland Enterprise, SOWEC				Developing local supply chain to supply for offshore wind activities.
Partnership Working	Tay Cities Investment Group	Lead	On rotation		Tayside Councils, SDI, Fife and Dundee City Chamber of Commerce				Partnership working towards attracting low carbon/green investments in the Tay Cities Region.
Partnership Working	Fife Council in partnership with Hub East Central Scotland and Tier 1 contractors, delivered Build Fife throughout 2023-24 to support local construction and associated businesses with aspirations for growth whilst providing ongoing development support and guidance. The programme was open to construction, and associated businesses, located within Fife. Build Fife 2025 will be launched in November 2024.	Supporting	Fife Council & Hub East Central Scotland						The Programme offered an exciting opportunity for 12 Fife businesses to build capability, relationships, engage face to face with Tier 1 Contractors.
Partnership Working	H100 Fife Project - SGN are developing a world-first hydrogen network in Levenmouth that will bring green hydrogen into homes in 2023/24, providing low carbon fuel for heating and cooking. In the project's first phase, the network will heat around 300 local homes using green hydrogen produced by a dedicated electrolysis plant, powered by a nearby offshore wind turbine. The project is the first of its kind to employ a direct supply of green power to produce hydrogen for domestic heating – putting Fife at the forefront of the clean energy revolution. The system is being designed and built to ensure the same high safety and reliability standards expected from the current gas system. An on-site storage unit will ensure supply won't be disrupted during even the coldest weather conditions.	Lead	SGN	SGN in process of contracting private partners			A green hydrogen generation and storage facility, a demonstration facility & hydrogen network connected to up to 300 homes, going past 1000 homes		Fife Council is working with SGN to make SGN's offer to connect attractive to council tenants, other RSLs and private households.

Partnership Working	<p>Dunfermline Learning Campus - Fife Council is committed to investment in school estate and is enhancing the building standards by participating in the Scottish Government's Net Zero Carbon Public Sector Buildings Standard.</p> <p>The new Dunfermline Learning Campus (DLC) is funded in part by the Scottish Government's Learning Estate Investment Programme (LEIP). This brings together 2 high schools and a Fife College campus to create a major hub of exemplary education, training and development of innovative industry links for current and future learners.</p> <p>Fife Council and Fife College have collaborated to develop key briefing documents to deliver a vision for a unique high quality, low carbon and digitally enabled learning environment. The strong commitment to sustainability builds on the context of Fife Council's "Making Fife's Places" Planning Policy Guidance.</p> <p>Fife Council aim to deliver a low carbon, low energy use and sustainable facility including:</p> <ul style="list-style-type: none"> •Aiming to design the schools building to achieve Passivhaus standards •Embodied carbon budget under 650kg CO2e/ m2 in line with RIBA's 2025 target as at February 2021 •Designing to achieve 67 kWh/m2 for energy in use •Meet Scottish Government's goal to achieve Net Zero carbon emissions by 2045 <p>By balancing a reduction of embodied carbon of construction against low operational energy consumption and a target for whole life carbon achieving net zero, the DLC project is enhancing design, construction and supply chain knowledge and skills. This safeguards the environment and tackles climate change, engaging contractors and the supply chain in the solution to encourage the industry to reduce carbon emissions.</p> <p>The DLC schools building is completed, commissioned and handed over in the Summer of 2024.</p>	Participant	Fife College	BAM lead contractors and their sub-contractors. Support from SFT to part-fund engagement of sub-contractors and IES for verification of NZC Standard	With SFT support for the NZCPSB Standard		The schools element of the campus will accommodate a combined student role of 2,700, with total staff count of 346, designed to meet the needs of the Scottish Government's "Curriculum for Excellence" within 27,000m2. Fife Council aim to deliver a low carbon, low energy	
Partnership Working	<p>Rosyth Waterfront and Burntisland Port are now formally identified by HMRC as Forth Green Freeport (FGF) tax sites. Rosyth will comprise 158Ha of development land including space for the Arrol Gibb Innovation Campus (AGIC). At Burntisland, a conjoined tax site and cluster (150Ha) is identified with Leith (named 'Mid Forth') and will serve to create an innovative floating offshore wind facility for marshalling and high-capacity integration of floating offshore wind components. For the Fife Council area directly, relevant seed capital proposals are funding delivery support to the Arrol Gibb Innovation Campus and Integrated Energy System respectively at Rosyth. In addition, support is being sought for feasibility scoping of the reactivation for the Rosyth rail freight network and improved utility power network capability/s. The FGF Operating Company and its relevant 'Infrastructure, Placemaking and Communities' subcommittee will support the Council and partners in delivering these and other proposals as monies are approved and allocated through FBC conclusion. A skills fund, economic place-led reinvestment fund and Net Zer Charter are also in progress commitments. All is however predicated on levels of new eligible sector growth and additional investment being achieved.</p>	Participant	Forth Green Freeport Operating Company	Ineos, Calachem, Forth Ports, Edinburgh Airport, Babcock International, Scarborough Muir Group, Defence Infrastructure Organisation	City of Edinburgh, Falkirk and Fife Council, Scottish Enterprise, Scottish Futures Trust, Key Agencies group		An economic impact assessment, prepared by KPMG, has projected that the FGF will drive almost £7.9 billion of public and private investment over a 10-year period, delivering gross value added of estimated £8.1bn. The Forth Green Freeport (FGF) aims to contribute significantly to the just transition to net zero emissions by 2045 through	A Cabinet Committee report in September refers oprioviding further information. Project managers within the Economic development team (Hazel Cross/ Andrew Sim) can also assist with implementation detail and governance.
Partnership Working	Working with Cosy Kingdom partners to delivery energy efficeincy and fuel poverty advice and support	Participant					1 to 1 FP advice. Referrals for	

Other Notable Reportable Activity

Q5) Please detail key actions relating to Food and Drink, Biodiversity, Water, Procurement and Resource Use in the table below

Key Action Type	Key Action Description	Organisation's Project Role	Impacts	Comments
Biodiversity	FCCT site management for biodiversity and conservation priorities.	Supporting		
Biodiversity	Community Engagement and Empowering them to make Natural Heritage Improvements	Supporting		
Biodiversity	Lead partner and secretariat for Fife Biodiversity Partnership and production of Fife Local Biodiversity Action Plan (LBAP)	Supporting		
Biodiversity	Urban Parks management for biodiversity through ecological surveying and data collection and targeted management improvements.	Lead		
	River Eden and Dreel Burn INNS management	Supporting		
Biodiversity	Grassland Management	Lead		
Water	River Restoration - Back Burn, Brankholme Burn, Lochty Burn, Dreel Burn	Supporting		

Q6) Please use the text box below to detail further climate change related activity that is not noted elsewhere within this reporting template

07 November 2024
Agenda Item No. 13

Treasury Management Annual Report 2023-24 and Update 2024-25

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

Wards Affected: All

Purpose

This Annual Report and update is prepared in accordance with the Chartered Institute of Public Finance and Accountancy (CIPFA) publication, Treasury Management in the Public Services – Code of Practice and Cross Sectorial Guidance Notes. This report provides an update against the Annual Treasury Policy and Investment Strategy for both the previous year and the current year to date.

Recommendations

The Cabinet Committee is asked to consider and comment on the contents of this report.

Resource Implications

None.

Legal & Risk Implications

Treasury Management within Fife Council is governed by the following legislation and guidance:

1. Local Government in Scotland Act 2003 and the Local Government Investments (Scotland) Regulations 2010.
2. The CIPFA Prudential Code and Treasury Management Code of Practice.

Impact Assessment

An Equalities Impact 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 council is required, through regulations issued under the Local Government in Scotland Act 2003, to produce an annual treasury management review of its activities and the actual prudential and treasury indicators for 2023-24. This report also meets the requirements of both the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (the Code) and CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.2 The regulatory environment for Treasury Management places responsibility on members for the review and scrutiny of treasury management policy and activities.

2.0 Prudential and Treasury Indicators

- 2.1 The Prudential Code plays a key role in the capital finance in local authorities. A local authority can determine its own programmes for capital investment but must ensure it acts prudently, i.e. the Code requires the authority to take account of affordability when it makes decisions on borrowing. The Code also requires an authority to report on various indicators which are detailed below and reported in full in Appendix 1. The indicators are calculated over a five-year period, showing past and future years. The following paragraphs provide some explanation of the main components of the Prudential Indicators.

2.2 Capital Expenditure

A report detailing the 2023-24 outturn expenditure for the council's Capital Investment Plan was reported to this committee on 15 August 2024. The table below shows a summary of this expenditure as well as the prior year's expenditure for comparison purposes.

	2022-23	2023-24
	£m	£m
General Fund	103.964	153.167
Housing Revenue Account	85.399	88.906
Total Capital Expenditure	189.362	242.073

2.3 Capital Financing Requirement

The underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). The CFR results from the capital activity of the council and what resources have been used to pay for the capital spend. It represents capital expenditure in 2023-24 and prior years which has not yet been paid for from revenue or other resources.

The council's CFR for the year is shown below and represents a key prudential indicator. The CFR includes leasing schemes and the Council's Public and Private Partnerships (PPP) and similar contracts for the construction and servicing of several secondary and primary schools.

	2022-23 £m	2023-24 £m
Opening Capital Financing Requirement	1,133.121	1,200.053
Capital Expenditure	189.362	242.073
Capital Income	(122.175)	(131.460)
Repayments of Principal	(38.201)	(40.178)
PPP and Lease repayments incl Service Concession Arrangements	37.945	(1.975)
Closing Capital Financing Requirement	1,200.053	1,268.513

2.4 Net Debt

To ensure borrowing levels are prudent over the medium term, the council's debt must only be for capital purposes. Gross external debt should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2024-25 and the next two financial years, this is known as the operational boundary and is detailed at para. 2.5 below. This allows some flexibility for limited early borrowing for future years.

The 2023-24 Borrowing Strategy identified a new long-term borrowing requirement of £150.277m. During 2023-24 eight new long-term loans were taken from the PWLB totalling £240.000m. This is higher than previously anticipated as during the year the Council took the opportunity to redeem £127.000m of LOBO Loans early. These loans were replaced but at a lower interest rate.

The table below highlights the council's external debt position on 31 March in each of the last two financial years and shows that external debt has increased.

	2022-23 £m	2023-24 £m
Long and Short-Term Debt	919.364	1,103.838
PPP and Lease Liabilities	76.230	69,292
Total External Debt	995.595	1,173,131

2.5 Operational Boundary / Authorised Limit for External Debt

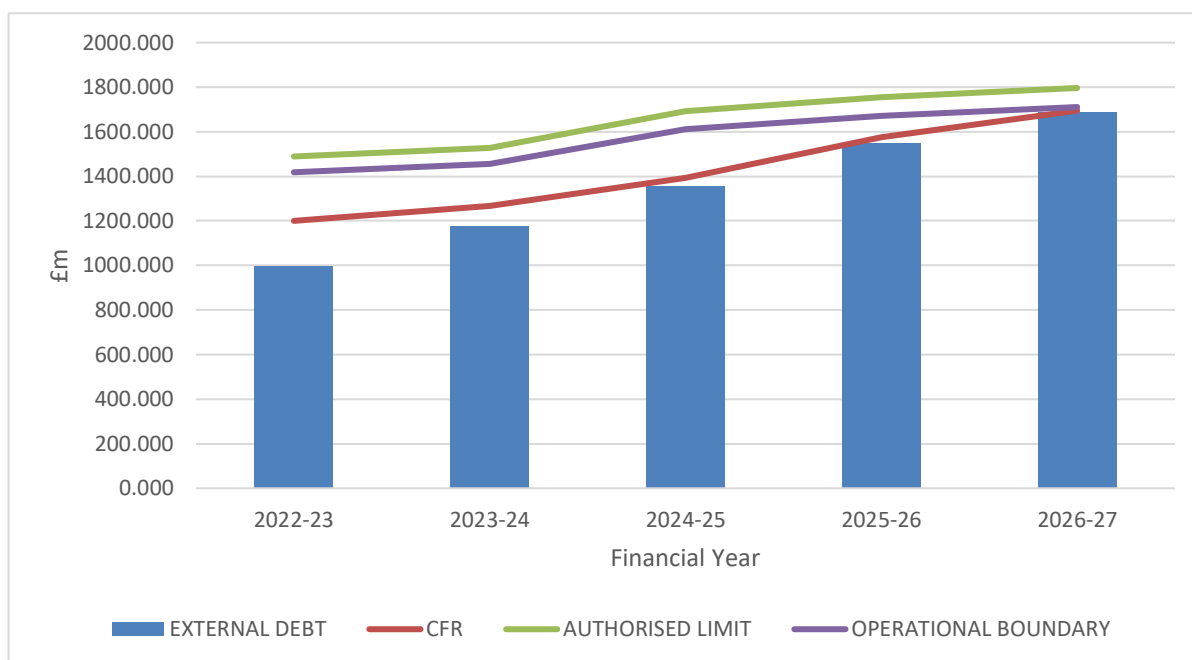
These are approved limits which are used to monitor operationally the total borrowings of the council on a day-to-day basis. The authorised limit is the maximum borrowing limit, which is 5% above the operational boundary. The Council does not have the power to borrow above this level. The table below demonstrates the council has maintained total external debt in 2023-24 within the limits approved by Fife Council.

	2022-23 £m	2023-24 £m
Total External Debt	995.595	1,173,131
Approved Operational Boundary for External Debt	1,418.129	1,456.053
Approved Authorised Limit for External Debt	1,489.036	1,528.856

2.6 Comparison of Borrowing Parameters to Actual External Borrowing

The table below provides details of the actual and estimated external debt for Fife Council, in relation to its approved borrowing parameters for 2022-27.

	2022-23 £m	2023-24 £m	2024-25 £m	2025-26 £m	2026-27 £m
CFR	1,200.053	1,268.513	1,392.498	1,574.720	1,694.621
External Debt	995.595	1,172.932	1,352.796	1,548.177	1,686.605
Operational Boundary	1,418.129	1,456.053	1,611.300	1,671.279	1,710.895
Authorised Limit	1,489.036	1,528.856	1,691.865	1,754.843	1,796.440



2.7 Financing Costs as a proportion of net revenue stream

This is a key indicator that identifies what proportion of the council's revenue funding is used to meet the financing costs of the Council borrowing. The higher this percentage, the less revenue resources there are available to spend on the direct provision of council services.

A limit has been set for the percentage of financing costs to net revenue stream for the Housing Revenue Account per the Housing Revenue Account Business Plan. The current level of debt is within this limit; however, future planned expenditure will increase the level of debt. There is no agreed limit in terms of General Fund, however, care needs to be taken to ensure that the level of expenditure required to service debt is sustainable given the financial challenges the council continues to face. This is reviewed routinely and in depth as part of the capital plan review.

General Fund	2022-23 £m	2023-24 £m
General Revenue Grant	584.275	607.050
Non-Domestic Rates	179.675	172.108
Council Tax	178.996	189.591
Net Revenue Stream	942.946	968.749
Total Financing Costs	11.996	49.791
% of Financing Costs to Net Revenue Stream	1.27%	5.14%

Housing Revenue Account	2022-23 £m	2023-24 £m
Housing Lets	125.552	132.463
Garage Lets	2.849	2.864
Net Revenue Stream	128.401	135.327
Total Financing Costs	30.519	32.665
% of Financing Costs to Net Revenue Stream	23.77%	24.14%

For 2023-24, the financing costs (£49.791m) and % financing costs (5.14%) for General Fund are considerably more than 2022-23. This is due to the application of revised accounting arrangements associated with Service Concession arrangements in 2022-23.

3.0 Interest Rates

3.1 Forecast

The Borrowing Strategy for 2023-24 forecast short-term interest rates to be in the 2.7% - 6.3% range and long-term rates in the range of 3.5% - 5.0%.

3.2 Actual

During 2023-24, the average rate available for investment was 4.7% and the average cost of temporary borrowing was 5.5%

4.0 Debt Rescheduling and Debt Outstanding

4.1 Performance

The council continually monitors its portfolio of debt for opportunities to manage the cost of borrowing.

4.2 Debt Rescheduling

Debt rescheduling refers to restructuring the terms of an existing loan to extend or reduce the repayment period or to take advantage of lower interest rates. In most circumstances this would also involve the payment of an additional one-off premium to the lender.

Following discussion and engagement with our Treasury Advisers, Link Group, it was deemed appropriate to action early repayment of seven LOBO loans. Working with Link, the lender offered heavily discounted premium terms which afforded the Council the opportunity to repay the loans. Given the current market conditions and the risk that the interest rates could increase on the LOBOs, early repayment at a discounted premium was considered prudent.

4.3 Debt Outstanding

Appendix 2 shows the movement in borrowings and investments during the year. Net borrowing has increased by £189.664m in the year to a total of £1,037.298m.

4.4 Temporary Investments

Temporary investments represent the cash held by Fife Council at any given time. As per the Treasury Strategy, this is invested in triple A rated Money Market Funds until required as these provide higher interest rates than those of the Council's bank accounts.

5.0 Performance

5.1 Lending Limits and Breach of Limits

The council has a policy which limits the sums invested to £10m with any one institution at any one time. It is accepted that, on occasion, the investment limit may be breached for operational reasons such as public holidays which cannot be avoided. In accordance with procedures in the Treasury Policy Statement, details of such breach of limits are reported.

During 2023-24, there were four breaches of this limit: -

- **17 April 2023 - £10.332m** - This was as a result of daily transfers of investments to the Money Market Funds not being approved within the authorised time limit.
- **17 July 2023 - £13.000m** - This was a public holiday for Fife Council, but it was still a banking day. Monies were received in relation to Non-Domestic Rates and Housing Benefits which had not be included in the banking totals set up in advance for this date, therefore money was not transferred and held in current account.
- **7 September 2023 - £10.300m** - This was due to a temporary loan advance of £10.000m crediting the bank account later in the day. This coupled with a technical issue meant it was not included in the banking totals set up for the transfer to the Money Market Funds that day.
- **3 January 2024 - £10.101m** – This was a public holiday for Fife Council, but it was still a banking day. Monies were received in relation to Non-Domestic Rates and Housing Benefits which had not be included in the banking totals set up in advance for this date, therefore money was not transferred and held in current account.

There have been two breaches in the current financial year to 30 September 2024, whereby the amount invested in the RBS accounts was greater than the limit of £10.000m, namely: -

- **15 July 2024 - £11.295m** - This was a public holiday for Fife Council, but it was still a banking day. Monies were received in relation to Non-Domestic

Rates and Housing Benefits which had not be included in the banking totals set up in advance for this date, therefore money was not transferred and held in current account.

- **30 September 2024 - £49.044m** - This was due to an annual Non-Domestic rates payment of £46.956 crediting the bank account later in the day. This meant it was not included in the banking totals set up for the transfer to the Money Market Funds that day. It should be noted that this did not result in any detrimental financial impact.

Processes and procedures are being reviewed to ensure that any breaches are kept to a minimum.

5.2 Maturities

The council’s strategy provides for a maximum of 15% of long-term debt maturing in any one year, based on loans running to their maturity date. In 2065-66, 6.62% of the current total long-term debt is due to mature and is the highest in any one year. We continue to operate within this limit.

The following table shows the percentage of long-term debt maturing in each of the next two years: -

Year	% of total Debt maturing (as at 31 March 2024)
2024-25	1.18
2025-26	1.76

5.3 Cost

Over recent years, Fife Council has been actively taking advantage of the low borrowing rates available and, as a result, the average cost of servicing Loans Fund Advances in 2023-24 was 3.16% for Loans Fund Interest and Expenses, (3.54% in 2022-23 and 3.34% in 2021-22).

5.4 Member and Officer Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. A training session, to support members’ scrutiny role took place on a virtual basis on 20 June 2022.

Officers attended training webinars throughout 2022-23 hosted by Link Group and will attend the CIPFA Treasury Management Forum Conference being held in November 2024.

6.0 Update 2024-25

6.1 Capital Investment Plan

The current Capital Investment Plan, which extends to the year 2033, was approved by Fife Council in June 2023 and rephased in May 2024. The biennial Capital Investment Plan review will be undertaken in 2024-25. Any review of the ten-year plan will have an impact on Treasury Management.

6.2 Investment Portfolio 2024-25

In accordance with the Code, it is the council's priority to ensure security of capital and liquidity and to obtain an appropriate level of return which is consistent with the council's risk appetite. Interest rates will be kept under review.

The council held £164.430m of short-term investments at 30 September 2024 (£66.540m at 31 March 2024) and the investment portfolio yield for the first six months of the year is 5.21%.

6.3 Borrowing

The council's capital financing requirement (CFR) for 2024-25 is £1,392.498m. The council may borrow from the Public Works Loan Board (PWLB) or the market (external borrowing) or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. Utilising cash flow funds in lieu of borrowing is a prudent and cost-effective approach in the current economic climate.

The Net Borrowing Requirement for 2024-25 is currently estimated at £186.653m. This includes an element for repaying loans reaching maturity. As at the end of September 2024, two new PWLB long-term loans of £25.000m each have been taken.

6.4 Debt Rescheduling

Following early repayment of the loans mentioned in paragraph 4.2 above, the council still has LOBO loans to the value of £182.450m with four lenders.

Opportunities for debt rescheduling of these LOBOs and other market loans continue to be considered and pursued where appropriate.

Following discussion and engagement with our Treasury Advisers, Link Group, it is likely that one of these loans will be called in December 2024, meaning that a replacement loan will be required around this time. The value of this loan is £43.400m. This is included in the Net Borrowing Requirement.

6.5 Interest rate forecasts

The council's treasury advisor, Link Group, has provided the following forecast and commentary on interest rates in the UK.

	Dec24	Mar25	Jun25	Sep25	Dec25	Mar26	Jun26	Sep26	Dec26	Mar27
	%	%	%	%	%	%	%	%	%	%
Bank Rate	4.50	4.00	3.50	3.25	3.25	3.25	3.25	3.00	3.00	3.00
3mth	4.50	4.00	3.50	3.30	3.30	3.30	3.30	3.00	3.00	3.00
6mth	4.40	3.90	3.50	3.30	3.30	3.30	3.30	3.10	3.10	3.20
12mth	4.30	3.80	3.50	3.40	3.40	3.40	3.40	3.20	3.30	3.40
5yr PWLB	4.50	4.30	4.10	4.00	3.90	3.90	3.90	3.90	3.90	3.80
10yr PWLB	4.60	4.40	4.30	4.10	4.10	4.10	4.00	4.00	4.00	3.90
25yr PWLB	5.00	4.80	4.70	4.50	4.50	4.40	4.40	4.40	4.30	4.30
60yr PWLB	4.80	4.60	4.50	4.30	4.30	4.20	4.20	4.20	4.10	4.10

Detailed economic and interest rate commentary from Link Group can be found in Appendix 3

This interest rate forecast is used to inform projections reported to this committee. Interest rate forecasts are also used when modelling of future year loan charges and testing affordability of future investment.

7.0 Conclusions

- 7.1 Performance against the approved 2023-24 Prudential and Treasury Indicators was within agreed limits for the financial year.
- 7.2 There was long-term borrowing undertaken in 2023-24 of £240.000m.
- 7.3 There were 4 breaches of investment limits during 2023-24 and 2 breaches up to 30 September 2024. The highest percentage of long-term debt maturing in one year is within the strategic range and the average cost of servicing Loans Fund Advances was 3.16%.
- 7.4 There have been two long-term loans taken to date, totalling £50.000m in 2024-25.

List of Appendices

1. Prudential Indicators 2024-27
2. Summary of Borrowing and Investments 2023-24
3. Link Group – Interest Rate Risk Commentary.

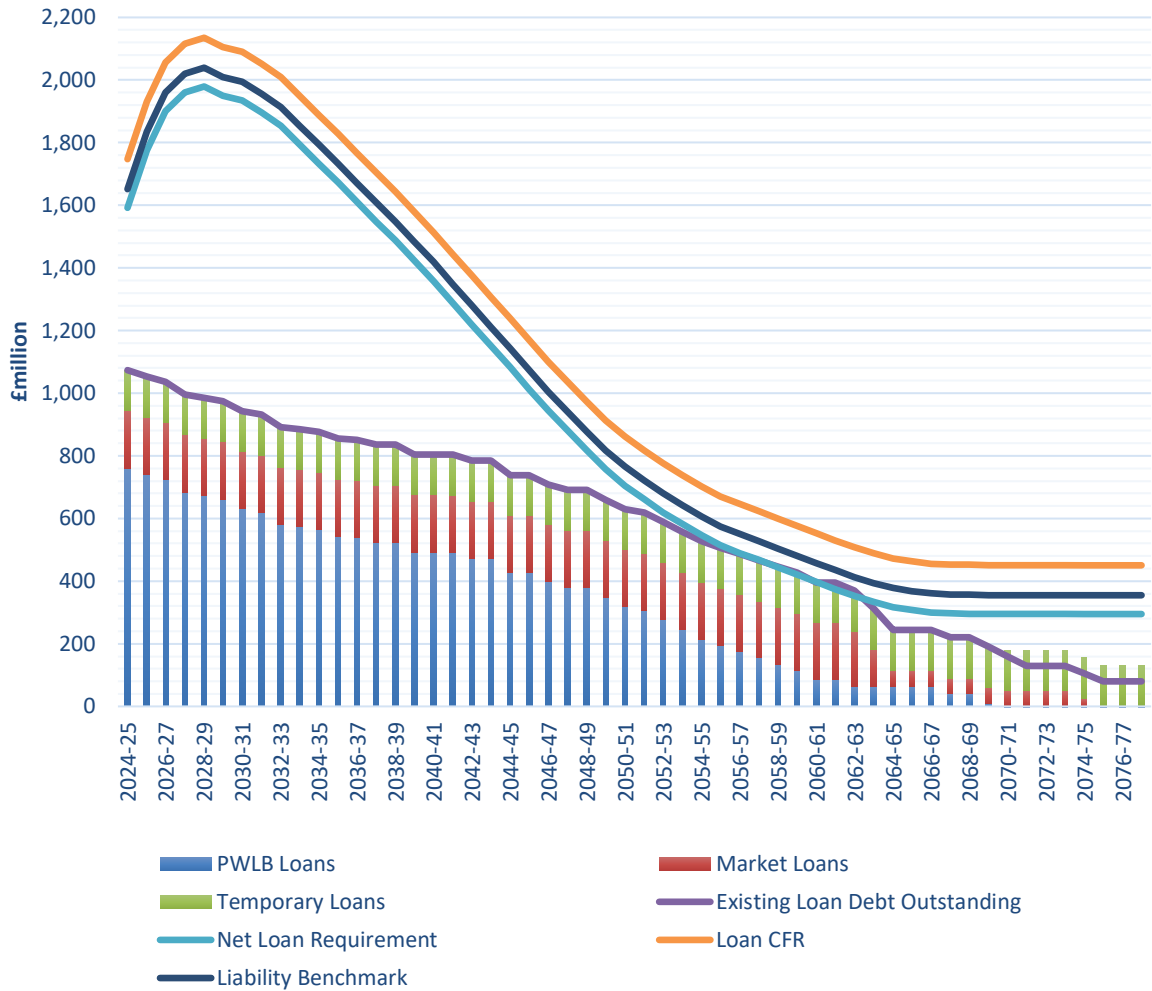
Report Contact

Tracy Hirst, Finance Operations Manager
Fife Council, Fife House, North Street, Glenrothes, KY7 5LT
Email: Tracy.Hirst@fife.gov.uk

Appendix 1

2022-23	2023-24		Estimate Sept 2024		
			2024-25	2025-26	2026-27
		Affordability Indicators			
£m	£m	<u>Capital Expenditure</u>	£m	£m	£m
103.964	153.167	General Fund	177.042	194.160	135.257
85.399	88.906	Housing Revenue Account	121.42	137.399	128.446
189.362	242.073		298.444	331.559	263.703
£m	£m	<u>Financing Costs</u>	£m	£m	£m
11.996	49.791	General Fund	60.465	62.158	66.446
30.519	32.665	Housing Revenue Account	39.299	45.880	51.555
42.515	82.455		99.694	108.038	118.001
£m	£m	<u>Net Revenue Stream</u>	£m	£m	£m
942.946	968.749	General Fund	1,068.503	1,038.338	1,038.338
128.401	135.327	Housing Revenue Account	142.748	148.828	156.200
1,071.347	1,104.077		1,211.251	1,187.166	1,194.538
		<u>Ratio of Financing Costs to Net Revenue Stream</u>			
1.27%	5.14%	General Fund	5.66%	5.99%	6.40%
23.77%	24.14%	Housing Revenue Account	27.48%	30.83%	33.01%
£m	£m	<u>Capital Financing Requirement</u>	£m	£m	£m
785.892	831.339	General Fund	894.838	995.462	1,044.303
414.161	437.174	Housing Revenue Account	497.660	579.258	650.318
1,200.053	1,268.513		1,392.498	1,574.720	1,694.621
995.595	1,172.932	External Debt	1,352.796	1,548.177	1,686.605
1,489.036	1,528.856	Authorised Limit for External Debt	1,691.865	1,754.843	1,796.440
1,418.129	1,456.053	Operational Boundary for External Debt	1,611.300	1,671.279	1,710.895
		Prudence Indicators			
£m	£m	<u>Debt and the Capital Financing Requirement</u>	£m	£m	£m
995.595	1,172.932	Forecast External Debt	1,352.796	1,548.177	1,686.605
1,200.053	1,268.513	Forecast Capital Financing Requirement	1,392.498	1,574.720	1,694.621
(204.458)	(95.581)		(39.702)	(26.542)	(8.016)
		<u>Adoption of CIPFA Code of 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%
75%	75%	Variable Interest Rate Exposure Upper Limit	75%	75%	75%
0%	0%	Total Principal Sums Invested beyond 364 days	0%	0%	0%
		<u>Maturity Structure of Borrowing</u>			
		<u>% of total debt maturing in any single year</u>			
		Under 12 Months	50%		
		12 months and within 24 months	50%		
		24 months and within 5 years	50%		
		5 years and within 10 years	50%		
		10 years and above	100%		

Liability Benchmark - Fife Council



Summary of Borrowing and Investments 2023-24

	Opening Balance 2023-24 £m	Borrowed / (Invested) During 2023-24 £m	(Repaid) / Received During 2023-24 £m	Closing Balance 2023-24 £m
Public Works Loans Board	586.814	240.000	(35.426)	791.388
Market Loans	310.550	0.000	(128.100)	182.450
Temporary Borrowings	22.000	160.000	(52.000)	130.000
Total Borrowings	919.364	400.000	(215.526)	1,103.838
Temporary Investments	(71.730)	(1,256.845)	1,262.035	(66.540)
Net Borrowings	847.634	(856.845)	1,046.509	1,037.298

Note – the figures above exclude PPP and lease liabilities

Link Group Economics and Interest Rates

Economics and Interest Rates

3.1 Economics Update

- The third quarter of 2024 (July to September) saw:
 - GDP growth stagnating in July following downwardly revised Q2 figures (0.5% q/q)
 - A further easing in wage growth as the headline 3myy rate (including bonuses) fell from 4.6% in June to 4.0% in July;
 - CPI inflation hitting its target in June before edging above it to 2.2% in July and August;
 - Core CPI inflation increasing from 3.3% in July to 3.6% in August;
 - The Bank of England initiating its easing cycle by lowering interest rates from 5.25% to 5.0% in August and holding them steady in its September meeting;
 - 10-year gilt yields falling to 4.0% in September.
- The economy's stagnation in June and July points more to a mild slowdown in GDP growth than a sudden drop back into a recession. Moreover, the drop in September's composite activity Purchasing Managers Index, from 53.8 in August to 52.9, was still consistent with GDP growth of 0.3%-0.4% for the summer months. This is in line with the Bank of England's view, and it was encouraging that an improvement in manufacturing output growth could be detected, whilst the services PMI balance suggests non-retail services output grew by 0.5% q/q in Q3. Additionally, the services PMI future activity balance showed an uptick in September, although readings after the Chancellor's announcements at the Budget on 30th October will be more meaningful.
- The 1.0% m/m jump in retail sales in August was stronger than the consensus forecast for a 0.4% m/m increase. The rise was reasonably broad based, with six of the seven main sub sectors recording monthly increases, though the biggest gains came from clothing stores and supermarkets, which the ONS reported was driven by the warmer-than-usual weather and end of season sales. As a result, some of that strength is probably temporary.
- The government's plans to raise public spending by around £16bn a year (0.6% GDP) have caused concerns that a big rise in taxes will be announced in the Budget, which could weaken GDP growth in the medium-term. However, if taxes are raised in line with spending (i.e., by £16bn) that would mean the overall stance of fiscal policy would be similar to the previous government's plan to reduce the budget deficit. Additionally, rises in public spending tend to boost GDP by more than increases in taxes reduce it. Our colleagues at Capital Economics suggest GDP growth will hit 1.2% in 2024 before reaching 1.5% for both 2025 and 2026.
- The further easing in wage growth will be welcomed by the Bank of England as a sign that labour market conditions are continuing to cool. The 3myy growth rate of average earnings fell from 4.6% in June to 4.0% in July. On a three-month annualised basis, average earnings growth eased from 3.0% to 1.8%, its lowest rate since December 2023. Excluding bonuses, the 3myy rate fell from 5.4% to 5.1%.
- Other labour market indicators also point to a further loosening in the labour market. The 59,000 fall in the alternative PAYE measure of the number of employees in August marked the fourth fall in the past five months. And the 77,000 decline in the three months to August was the biggest drop since November 2020. Moreover, the number of workforce jobs fell by 28,000 in Q2. The downward trend in job vacancies continued too. The number of job vacancies fell from 872,000 in the three months to July to 857,000 in the three months to August. That leaves it 34% below its peak in May 2022, and just 5% above its pre-pandemic level. Nonetheless, the Bank of England is still more concerned about the inflationary influence of the labour market rather than the risk of a major slowdown in labour market activity.

- CPI inflation stayed at 2.2% in August, but services inflation rose from a two-year low of 5.2% in July to 5.6%, significantly above its long-run average of 3.5%. Food and fuel price inflation exerted some downward pressure on CPI inflation, but these were offset by the upward effects from rising furniture/household equipment inflation, recreation/culture inflation and a surprisingly large rise in airfares inflation from -10.4% in July to +11.9% in August. As a result, core inflation crept back up from 3.3% to 3.6%. CPI inflation is also expected to rise in the coming months, potentially reaching 2.9% in November, before declining to around 2.0% by mid-2025.
- The Bank initiated its loosening cycle in August with a 25bps rate cut, lowering rates from 5.25% to 5.0%. In its September meeting, the Bank, resembling the ECB more than the Fed, opted to hold rates steady at 5.0%, signalling a preference for a more gradual approach to rate cuts. Notably, one Monetary Policy Committee (MPC) member (Swati Dhingra) voted for a consecutive 25bps cut, while four members swung back to voting to leave rates unchanged. That meant the slim 5-4 vote in favour of a cut in August shifted to a solid 8-1 vote in favour of no change.
- Looking ahead, CPI inflation will likely rise in the coming months before it falls back to its target of 2.0% in mid-2025. The increasing uncertainties of the Middle East may also exert an upward pressure on inflation, with oil prices rising in the aftermath of Iran's missile attack on Israel on 1 October. China's recent outpouring of new fiscal support measures in the latter stages of September has also added to the upshift in broader commodity prices, which, in turn, may impact on global inflation levels and thus monetary policy decisions. Despite these recent developments, our central forecast is still for rates to fall to 4.5% by the end of 2024 with further cuts likely throughout 2025. This is in line with market expectations, however, although a November rate cut still looks likely, December may be more problematic for the Bank if CPI inflation spikes towards 3%. In the second half of 2025, though, we think a more marked easing in inflation will prompt the Bank to speed up, resulting in rates eventually reaching 3.0%, rather than the 3.25-3.50% currently priced in by financial markets.
- Our forecast is next due to be updated around mid-November following the 30 October Budget, 5 November US presidential election and the 7 November MPC meeting and the release of the Bank of England Quarterly Monetary Policy Report.
- Looking at gilt movements in the first half of 2024/25, and you will note the 10-year gilt yield declined from 4.32% in May to 4.02% in August as the Bank's August rate cut signalled the start of its loosening cycle. Following the decision to hold the Bank Rate at 5.0% in September, the market response was muted, with the 10-year yield rising by only 5bps after the announcement. This likely reflected the fact that money markets had priced in a 25% chance of a rate cut prior to the meeting. The yield had already increased by about 10bps in the days leading up to the meeting, driven in part by the Fed's "hawkish cut" on 18 September. There is a possibility that gilt yields will rise near-term as UK policymakers remain cautious due to persistent inflation concerns, before declining in the longer term as rates fall to 3.0%.
- The FTSE 100 reached a peak of 8,380 in the third quarter of 2024, but its performance is firmly in the shade of the US S&P500, which has breached the 5,700 threshold on several occasions recently. Its progress, however, may pause for the time being whilst investors wait to see who is elected the next US President, and how events in the Middle East (and Ukraine) unfold. The catalyst for any further rally (or not) is likely to be the degree of investors' faith in AI.

MPC meetings: 9 May, 20 June, 1 August, 19 September 2024

- On 9 May, the Bank of England's Monetary Policy Committee (MPC) voted 7-2 to keep Bank Rate at 5.25%. This outcome was repeated on 20th June.
- However, by the time of the August meeting, there was a 5-4 vote in place for rates to be cut by 25bps to 5%. However, subsequent speeches from MPC members have supported Governor Bailey's tone with its emphasis on "gradual" reductions over time.
- Markets thought there may be an outside chance of a further Bank Rate reduction in September, following the 50bps cut by the FOMC, but this came to nothing.
- Nonetheless, November still looks most likely to be the next month to see a rate cut to 4.75% but, thereafter, inflation and employment data releases, as well as geo-political events, are likely to be the determinant for what happens in the remainder of 2024/25 and into 2025/26.

3.2 Interest Rate Forecasts

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

Our latest forecast on 28 May sets out a view that short, medium and long-dated interest rates will fall back over the next year or two, although there are upside risks in respect of the stickiness of inflation and a continuing tight labour market, as well as the size of gilt issuance.

Our PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps, calculated as gilts plus 80bps) which has been accessible to most authorities since 1 November 2012.

Link Group Interest Rate View	28.05.24									
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	4.50	4.00	3.50	3.25	3.25	3.25	3.25	3.00	3.00	3.00
3 month ave earnings	4.50	4.00	3.50	3.30	3.30	3.30	3.30	3.00	3.00	3.00
6 month ave earnings	4.40	3.90	3.50	3.30	3.30	3.30	3.30	3.10	3.10	3.20
12 month ave earnings	4.30	3.80	3.50	3.40	3.40	3.40	3.40	3.20	3.30	3.40
5 yr PWLB	4.50	4.30	4.10	4.00	3.90	3.90	3.90	3.90	3.90	3.80
10 yr PWLB	4.60	4.40	4.30	4.10	4.10	4.10	4.00	4.00	4.00	3.90
25 yr PWLB	5.00	4.80	4.70	4.50	4.50	4.40	4.40	4.40	4.30	4.30
50 yr PWLB	4.80	4.60	4.50	4.30	4.30	4.20	4.20	4.20	4.10	4.10

PWLB maturity certainty rates (gilts plus 80bps) year to date to 30 September 2024

Gilt yields and PWLB certainty rates were less volatile than at this time last year. Overall, the 10, 25 and 50-year part of the curve endured a little volatility but finished September very much as it started in April.

Where there was some movement downwards, this came in the shorter part of the curve as markets positioned themselves for Bank Rate cuts in the second half of 2024 and into 2025, although the continued stickiness of inflation and the prevailing tight labour market is a concern for those looking for more sizeable falls ahead.

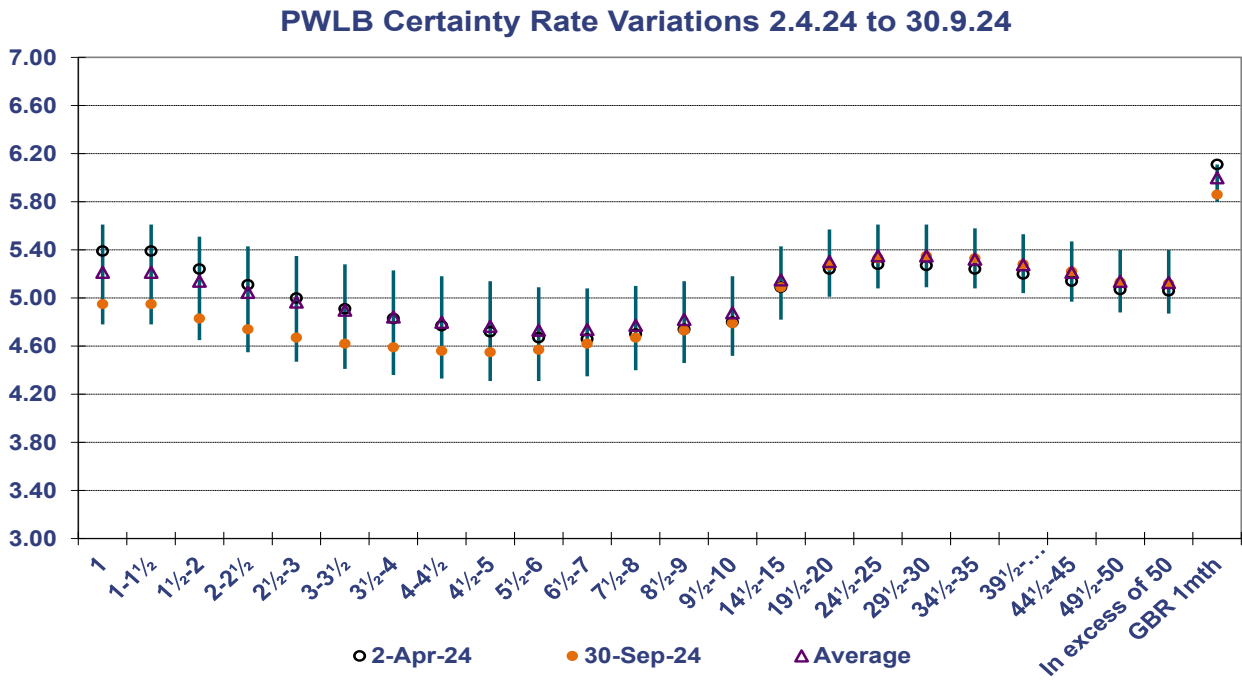
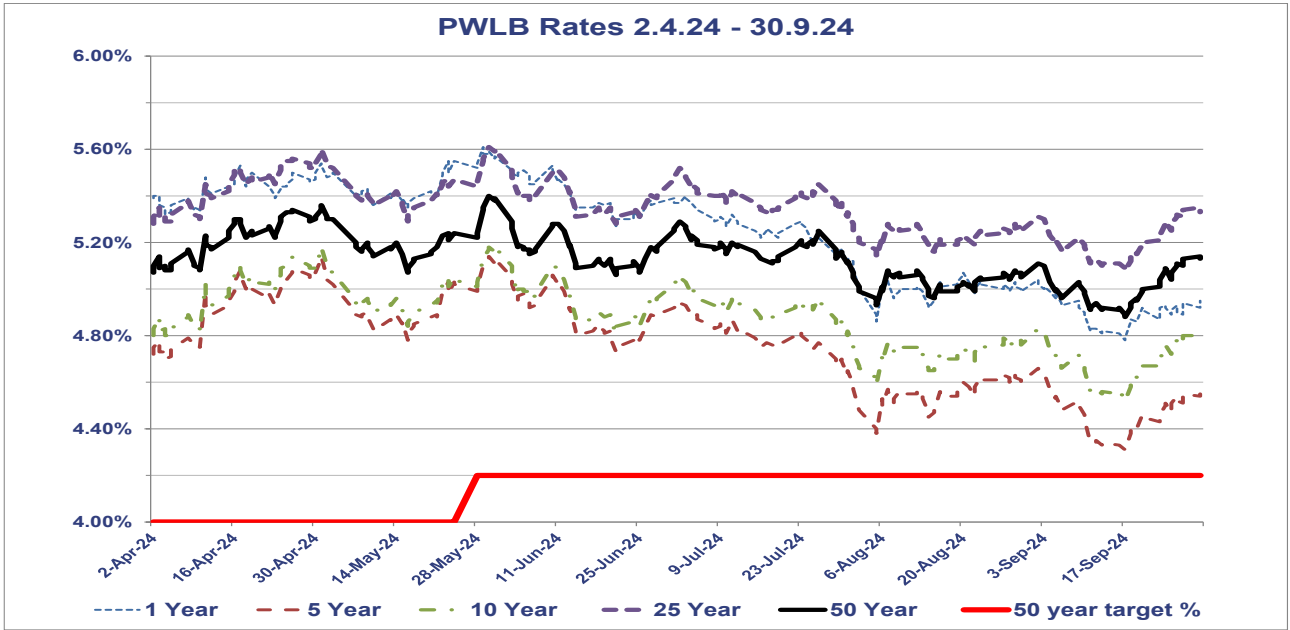
At the beginning of April, the 5-year certainty rate was the cheapest part of the curve at 4.72% whilst the 25-year rate was relatively expensive at 5.28%. May saw yields at their highest across the whole curve.

Conversely, 17 September saw the low point for the whole curve, with the 5-year certainty rate falling to 4.31% before rebounding to 4.55% by the end of the month. Similarly, the 50-year certainty rate fell to 4.88% but finished the month at 5.13%, slightly higher than at the start of April.

At this juncture, we still forecast rates to fall back over the next two to three years as inflation dampens, although there is upside risk to our Bank Rate forecast at present. The CPI measure of inflation is expected to fall below 2% in the second half of 2025, however, and we forecast 50-year rates to stand at 4.20% by the end of September 2026. The major caveats are that there is considerable gilt issuance to be digested by the market over the next couple of years, and geo-political uncertainties – which are generally negative for inflation prospects – abound in Eastern Europe and the Middle East, in particular.

The following graphs and tables are optional.

PWLB RATES 02.04.24 - 30.09.24



HIGH/LOW/AVERAGE PWLB RATES FOR 02.04.24 – 30.09.24

	1 Year	5 Year	10 Year	25 Year	50 Year
02/04/2024	5.39%	4.72%	4.80%	5.28%	5.07%
30/09/2024	4.95%	4.55%	4.79%	5.33%	5.13%
Low	4.78%	4.31%	4.52%	5.08%	4.88%
Low date	17/09/2024	17/09/2024	17/09/2024	17/09/2024	17/09/2024
High	5.61%	5.14%	5.18%	5.61%	5.40%
High date	29/05/2024	01/05/2024	01/05/2024	01/05/2024	01/05/2024
Average	5.21%	4.76%	4.88%	5.35%	5.14%
Spread	0.83%	0.83%	0.66%	0.53%	0.52%

- The current PWLB rates are set as margins over gilt yields as follows: -
 - **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)
 - **PWLB Certainty Rate (GF)** is gilt plus 80 basis points (G+80bps)
 - **PWLB Local Infrastructure Rate** is gilt plus 60 basis points (G+60bps)
 - **PWLB Certainty Rate (HRA)** is gilt plus 40bps (G+40bps)
- The **UK Infrastructure Bank** will lend to local authorities that meet its scheme criteria at a rate currently set at gilt plus 40bps (G+40bps).

Cabinet Committee

7 November 2024

Agenda Item No. 14

Outstanding Remits from Committees

Title	Service(s)	Comments
5 December, 2024		
Anti-Bullying Policy	Education	As agreed at 02.11.23 Cabinet meeting – para. 169 of 2023.CC.93 refers – Cabinet Committee Minute - 2nd November 2023 - Report to be brought back in a year's time
Firework Control Zones	Housing Services	As agreed at 16.05.24 Fife Council meeting - para. 127 of 2024.FC.152 refers - Fife Council minute - 16th May 2024 - A briefing to be prepared for elected members with a view to a report coming to Cabinet thereafter
Housing Emergency Action Plan (HEAP) 2024-27 – Progress report from Housing Emergency Programme Board	Housing	As agreed at 06.06.24 Cabinet meeting - para. 256 of 2024.CC.138 refers - Cabinet Committee Minute - 6th June 2024 - Further reports back to Cabinet in due course on progress of HEAP.
Operation of Arms Length External Organisations (ALEOs)	Communities	As agreed at 15.08.24 Cabinet meeting - para. 273 of 24.C.C.145 refers - Notice of Motion "report to be submitted addressing how the council and its elected members can influence policy in areas where our Arms Length External Organisations (ALEOs) operate".
Austerity Measures Update	Finance / Communities	As agreed at 19.09.24 Fife Council meeting - para. 140 of 2024.FC.188 refers - <i>Council seeks a report by the Executive Director for Finance and Corporate Services to be presented to the Cabinet Committee or the full Council by the end of the year as to what measures Fife Council can continue to take or may seek to take, to address the impact of continuing 'austerity'.</i>
9 January, 2025		
Social Housing Net Zero Standard (SHNZS) - Scottish Government Consultation Response	Housing Services	As agreed at 07.03.24 Cabinet meeting - para. 223 of 2024.CC.122 refers - Cabinet Committee Minute - 7th March 2024 - A further report be brought back to Cabinet later in 2024.
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 – Cabinet Committee Minute - 4th May 2023 - Report to be presented during 2024

Title	Service(s)	Comments
6 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 - Cabinet Committee Minute - 30th November 2023 - Detailed Delivery Plan to be reported to Cabinet by March 2025
6 March, 2025		
Housing Allocation Policy Review - Task & Finish Group Update	Housing	As agreed at 08.02.24 Cabinet meeting - para. 207 of 2024.CC.114 refers - Cabinet Committee Minute - 8th February 2024 - Report back to Cabinet Committee following completion of the Task and Finish Group remit in the Autumn.
1 May, 2025		
Tackling Marine Pollution - Membership of KIMO UK - Update	Planning	As agreed at 09.05.24 Cabinet meeting - para. 243 of 2024.CC.132 refers - Cabinet Committee Minute - 9th May 2024 - Review of membership to be undertaken in a year's time May 2025
9 October, 2025		
Community Wealth Building - Progress Report	Property Services	As agreed at 10.10.24 Cabinet meeting - para. 293 of 2024.CC.155 refers - Cabinet Committee Minute - 10th October 2024 - Annual report to be provided of future CWB achievements

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 - Cabinet Committee Minute - 9th March 2023 - Further report on the details surrounding the development of the site to be reported back in due course
Wave Trust 70/30 Campaign	Education	As agreed at 16.03.23 Fife Council meeting – para. 60 of 2023.FC.70 refers - Fife Council Minute - 16th March 2023

Title	Service(s)	Comments
Unallocated		
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 - Cabinet Committee Minute - 7th September 2023 Fife Tourism Strategy report
Pay Strategy and Job Evaluation Project	Human Resources	As agreed at 30.11.23 Cabinet meeting - para. 188 of 2023.CC.103 refers - Cabinet Committee Minute - 30th November 2023 - see also para. 4.1 of report - updates to be brought back to Cabinet
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
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 - Cabinet Committee Minute - 8th February 2024 - Further report back to Cabinet in due course.
Supporting our Communities from Flooding across Fife	Roads and Transportation	As agreed at 16.05.24 FC meeting - para. 130 of 2024.FC.158 refers - FC Minute 160524
Public Electric Vehicle Charging - Regional Collaboration	Roads and Transportation	As agreed at 06.06.24 Cabinet meeting - para. 258 of 2024.CC.138 refers - Cabinet Committee Minute - 6th June 2024 - Further report back to Cabinet in due course
Procurement Process Scrutiny/Review (Legacy Systems Replacement Programme in the Place Directorate)	Environment and Building Services	As agreed at Cabinet 15th August, 2024 - Report referred to F&CS Scrutiny with a possibility of a report being referred back to Cabinet , if required - para. 269 of 2024.CC.144 refers
KIMO UK/KIMO International Annual Update (August 2025)	Planning Services	As agreed at 15.08.24 Cabinet meeting - para. 271 of 2024.CC.144 refers - Cabinet Committee Minute of 15th August, 2024 - Annual update to be brought back to August 2025 - Cabinet meeting providing feedback on the work of the organisation over the year.