

Policy and Co-ordination Committee

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



Thursday, 7th January, 2021 - 10.00 a.m.

AGENDA

Page Nos.

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. **MINUTES**
 - (i) Policy and Co-ordination Committee of 19th November, 2020. 3 - 11
 - (ii) The following Sub-Committee minutes are submitted for noting only:-
 - Community and Housing Services of 24th November, 2020 12 – 17
 - Environment and Protective Services of 3rd December, 2020 18 – 21
 - Economy, Tourism, Strategic Planning and Transportation of 10th December, 2020 22 - 25
4. **COVID-19 UPDATE** – Verbal update by the Chief Executive.
5. **SHORT-TERM FINANCIAL STRATEGY AND REVENUE BUDGET MONITORING 2020/21** – Report by the Executive Director (Finance and Corporate Services). To follow
6. **CAPITAL INVESTMENT PLAN UPDATE - PROJECTED OUTTURN 2020-21** – Report by the Executive Director (Finance and Corporate Services). 26 – 33
7. **CARE HOME REPROVISIONING PROGRAMME - NEW PROPOSAL FOR REPLACEMENT OF NORTHEDEN HOUSE, CUPAR** – Joint report by the Director of Health and Social Care and the Head of Housing Services. 34 – 59
8. **CARE HOME REPROVISIONING PROGRAMME – REPLACEMENT OF LADYWALK HOUSE, ANSTRUTHER BUSINESS CASE** – Joint report by the Director of Health and Social Care and the Head of Housing Services. 60 – 89
9. **CROWN ESTATE FUNDING** – Report by the Head of Business and Employability Services. 90 - 95

<p>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.</p>
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29th December, 2020.

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

19th November, 2020.

10.00 a.m. – 2.40 p.m.

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

ATTENDING: Steve Grimmond, Chief Executive; Eileen Rowand, Executive Director (Finance and Corporate Services), Elaine Muir, Head of Finance, Laura Robertson, Finance Operations Manager, Les Robertson, Head of Revenue and Commercial Services, Caroline MacDonald, Procurement Service Manager, Derek Hamilton, Category Manager (Fleet and Plant), Charlie Anderson, Head of ICT, Business Technology Solutions, Helena Couperwhite, Manager (Committee Services) and Michelle McDermott, Committee Officer, Legal and Democratic Services, Finance and Corporate Services; Neil Finnie, Service Manager (Policy and Prevention) and Avril Graham, Sustainable Estate Officer, Education and Children's Services; Gordon Mole, Head of Business and Employability and Ronnie Hair, Property Investment and Development Manager, Economy and Employability; John Mills, Head of Housing Services, Val Millar, Communications and Customer Insight Manager and Stuart Fargie, Programme Manager (Commercialisation), Communities and Neighbourhoods Service, Communities Directorate; Derek Crowe, Senior Manager (Roads and Transportation Services) and Ross Speirs, Service Manager (Structural Services), Assets, Transportation and Environment.

237. CHANGE OF MEMBERSHIP

Decision

The Committee noted that Councillor David Barratt had replaced Councillor Alice McGarry as a member of the Policy and Co-ordination Committee.

238. DECLARATIONS OF INTEREST

No Declarations of Interest were submitted in terms of Standing Order No. 7.1.

Decision

239. MINUTES

(a) Policy and Co-ordination Committee of 8th October, 2020

Decision

The Committee approved the minute.

(b)/

(b) **Appointments Sub-Committee of 28th September and 2nd November, 2020**

Decision

The Committee approved the minutes.

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

- Assets and Corporate Services Committee of 20th August and 29th October, 2020.
- Community and Housing Services Committee of 3rd September, 2020.
- Economy, Tourism, Strategic Planning and Transportation of 1st October, 2020.
- Education and Children's Services Committee of 1st September and 3rd November, 2020.
- Environment and Protective Services Committee of 17th September, 2020.

Decision

The minutes were noted.

240. COVID-19 UPDATE

Steve Grimmond, Chief Executive provided an update on the impact Covid-19 was having on the resilience of our Health and Social Care Services and also the social and economic impact the pandemic was having on our communities.

In Scotland, there was a sense that the second wave was beginning to level off but that it remained at a high level within large parts of the central belt. In Fife, Covid cases had been rising since mid-September to October and that situation had led Fife to move to Level 3 from 13th November.

There was a recognition of growing pressures being placed on health services and there was some concern on the demand being placed on the ICU. In relation to the social and community impact, the service data which had been received advised that we were coping with the demand placed on us.

It was noted that there was also significant demand on a number of services in relation to responding to Covid pressures including Environmental Health and Public Protection who were managing Covid outbreaks by providing advice to businesses across Fife.

Steve Grimmond highlighted the fact that the Committee had previously discussed the Council's approach on reform and recovery including the Council's economic and climate response and that this continued to be the main focus of discussion at the Sub-Committee Working Groups to help with all aspects of the Covid impact.

241./

241. GENERAL FUND REVENUE BUDGET 2021-24

The Committee considered a report by the Executive Director (Finance and Corporate Services) outlining the financial challenge the Council faced in the medium-term and the approach taken to respond to it.

Decision

The Committee:-

- (1) agreed the strategy contained within section 6 of the report as the basis for the development of a balanced budget for 2021-22;
- (2) noted that the figures were subject to change following the UK Comprehensive Spending Review and the Scottish Government Budget. The budget gap would be communicated to Group Leaders by the Executive Director (Finance and Corporate Services) once the information was available; and
- (3) noted that details of directorate proposals, fiscal flexibilities and corporate solutions would be provided to Group Leaders this year to allow political groups to develop budget proposals.

242. CAPITAL INVESTMENT PLAN UPDATE - PROJECTED OUTTURN 2020-21

The Committee considered a report by the Executive Director (Finance and Corporate Services) providing a strategic financial overview of the Capital Investment Plan and advised on the projected outturn for the 2020-21 financial year.

Decision

The Committee noted:-

- (1) the projected outturn position, the risks and mitigating actions for the major projects within the Capital Investment Plan;
- (2) the projected outturn position for the 2020-21 Capital Investment Plan;
- (3) that more detailed capital outturn reports for 2020-21 would be submitted to relevant Sub-Committees of the Council, in accordance with agreed financial reporting arrangements; and
- (4) that budget variances would be managed by the appropriate Directorate in conjunction with the Investment Strategy Group.

243. SHORT-TERM FINANCIAL STRATEGY AND REVENUE BUDGET MONITORING 2020-21

The Committee considered a report by the Executive Director (Finance and Corporate Services) providing members with a strategic overview of Fife Council's forecast financial position for 2020-21 noting that significant financial pressures had emerged/

emerged as a result of the Covid-19 pandemic as outlined in previous reports. The report provided an update detailing the changes to both the anticipated financial impact and the impact on the financial strategy to ensure the Council remained financially sustainable.

Decision

The Committee:-

- (1) noted the updated high level financial position as detailed in the report;
- (2) noted that the estimated shortfall in funding was well within the agreed financial strategy to use up to £10m of Council balances;
- (3) instructed all Services to continue to mitigate additional costs and to contain expenditure within the approved budget provision wherever possible;
- (4) approved the commitments against balances to be reduced as detailed in section 7 of the report;
- (5) noted that further monitoring reports would be submitted to the Policy and Co-ordination Committee and relevant Sub-Committees as outlined in section 8 of the report;
- (6) agreed to a temporary extension to a variation within the financial regulations to ensure the continued operation of the Supplier Relief Scheme; and
- (7) agreed to a temporary extension to the policy of deferral rather than abatement of debt.

244. TREASURY MANAGEMENT ANNUAL REPORT 2019-20 AND UPDATE 2020-21

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

Decision

The Committee noted the contents of the report.

The meeting adjourned at 11.30 a.m. and reconvened at 11.45 a.m.

245. DEPARTURE TO THE SCHOOL ADMISSIONS POLICY - COVID

The Committee considered a report by the Executive Director (Education and Children's Services) seeking approval to depart from the existing Schools Admissions Policy for Primary One enrolment from January, 2021. As a result of the/

the Coronavirus restrictions, the education authority was looking to depart from the current approach to allow enrolment for pupils for session 2021/22 using a digital, online process.

Decision

The Committee:-

- (1) noted the contents of the report; and
- (2) approved the departure from the existing schools admission policy for Primary One enrolment for academic session 2021/22.

246. FIFE INDUSTRIAL INNOVATION INVESTMENT PROGRAMME - EDINBURGH AND SOUTH EAST SCOTLAND CITY REGION DEAL - FULL BUSINESS CASE FOR TRANCHE 2

The Committee considered a report by the Executive Director (Enterprise and Environment) seeking approval for the second tranche of investment (years 4-6) of the Fife Industrial Innovation Investment (i3) Programme noting that the Fife i3 Programme was a ten year investment programme which formed part of the Edinburgh and South East Scotland City Region Deal.

Decision

The Committee:-

- (1) approved the Full Business Case (FBC) included in Appendix 1 to the report, noting that the approval was subject to the agreement of the Scottish and UK Governments and the Regional Joint Committee for the Edinburgh & South East Scotland City Region Deal;
- (2) delegated authority to the Executive Director (Enterprise and Environment), the Head of Legal and Democratic Services and the Head of Finance to secure partner agreement and authorised them to submit the Full Business Case to the Edinburgh and South East Scotland City Region Deal Joint Committee and Government partners for final approval;
- (3) agreed that the capital receipts from the disposal of land at The Industrial Park, Lochgelly and the former skate park site at Ridgeway, Dalgety Bay would be reinvested in the Fife i3 Programme, noting that the principle of capital receipts being retained by the Fife i3 Programme formed part of the agreed Full Business Case (FBC) and was a requirement of the Government investment. The total amount of receipts proposed for retention by the Programme did not exceed the previously agreed total of £5.2m;
- (4) agreed the transfer of £388,000 from within the EPES Council capital programme that arose as a result of the updated business case, from Growing the Economy to the Fife i3 Programme;
- (5)/

- (5) noted that the report followed the Full Business Case for the Fife i3 Programme, which was approved by the Policy and Co-ordination Committee in January 2019. Approval was given at that time for Fife Council capital funding to support delivery of the Programme; and
- (6) noted that a further Full Business Case for the third tranche (years 7–10) of investment would be prepared in 2023/24.

Councillor Craig Walker left the meeting during consideration of the above item.

247. SCOTTISH GOVERNMENT TOWN CENTRE FUND - ADDITIONAL ALLOCATION OF £1.56M AND PROGRESS UPDATE

The Committee considered a report by the Head of Business and Employability seeking agreement for an approach to disbursing a further allocation of £1.56m from the Scottish Government's Town Centre Capital Fund and provided an update on the existing £4.335m programme of projects agreed at the Policy and Co-ordination Committee on 18th June, 2019. The further allocation of funding would be used specifically to support town centre projects which would stimulate the construction industry and support jobs during the current financial year 2020-2021. The Scottish Government had set rigid timescales and conditions to which Fife Council would be required to adhere, including that monies were to be legally committed and/or spent on projects commenced within financial year 2020-2021 with an expectation that projects would be completed by the end of September, 2021.

Decision

The Committee:-

- (1) noted the background to the fund, including conditions and timescales involved in delivering projects;
- (2) agreed that the over profiling of projects reported to the Policy and Co-ordination Committee in June 2019 to manage risk of underspend or slippage in project delivery be accounted for in the additional £1.56m and noted that there was some flexibility to allow movement of funds from one project to another as necessary with the agreement of the Executive Director (Enterprise and Environment); and
- (3) agreed that the existing projects listed in Table 1 of the report, which already had the necessary approvals in place, would receive investment from the additional £1.56m fund.

248. HOUSING REVENUE ACCOUNT (HRA) CONSULTATIVE BUDGET 2021-22

The Committee considered a joint report by the Head of Housing Services and Head of Finance seeking approval to agree an appropriate increase for HRA rents and associated charges for 2021-22, reflecting the impacts of the Covid-19 emergency on tenant households and housing finances noting that the proposed rent increase would form the basis of statutory consultation with tenants to inform HRA budget discussions at full Council on 25th February, 2021.

Decision/

Decision

The Committee:-

- (1) agreed to survey all Council tenants around the proposal for a rent increase of 1.5% in 2021-22, to also apply to associated charges for services, garage sites and temporary accommodation with lock-up rents being frozen for one further year;
- (2) noted that Committee's preferred prudential threshold of 30% would be reached through the specific rent proposal based on current HRA borrowing and risk assumptions, adding a higher level of risk to the HRA; and
- (3) noted that the outcome of the full tenant consultation would be reported to full Council on 25th February, 2021.

249. ADVERTISING ON COUNCIL ASSETS

The Committee considered a report by the Executive Director (Communities) seeking approval for a refreshed Council's Advertising and Sponsorship Policy and an updated approach to advertising that included new measures to support local businesses through the current Covid-19 pandemic.

Decision

The Committee:-

- (1) approved the refreshed Advertising and Sponsorship Policy as detailed in Appendix 1 to the report;
- (2) endorsed the priority and approach being placed on supporting local businesses and wider economic recovery;
- (3) noted the intention to test advertising opportunities across a range of Council assets over the next twelve months; and
- (4) agreed that a further report be brought back to this Committee in twelve months' time providing a review of the new policy.

250. ANNUAL PROCUREMENT REPORT

The Committee considered a report by the Head of Revenue and Commercial Services providing members with a summary of Procurement activity and its impact during the financial year 2019/20.

Decision

The Committee noted the contents of the Annual Procurement Report which would subsequently be published and notified to Scottish Ministers.

Councillors Dave Dempsey, Carol Lindsay and Tony Miklinski left the meeting during consideration of the above item.

251./

251. DIGITAL STRATEGY 2020 TO 2023

The Committee considered a report by the Head of ICT introducing the Fife Council Digital Strategy covering the period from October, 2020 to October, 2023.

Decision

The Committee:-

- (1) agreed the Digital Strategy as the foundation for the Council's Digital and Reform agenda over the next three years;
- (2) agreed the Strategy as the basis for scrutiny of plans for digital redesign and transformation by ensuring alignment with the six themes referenced in para. 1.6 of the report and, in particular, noted the requirements laid out in Section 10 of the Strategy; and
- (3) noted the potentials laid out in the Strategy as a basis for forward reform and redesign of services through the adoption of digital solutions.

252. SEVERE FLOODING - AUGUST 2020

The Committee considered a report by the Head of Assets, Transportation and Environment updating members on the severe flooding that occurred throughout Fife on 11th/12th and 25th August, 2020 and provided details on immediate mitigation measures put in place and additional works provided after the events and also outlined follow-up actions to mitigate future problems.

Decision

The Committee:-

- (1) noted the scale of the flooding events, the number of recorded locations and the scale of the follow-up drainage investigations to be carried out and the use of funding from an underspend on Quality of Life funding of £0.325m to instigate the initial list of follow-up drainage investigations and the completion of a programme of offlet cutting and priority gully cleaning this financial year;
- (2) noted that a review of roads drainage maintenance policy and standards, including gully cleaning, ditch and offlet clearing to align policy within the available budget;
- (3) noted that the record of flood events was incomplete;
- (4) agreed that a report be submitted to the Environment and Protective Services Sub-Committee which would include a full register of flood events across Fife detailing the location and key processes involved;
- (5) agreed that the Council be proactive following each flood event by inviting external bodies (Police, Fire, SEPA) and local representatives to detail all flooding events;
- (6)/

2020 PC 126

- (6) agreed that a full report be submitted back to this Committee looking at the Council wide response to flooding events and lessons learned; and
- (7) agreed to examine additional resources for the full list of Appendix 1 actions this year and provide information on how Fife may benefit more from Scottish Government funding.

Councillor Dave Dempsey re-joined the meeting during consideration of the above item and Councillors Tim Brett and Donald Lothian left the meeting during consideration of the above item.

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

24th November, 2020

10.00 a.m. - - 12.30 p.m.

PRESENT: Councillors, Judy Hamilton (Convener), Lesley Backhouse, Ken Caldwell, Alistair Cameron, Neil Crooks, Linda Erskine, Julie Ford, Fiona Grant, Helen Law, Alice McGarry, Graham Ritchie, David J Ross and Darren Watt.

ATTENDING: Michael Enston, Executive Director (Communities), Paul Vaughan, Head of Communities and Neighbourhoods Service, Sarah Johnston, Access Officer, Laura Mackean, Policy Officer - Community Investment Team, Andy Maclellan, Team Manager (Community Projects), and Andrew Stokes, Programme Manager (Communities), Communities and Neighbourhoods Service; John Mills, Head of Housing, Mark Mccall, Service Manager (Safer Communities), Gavin Smith, Service Manager – Housing Access and Homelessness, Helen Wilkie, Service Manager-Housing Condition and Supply and Craig Brown Lead Officer – Affordable Housing and Regeneration, Housing Services and Wendy MacGregor, Committee Officer, Legal and Democratic Services.

ALSO IN ATTENDANCE David Redpath and Sarah Somerville Citizens Advice and Rights Fife (for para. 195 only); Kirsty Keay, Director of Corporate and Commercial Development, Fife Cultural Trust (for para. 194 only) and Bill Campbell, Fife Federation of Tenants and Residents Association.

APOLOGY FOR ABSENCE: Councillor Donald Lothian.

185. DECLARATIONS OF INTEREST

Councillor Neil Crooks declared an interest in the business on the agenda being a Fife Council tenant in Ravenscraig Flats, Kirkcaldy (for para. 190 only) and Councillor Lesley Backhouse declared an interest in the business on the agenda being a trustee on the Board of the Fife Cultural Trust (for para. 194 only).

186. MEMBERSHIP OF COMMITTEE

On behalf of the Community and Housing Services Sub-Committee the Convener welcomed Councillor Julie Ford to the meeting and thanked Councillor Alistair Suttie for his contribution during his time as a member on the Sub-Committee.

Decision/

Decision

The Sub-Committee noted that Councillor Julie Ford had replaced Councillor Alistair Suttie as a member of the Community and Housing Services Sub-Committee.

187. MINUTE

The Sub-Committee considered the minute of the meeting of the Community and Housing Services Sub-Committee of 3rd September, 2020.

Decision

The Sub-Committee approved the minute.

188. STRATEGIC HOUSING INVESTMENT PLAN - 2021 - 26

The Sub-Committee considered a report by the Head of Housing Services seeking authority for the submission of Fife's Strategic Housing Investment Plan 2021/22 - 2025/26 to the Scottish Government. The plan would be revised and updated annually for a rolling 5-year period.

Decision

The Sub-Committee authorised:-

- (1) the Strategic Housing Investment Plan 2021/22 - 2025/26 based on the priorities and principles outlined in the report; and
- (2) the Head of Housing Services, in consultation with the Sub-Committee Convener and Vice-Convener to amend / substitute projects within the Strategic Housing Investment Plan, if required.

189. RAPID REHOUSING TRANSITION PLAN(RRTP) 2021/22 UPDATE AND PRIORITIES FOR 2021/22

The Sub-Committee considered a report by the Head of Housing Services providing members with an update on progress in taking forward the Fife Rapid Rehousing Transition Plan (RRTP). The report highlighted the funding position for the RRTP and sought approval to continue to develop the strategic programme and the specific projects agreed through the RRTP Project Board.

The report also highlighted specific measures taken to anticipate and respond to the significant housing and homelessness challenges presented by the Covid-19 pandemic and relates this to the transformational change programme to support homelessness service provision in Fife.

Decision/

Decision

The Sub-Committee considered and agreed the Rapid Rehousing Transition Plan priorities for 2021/22, as outlined in section 3 of the report.

Councillors Fiona Grant and Darren Watt joined the meeting during consideration of this item.

190. ENHANCING TOWER BLOCK CONCIERGE SERVICES

The Sub-Committee considered a report by the Head of Housing Services providing members with an update of the progress made since Committee approval in February 2019 to enhance the current concierge services across Tower Blocks in Fife, following the Grenfell tragedy in London 2017.

Decision

The Sub-Committee:-

- (1) approved the proposed Delivery Model, as outlined in sections 2 and 3 of the report;
- (2) noted the revised timescales for delivery of the enhanced concierge service; and
- (3) noted that a separate members' briefing would be circulated by December 2020, following the publication of Part 1 of the Grenfell Enquiry and next steps and would include an update on the work of the Tower Block Review Group.

191. FREE SCHOOL MEALS - OCTOBER 2020 TO APRIL 2021

The Sub-Committee considered a report by the Executive Director (Communities) proposing that Fife Council make direct cash payments to children registered for benefits-related Free School Meals during school holiday periods and during term time for children registered for benefits-related Free School Meals, who were unable to attend school due to coronavirus (COVID-19), between October 2020 and April 2021.

Decision

The Sub-Committee:-

- (1) noted the funding allocation from the Scottish Government and the proposal for direct cash payments; and
- (2) approved the use of direct cash payments during term time to support children who were unable to attend school due to isolation.

192./

192. FORMALISING MANAGEMENT OF COMMUNITY HALLS AND CENTRES

The Sub-Committee considered a report by the Head of Communities and Neighbourhoods Service seeking agreement of a framework for consultation and engagement on the future management of community halls and centres, for those community facilities in Fife which operated with voluntary management committees in situ i.e. they were not directly operated and managed by Fife Council or had a formal lease in place. The report also sought agreement from members to progress consultation to address the former Fife Regional Council facilities, which retained income and set fees/charges.

Decision

The Sub-Committee:-

- (1) noted the position as set out in the report; and
- (2) agreed to consult on the proposed changes, as outlined in the report, with Voluntary Management Committees and Committees in former Fife Regional Council facilities.

193. MANAGEMENT RULES FOR PARKS AND OPEN SPACES

The Sub-Committee considered a joint report by the Head of Assets, Transportation and Environment and the Head of Communities and Neighbourhoods Service seeking approval to implement new management rules for Parks and Open Spaces, following expiry of the previous rules in October 2020.

Decision

The Sub-Committee:-

- (1) approved the Draft Management Rules for Parks and Open Spaces, as detailed in Appendix 2 to the report, with an additional responsibility that all cyclists should give consideration to the speed at which they travelled with respect to other park users;
- (2) agreed that further legal advice would be sought to clarify the consequences of the failure to comply with the Management Rules in relation to anti social behaviour; and
- (3) agreed that the Management Rules would be subject to public consultation.

194. ADAM SMITH THEATRE REDEVELOPMENT PROJECT

The Sub-Committee considered a report by the Head of Communities and Neighbourhoods Service providing members with an update on the project progress for the refurbishment, re-purposing and diversification of the auditorium, cafe/public space, Beveridge Suite and improved access within Adam Smith Theatre, which was managed on behalf of Fife Council by Fife Cultural Trust.

Decision/

Decision

The Sub-Committee:-

- (1) noted the contents of the report; and
- (2) agreed to the funding contribution from Fife Council towards the project, as detailed in the report.

195. CITIZENS ADVICE AND RIGHTS FIFE - PERFORMANCE REPORT

The Sub-Committee considered a report by the Head of Communities and Neighbourhoods Service providing information on the performance of Citizens Advice and Rights Fife (CARF) during 2019/20.

Decision

The Sub-Committee:-

- (1) noted the details of the report and the performance and development of the organisation to date;
- (2) recognised the work undertaken to support vulnerable individuals through the current Corona virus pandemic; and
- (3) recognised the impact and challenges the service faced as a result of the pandemic.

196. COMMUNITIES DIRECTORATE SECTION/SERVICE PERFORMANCE REPORTS

The Sub-Committee considered a report by the Executive Director (Communities) presenting the performance scorecard for Communities and Neighbourhoods and Housing and Community Safety for 2019/20.

Decision

The Sub-Committee:

- (1) considered the Communities and Neighbourhoods and Housing and Community Safety performance information as detailed in Appendices 1 and 2, to the report;
- (2) considered whether any further review or scrutiny work was required and the scope of that review;
- (3) noted the arrangements set out in section 1 of the report, to fulfil Fife Council's obligation to comply with Audit Scotland's 2018 SPI Direction;
- (4) noted the information regarding the workforce profile, as detailed in Appendix 3 to the report; and
- (5)/

- (5) noted the information regarding workforce data, as detailed in Appendix 4 to the report.

197. COMMUNITY AND HOUSING SERVICES SUB-COMMITTEE FORWARD WORK PROGRAMME

Decision

The Sub-Committee noted the current Forward Work Programme for the Community and Housing Services Sub-Committee.

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

3 December, 2020

10.00 a.m. – 11.25 a.m.

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

ATTENDING: Keith Winter, Executive Director, Enterprise and Environment; Ken Gourlay, Head of Assets, Transportation and Environment, Nigel Kerr, Head of Protective Services, Ross Speirs, Service Manager (Structural Services), Eloise Griffin, Technical Officer (Land & Air Quality), Assets, Transportation and Environment; Robin Baird, Chief Operating Officer, Hayley Williamson, Environmental Strategy Officer, Fife Resource Solutions; Johanna Willi, Biodiversity Co-ordinator, Communities and Neighbourhoods; Elizabeth Mair, Committee Officer, Legal & Democratic Services

APOLOGIES FOR ABSENCE: Councillor Gavin Ellis

163. DECLARATIONS OF INTEREST

Councillors David Barratt, Andy Heer and Jan Wincott declared an interest in paragraph 171 - Fife Resource Solutions Performance Report, as they were on the Board of Fife Resource Solutions, however, they considered that this was covered by a Specific Exclusion so they would remain and participate.

164. CHANGES TO MEMBERSHIP

The Sub-Committee were advised that Councillors Sharon Green-Wilson and Alice McGarry had replaced Councillors Julie Ford and Kate Stewart as members of the Environment & Protective Services Sub-Committee. The Convener advised that Councillor Derek Glen had replaced Councillor Julie Ford earlier in the year. He thanked Councillors Glen and Stewart for their work on the Sub-Committee.

Decision

The Sub-Committee noted that Councillors Sharon Green-Wilson and Alice McGarry had replaced Councillors Derek Glen and Kate Stewart as members of the Environment & Protective Services Sub-Committee.

165. MINUTE

The Sub-Committee considered the minute of the meeting of the Environment & Protective Services Sub-Committee of 17 September 2020.

Decision/

Decision

The Sub-Committee agreed to approve the minute subject to an amendment to the decision at Paragraph 154(1) to include that the matters of hospitality/gifts and membership of Trade Union officials be considered by the Mossmorran & Braefoot Bay Community & Safety Committee in the review of the constitution.

166. SEVERE FLOODING - AUGUST 2020 FURTHER INVESTIGATION

The Sub-Committee considered a report by the Head of Assets, Transportation and Environment providing an update on the decision by the Policy and Coordination Committee of 19 November 2020 in regard to the report on the August flood events in Central and South Fife.

Decision

The Sub-Committee agreed that:-

- (1) consultation be carried out with all Councillors to garner further flooding information they had been made aware of by their constituents and incorporate this information into a full register of flood events;
- (2) a future report be submitted to the Environment & Protective Services Sub-Committee on 28 January 2021 which would include a full register of flood events across Fife detailing the location and key processes involved; and
- (3) a further report be submitted to the Policy & Coordination Committee looking at the Council wide response to flooding events, lessons learned and to examine additional resources required to evaluate all events within the register, and report on how Fife may benefit more from Scottish Government funding.

167. PUBLIC BODIES (CLIMATE CHANGE) DUTIES REPORTING 2019-20

The Sub-Committee considered a report by the Head of Assets, Transportation & Environment detailing the reporting for Fife Council regarding tackling its climate change duties and responsibilities and presenting the annual submission of Fife Council's 'Public Bodies (Climate Change) Duties Report' 2019-20.

Decision

The Sub-Committee agreed:-

- (1) that the Executive Director (Enterprise & Environment) arrange for a copy of the Fife Council Public Bodies Climate Change Duties Report for 2019-20 (Appendix A to the report) to be circulated to members for comments; and
- (2) to delegate to the Executive Director (Enterprise & Environment), in consultation with the Convener and Vice-Convener, to approve the final annual report for submission to the Scottish Government, taking into account comments from members.

168./

168. FIFE COUNCIL BIODIVERSITY DUTY REPORT 2018-2020

The Sub-Committee considered a report by the Head of Communities & Neighbourhoods, advising that the Council had a requirement to report to the Scottish Government on the public body's compliance with the biodiversity duty under the Wildlife & Natural Environment (Scotland) Act 2011, and seeking approval of the Fife Council's Biodiversity Duty Report 2018-2020 prior to submission.

Decision

The Sub-Committee:-

- (1) agreed to approve the Fife Council Biodiversity Duty Report 2018-2020 for submission to the Scottish Government;
- (2) agreed that a briefing on resources invested in biodiversity be circulated to members and that future reports include this information; and
- (3) noted that the draft consultation response to the Scottish Government on market restrictions for single-use plastics would be circulated to members for comment.

Councillor Tepp left the meeting during consideration of the above item and re-joined the meeting following consideration of the above item.

169. FIFE'S AIR QUALITY STRATEGY 2015-2020 – PROGRESS UPDATE FOR 2020

The Sub-Committee considered a report by the Head of Protective Services advising of progress made in 2019 in delivering the aims and objectives of Fife's Air Quality Strategy 2015-2020.

Decision

The Sub-Committee:-

- (1) noted and endorsed the progress made to date in implementing Fife's Air Quality Strategy 2015-2020;
- (2) approved the production of Fife's Air Quality Strategy for 2021-2025 with the addition of data relating to individual monitoring sites; and
- (3) agreed to support an ongoing commitment to improving and maintaining good air quality across Fife.

170. ENTERPRISE AND ENVIRONMENT DIRECTORATE SECTION/SERVICE PERFORMANCE REPORTS

The Sub-Committee considered a report by the Executive Director, Enterprise & Environment presenting the performance scorecard for Protective Services, Parks, Streets & Open Spaces and Waste Operations for 2019/20.

Decision

Decision

The Sub-Committee noted:-

- (1) the Protective Services, Parks, Streets & Open Spaces and Waste Operations performance information presented at Appendices 1 & 2;
- (2) that members could suggest items for further review work or scrutiny;
- (3) the arrangements set out in section 1 of the report to fulfil the Council's obligation to comply with Audit Scotland's 2018 SPI Direction;
- (4) the information regarding the workforce profile in Appendix 3 to the report;
- (5) the information regarding workforce data in Appendix 4 to the report; and
- (6) that a briefing on the financial implications of reduced recycle values would be circulated to members.

171. FIFE RESOURCE SOLUTIONS PERFORMANCE REPORT

The Sub-Committee considered a report by the Head of Assets, Transportation & Environment summarising the performance of Fife Resource Solutions LLP (FRS) for the financial year 2019/2020.

Decision

The Sub-Committee noted the content of the report and agreed it was in line with expected outcomes.

172. ENVIRONMENT & PROTECTIVE SERVICES SUB-COMMITTEE FORWARD WORK PROGRAMME

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

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

10 December 2020

10.03 am – 11.55 am

PRESENT: Councillors Altany Craik (Convener), John Beare, Ian Cameron, Bill Connor, Colin Davidson, Sharon Green-Wilson, Jean Hall-Muir, Jane Ann Liston, Mino Manekshaw, Ross Paterson, David J Ross, Ann Verner and Jan Wincott.

ATTENDING: Keith Winter, Executive Director, Enterprise and Environment; Ken Gourlay, Head of Assets, Transportation and Environment, Derek Crowe, Senior Manager (Roads & Transportation Services), Assets, Transportation and Environment; Anne-Marie Fleming, Corporate Development Officer, Communities and Neighbourhoods; Alastair Hamilton, Service Manager - Development Management, Economy, Planning & Employability Services; Gordon Mole, Head of Business and Employability, Economy, Planning & Employability Services; Lesley Robb, Lead Officer - Committee Services, Legal & Democratic Services.

**APOLOGY FOR
ABSENCE:** Councillor Dave Coleman.

145. CHANGE OF MEMBERSHIP

Decision

The Sub-Committee noted that Councillor Alistair Suttie had replaced Councillor Ian Ferguson as a member of the Economy, Tourism, Strategic Planning and Transportation Sub-Committee. The Convener welcomed Councillor Suttie to Committee and thanked Councillor Ferguson for his work on the Committee to date.

146. DECLARATIONS OF INTEREST

Decision

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

147. MINUTE

The Sub-Committee considered the minute of the meeting of the Economy, Tourism, Strategic Planning and Transportation Sub-Committee meeting of 1 October 2020.

Decision

The Sub-Committee approved the minute.

148. ENFORCEMENT CHARTER

The Sub-Committee considered a report by the Head of Planning seeking approval of the new Planning Enforcement Charter and confirming the approach to planning enforcement to be adopted by Fife Council Planning Service.

Decision

The Sub-Committee:

- (1) approved the Enforcement Charter; and
- (2) delegated to the Head of Planning the powers to finalise and publish the Charter.

149. ENTERPRISE AND ENVIRONMENT DIRECTORATE SERVICE PERFORMANCE REPORT

The Sub-Committee considered a report by the Executive Director, Enterprise and Environment presenting the performance scorecard for Planning, Business and Employability and Roads and Transportation Services for 2019-2020.

Decision

The Sub-Committee:

- (1) considered the Planning, Business & Employability and Roads and Transportation Services performance information presented as appendices 1, 2 and 3 to the report;
- (2) considered if any further review work or scrutiny was required and the scope of that review;
- (3) noted the arrangements set out in section 1 of the report, to fulfil the Council's obligation to comply with Audit Scotland's 2018 Statutory Performance Indicator Direction;
- (4) noted the information regarding the workforce profile, as detailed in appendix 4 to the report; and

noted the information regarding workforce data, as detailed in appendix 5 to the report.

Councillors Green-Wilson and Cameron left the meeting during consideration of the following item.

150. NEW ROADS AND STREET WORKS ACT ANNUAL PERFORMANCE REPORT 2019-2020

The Sub-Committee considered a report by the Head of Assets, Transportation and Environment providing a summary of Statutory Undertaker performance along with Fife Council's own performance relating to New Roads and Street Works Act activities in Fife in 2019-2020. This report was in accordance with the New Roads and Street Works Act 1991 recommendations that local authorities publish annual Statutory Undertaker performance reports.

Decision

The Sub-Committee:

- (1) scrutinised the New Roads and Street Works Act annual performance and activity, as detailed in the report;
- (2) noted the contents of the report; and
- (3) agreed that correspondence be sent to Virgin Media Group to make the organisation aware of the Committee's discontent at their low pass rates in relation to Statutory Undertaker inspection performance.

The meeting adjourned at 11:30 am

The meeting reconvened at 11:40 am

151. DECRIMINALISED PARKING ENFORCEMENT ANNUAL PERFORMANCE REPORT - 2019-2020

The Sub-Committee considered a report by the Head of Assets, Transportation and Environment updating Members on the performance of the Decriminalised Parking Enforcement operation in Fife for the period 1 April 2019 to 31 March 2020.

Decision

The Sub-Committee:

- (1) considered and noted the activity, as detailed in the report; and
- (2) noted that the format of publishing the information and providing details to Members in future years would be subject to review.
- (3) noted the format of publishing the information and providing details to Members in future years reviewed.

**152. ECONOMY, TOURISM, STRATEGIC PLANNING AND TRANSPORTATION
SUB COMMITTEE FORWARD WORK PROGRAMME**

Decision

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

Capital Investment Plan Update – Projected Outturn 2020-21

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 projected outturn for the 2020-21 financial year.

Recommendations

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

- i) the projected outturn position, the risks and mitigating actions for the major projects within the Capital Investment Plan;
- ii) the projected outturn position for the 2020-21 Capital Investment Plan;
- iii) that more detailed capital outturn reports for 2020-21 will be submitted to relevant Committees of the Council, in accordance with agreed financial reporting arrangements and;
- iv) that budget variances will be managed by the appropriate Directorate in conjunction with the Investment Strategy Group.

Resource Implications

None.

Legal & Risk Implications

Potential risks include the impact of COVID-19 on the costs of construction projects, availability of funding streams for larger capital projects and the capacity to complete some projects on time, again as a result of COVID-19. Further explanation of the current risks is contained in section 2.2.

Impact Assessment

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

Consultation

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

1.0 Background

- 1.1 The purpose of this report is to advise members of the projected outturn position for the Council's Capital Investment Plan (the Plan) for the financial year 2020-21. The report also highlights the projected outturn position for major projects over £5.000m along with any potential risks associated with these projects. Explanation is provided at Section 2.1 where there is deemed to be a greater level of financial risk linked to major projects. The Plan covers capital expenditure on all Council Services including Housing, which is managed as a separate programme.

2.0 Issues

2.1 Major Projects

- 2.1.1 Appendix 1 provides a summary of the projected outturn for major projects within the Plan. There are 22 projects in this category with an overall budget of £811.700m at this stage, it is anticipated that there will be an overspend of £0.111m which is due to Depot Rationalisation. There continues to be a risk that the cost of projects across the plan may be adversely affected going forward as a result of current restrictions associated with COVID-19 and possibly as a result of BREXIT. However, this is difficult to predict with any level of certainty.

2.2 Potential Risks and Issues

- 2.2.1 Due to the impact of COVID-19, on site construction work was put on hold on 23rd March, 2020, with the exception of some critical projects. There is still the potential that COVID-19 will impact on project costs and will extend many project delivery dates as contractors continue to make adjustments to working arrangements to accommodate new requirements, such as social distancing. Some claims from contractors were received in relation to closing down, maintaining and re-opening sites and also in relation to preparation for work on site recommencing, for example in relation to Madras College. Monitoring of the impact of these additional costs and timescales is ongoing.
- 2.2.2 The Capital Plan includes £120m investment in respect of Secondary Schools in West Fife. This investment required is likely to be substantially higher than the approved funding to meet the infrastructure requirements for all secondary schools in the area. It is intended to address both school condition and the need for additional school places arising from housing development. However, the Scottish Government funding model has changed since the Capital Plan was approved, moving from a capital grant model to a revenue funded model. Discussions around the funding of the Council element are progressing with the Scottish Government and the Scottish Futures Trust and work is continuing with Fife College to develop the business case for the Dunfermline Learning Campus which will be the first building to be financed in this new way. Recognition of the change will need to be addressed in the next review of the Capital Investment Plan to ensure that financial planning is reflective of the new model and to ensure affordability across west Fife schools.
- 2.2.3 Within Early Learning and Childcare (ELC), the delivery date of August 2020 has been removed by the Scottish Government in light of COVID-19. A new implementation date has still to be announced, however, all projects, with the exception of Templehall, are now on site and once the revised implementation is known the projects will be managed within the timeframe. There is a risk that contingency arrangements may be required in the short term to provide places should these projects be delayed, which include retaining 600hrs provision in some settings and phasing over time to 1140 provision as building works are completed.

2.2.4 General Capital Grant provided by the Scottish Government is applied to finance local authority capital programmes before the application of any other capital or revenue resources such as capital receipts or borrowing. All local authorities must make full use of the grant in the applicable financial year and any unused grant is repaid to the Scottish Government unless otherwise agreed in writing by Scottish Ministers.

2.2.5 The ongoing effects of the pandemic, alongside the closure of all but essential projects for the first quarter of 2020-21, did reduce expenditure dramatically and, as a result, budgets were reprofiled in June 2020. Whilst there is still an on ongoing risk of further slippage, it is now unlikely that any unused grant will need to be repaid to the Scottish Government as expenditure will exceed the level of grant of £25.033m.

2.3 Financial Performance – 2020-21 Total Expenditure - Projected Outturn

2.3.1 Appendix 2 provides a summary by capital theme of projected expenditure and income for 2020-21 showing the total expenditure budget of £150.174m and projected spend of £144.371m in the 2020-21 financial year, £5.831m slippage across the plan. Comparable expenditure for the previous 3 years was £175.104m (2019-20), £144.083m (2018-19) and £140.253m (2017-18).

3.0 Budgets and Funding

3.1 Budget

The Capital Investment Plan 2019-29 was approved by Fife Council in February 2019. At the end of each financial year, any budget which has not been spent is rolled forward into the next financial year as slippage. Services are asked to re-profile their project budgets in light of this slippage and the result of this can be seen in the movement from the approved budget to the current budget as detailed in Appendix 2.

All changes to the budget since the previous report are detailed in the table below and include income from grant funding/other contributions and Capital Financed by Current Revenue (CFCR). All of the changes below have been agreed by the Head of Finance as Chair of the Investment Strategy Group.

	Total Expenditure £m
Capital Investment Plan as at August 20	144.508
Budget to fund purchase of additional property in HRA	5.000
Increased Grant and Contribution Income	0.651
Capital Financed from Current Revenue (CFCR)	(0.015)
Current Capital Investment Plan	150.174

3.2 Expenditure

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

3.2.1 Opportunities for All

Education & Children's Services (£0.695)

Education & Children's Services is showing an overall variance of (£0.695m) this is mainly slippage of which (£0.155m) is attributed to Madras College which was delayed on site due to COVID-19 restrictions. There is also slippage of (£0.547m) against the Early Learning and Childcare programme again projects were delayed due to COVID-19 but all projects are now on site with the exception of the new nursery at Templehall which is expected on site in January 2021. There is slippage of (£0.335m) against Primary School Development. This was for a requirement for a modular unit at McLean PS which is now required by August 2021 as pupils could be accommodated this term within the school. The new children's home at Raith Grove has a forecast overspend of £0.331m and will be offset using budget from Maintaining our Assets theme that is managed by Children and Families.

Health and Social Care (£0.480)

The majority of the variance relates to an underspend on Capital Minor Works. However, as detailed elsewhere on this agenda, the intention is to use this underspend to fund future increased costs associated with Methil Care Home. The increased cost includes £0.176m of additional COVID-19 related costs. The request for a budget transfer of £0.535m was agreed by the Investment Strategy Group on 9 October 2020. The underspend will be carried forward as slippage into 2021-22 to fund the works to be incurred in that financial year.

3.2.2 Thriving Places

Area Community & Corporate Development (£0.746m)

Slippage is in the main attributable to current restrictions surrounding COVID-19. Several projects have been delayed due to access on site, an example being £0.140m staging work at Rothies Halls scheduled to take place in 2020-21 now being deferred until 2021-22. Phasing of the wider Lynburn corridor project has led to £0.200m expenditure now being reprofiled into 2021-22. Multiple smaller projects within the Improving Health through Leisure & sport are reliant on external funders and 3rd party community groups collaborating with the service, the inability to do so in the current circumstances had led to expenditure of £0.259m being delayed until 2021-22.

3.2.3 Inclusive Growth and Jobs

Economy, Planning & Employability £1.039m

This variance is mainly due to advancement on projects funded by Edinburgh and South East Scotland City Region Deal. Progress has been made on construction of business units at Flemington Road, Glenrothes and Dunnikier Industrial Site, Kirkcaldy. Acquisition of site at Fife Interchange Dunfermline is also expected to take place in this financial year.

3.2.4 Maintaining Our Assets – Rolling Programme

Asset & Transportation & Environment (£0.754m)

The slippage is primarily within the Roads and Transportation Capital Programme across various projects. This is mainly due to the COVID-19 Pandemic and the need to prioritise resources to projects such as the Spaces for People programme.

3.2.5 Maintaining Our Assets – Specific Programmes

Asset & Transportation & Environment £0.711m

There has been a requirement to advance work of circa £0.700m across both landfill sites to ensure the highest possible environmental standards are maintained. Capping and gas capture infrastructure has been advanced at Lochhead to combat the intermittent issues which have been experienced. This work was profiled to take place in 18 months' time, after a period of settlement, but has been brought forward into 20/21.

Finance & Corporate (£2.489m)

The underspend of (£2.489m) within the Finance and Corporate Services Directorate relates to projects in the IT Capital Programme. The main areas of slippage (delay) are Servers/Storage £0.370m, Telephony £0.220m and Local Area Network (LAN) £1.6m. In respect of Servers/Storage, there is a change in the technology available and BTS are reviewing the options. Due to COVID-19, the current Telephony contract has been extended. In light of this and the current circumstances the timescales for a replacement system have changed. The new LAN contract is currently being procured, but the contract will not be in place until April 2021.

3.2.6 Housing Revenue Account (£2.143m)

Overall, the HRA is projecting slippage in year of (£2.143m). This is due to a number of projects across the HRA being delayed due to COVID-19. The HRA is working closely with Building and Property Services to schedule start dates for the delayed projects and to ensure that essential works such as Component Replacement are still delivered. Despite delays, the Affordable Housing programme is projecting an in year advancement of £3.187m where the opportunity became available in year to purchase an additional 28 properties in Ladybank. This has allowed the HRA to continue to deliver plans to meet their Phase 3 Housing target and deliver homes in an area of high demand.

3.3 **Total Income**

Capital expenditure is funded from several income sources, some of which contribute specifically to individual projects in the plan. These income sources are Capital Financed from Current Revenue (CFCR), Scottish Government Specific Capital Grant and other grants and contributions (e.g. lottery funding). Appendix 2 shows that there is a total income budget of £55.171m against a forecast of £49.962m giving a projected variance of £5.209m.

The variance relates to reduced CFCR from HRA Revenue to Capital. The Housing Revenue Account is incurring revenue costs relating to Building Services and Property Services for the cost of staff downtime and as a consequence the funding will remain in revenue where the cost will be incurred. This is a one-off exceptional situation as a result of the lock down period at the beginning of the financial year.

3.4 **Total Funding**

Within the total funding section of Appendix 2, the other income such as General Capital Grant and Capital Receipts are not specifically related to any capital project but is funding for the plan overall. The balance of required funding in the year is met from borrowing through the Council's Loans Fund.

4.0 Conclusions

- 4.1 Against the current total expenditure budget of £150.174m, the Council is showing projected spend of £144.371m in the financial year and slippage of 5.831m.
- 4.2 This level of expenditure demonstrates continued progress on the delivery of a wide range of capital projects, despite the COVID-19 restrictions continuing the major capital investment made by Fife Council in recent years, however, there is still a level of uncertainty associated with speed of delivery and future costs.
- 4.3 There are 22 projects within the Plan which have a value of £5.000m or greater. The overall budget for these projects is £811.700m, the Council is showing projected spend of £811.811m and an overspend variance of £0.111m.
- 4.4 If significant variances arise, these will be reviewed by the Investment Strategy Group in conjunction with the appropriate Directorate and reflected in any future capital plan reports.

List of Appendices

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

Report Contact

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FIFE COUNCIL
CAPITAL INVESTMENT PLAN 2020-29
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 - Langlands	E&CS	50.170	58.270	58.270	0.000	0.00%	Current Project	2021-22
Early Learning and Childcare	E&CS	28.376	31.965	31.965	0.000	0.00%	Current Project	2020-21
Primary School Development	E&CS	90.953	88.042	88.042	0.000	0.00%	Current Project	2028-29
Secondary Schools West Fife	E&CS	117.572	120.483	120.483	0.000	0.00%	Future Project	2028-29
Extension Secondary School - Auchmuty	E&CS	9.620	9.620	9.620	0.000	0.00%	Future Project	2022-23
Extension Secondary School - Viewforth	E&CS	5.989	5.989	5.989	0.000	0.00%	Future Project	2025-26
New Secondary School - Glenrothes /Glenwood	E&CS	27.532	27.532	27.532	0.000	0.00%	Future Project	2028-29
Methil Care Home	H&SC	6.620	7.155	7.155	0.000	0.00%	Current Project	2021-22
Cupar Care Home	H&SC	5.580	5.580	5.580	0.000	0.00%	Current Project	2022-23
Anstuther Care Home	H&SC	6.145	6.145	6.145	0.000	0.00%	Feasability	2023-24
		348.557	360.781	360.781	0.000	0.00%		
Thriving Places								
Dunfermline Strategic Transportation Intervention Measures	ATE	39.323	58.012	58.012	0.000	0.00%	Current Project	2028-29
Glenrothes District Heat	ATE	10.320	10.449	10.449	0.000	0.00%	Current Project	2020-21
Improving Health Through Sport and Leisure	Communities	10.000	5.510	5.510	0.000	0.00%	Current Project	2021-22
Area Community Facilities	Communities	6.000	5.350	5.350	0.000	0.00%	Current Project	2021-22
		65.643	79.320	79.320	0.000	0.00%		
Inclusive Growth and Jobs								
Edinburgh City Deal	EPES	47.861	48.936	48.936	0.000	0.00%	Feasability	2028-29
		47.861	48.936	48.936	0.000	0.00%		
Housing Revenue Account								
Affordable Housing	Housing	281.869	280.344	280.344	0.000	0.00%	Current Project	2022-23
		281.869	280.344	280.344	0.000	0.00%		
Maintaing Our Assets - Specific Projects								
West Fife Depot	ATE	4.525	8.308	8.419	0.111	1.34%	Current Project	2019-20
Mobile and Flexible Working	BTS	6.700	6.211	6.211	0.000	0.00%	Current Project	2027-28
Local Area Network	BTS	7.800	7.800	7.800	0.000	0.00%	Future Project	2027-28
Burial Provision	ATE	6.700	6.700	6.700	0.000	0.00%	Future Project	2027-28
Reception Hall for Anaerobic Digestion Plant	ATE	5.000	5.000	5.000	0.000	0.00%	Future Project	2026-27
Balwearie High School	E&CS	8.300	8.300	8.300	0.000	0.00%	Future Project	2024-25
		39.025	42.319	42.430	0.111	0.26%		
Grand Total		782.955	811.700	811.811	0.111	0.01%		

**FIFE COUNCIL
CAPITAL INVESTMENT PLAN 2020-21
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	49.618	39.404	11.409	38.230	(1.175)	97%
Thriving Places	14.352	8.193	1.166	7.176	(1.017)	88%
Inclusive Growth and Jobs	7.189	3.867	1.339	4.906	1.039	127%
Maintaining Our Assets - Rolling Programmes	26.623	24.728	6.464	23.987	(0.740)	97%
Maintaining Our Assets - Specific Programmes	9.198	7.905	4.511	6.127	(1.778)	78%
Housing Revenue Account	69.523	66.078	12.552	63.935	(2.143)	97%
TOTAL EXPENDITURE	176.503	150.174	37.442	144.361	(5.813)	96%
Scottish Government Specific Capital Grants	(7.403)	(9.337)	(9.057)	(11.166)	(1.829)	120%
Other Grants and Contributions	(6.029)	(13.581)	(2.945)	(13.435)	0.146	99%
Capital Financed from Current Revenue (CFCR)	(33.923)	(32.253)	0.015	(25.361)	6.892	79%
TOTAL INCOME	(47.355)	(55.171)	(11.987)	(49.962)	5.209	91%
TOTAL NET EXPENDITURE	129.148	95.003	25.455	94.399	(0.604)	99%
Scottish Government General Capital Grant	(25.033)	(25.033)	(14.457)	(25.033)	0.000	100%
Capital Receipts	(5.240)	(2.380)	(2.046)	(2.601)	(0.220)	109%
NHT Loan Repayments	0.000	(0.093)	(0.093)	(0.093)	0.000	100%
Borrowing from Loans Fund - General Fund	(61.939)	(42.366)	0.000	(39.063)	3.303	92%
Borrowing from Loans Fund - HRA	(36.936)	(25.130)	0.000	(27.609)	(2.479)	110%
TOTAL FUNDING	(129.148)	(95.003)	(16.596)	(94.399)	0.604	99%

7th January, 2021.

Agenda Item No. 7

Care Home Reprovisioning Programme – New Proposal for Replacement of Northeden House, Cupar

Report by: Nicky Connor, Director of Health and Social Care and John Mills, Head of Housing Services

Wards Affected: Ward 20

Purpose

To present a new proposal and business case for the replacement of Northeden House in Cupar. Since approval of the original proposal and business case for a 36-bed care home on the site of Dalgairn Centre in Bank Street Cupar, on 24th January 2019, costs analyses have shown a significant over-run on available budget without taking into account the current situation in relation to the Covid-19 pandemic. We now present a new proposal for a 24-bed care home and 12 supported flats on the site of the Dalgairn Centre in Bank Street, Cupar. The new building will also accommodate a Day Service facility and the existing Adults Community Support Service that currently operates from the Dalgairn Centre.

Recommendation(s)

It is recommended that the Committee:

- i) notes the contents of this report;
- ii) agrees to the revised Business Case and continue the Detailed Design Phase for the procurement, delivery and management of the new care home and supported housing at Bank Street, Cupar; and
- iii) agrees permission to bring forward £1.020m from the existing Re-provision of Care for Older People Capital Plan to bring the project within budget.

Resource Implications

£18,300,000 was allocated in the Council's capital plan for the remaining phase of the 'Re-provision of Care for Older People' programme for the replacement of the three care homes in Methil, Cupar and Anstruther. ISG agreed to bring forward a further £525,000 from this element of the Capital Plan on 23rd April 2019 to meet a cost over-run for Methil and an additional £535,000 has also been transferred from Capital Minor Works budget this financial year to mitigate a cost over-run for Methil following receipt of the Tender Report and the impact of Covid-19.

The available funding for the Cupar care home was reprofiled to £5,580,000 following the Methil cost over-run. The revised estimate for Cupar care home is £6,600,000 therefore an additional £1.020m is required to meet the estimated costs for Cupar. This will impact on funding for the remaining care home to be replaced in Anstruther and this will be addressed in the Anstruther report and business case being presented to this Committee. Financial details for the Cupar care home are summarised in the attached Business Case.

Scottish Government Funding for the new housing will be allocated through the Strategic Housing Investment Plan 2018/19 - 2022/23 which was agreed by the Community and Housing Services Committee in November 2017. The remainder of the capital will be met through the Housing Revenue Account. The Stage Two Cost Report indicates an estimated total cost of £3.7m.

Legal & Risk Implications

Key risks and legal implications are summarised in the attached paper.

Impact Assessment

A full Impact Assessment for the care home has been carried out as part of the consultation process.

Consultation

The indicative design of the care home with unit living for residents has been based on the exemplar used in Kirkcaldy, Glenrothes and Lumphinnans new build care homes and extensive consultation around the design.

Updated briefing sessions have been provided for elected members and the Community Council.

Consultation has also taken place with the Care Inspectorate in respect of the new design.

Staff, residents and families at Northeden House have been briefed with regular Newsletters providing an update on the Replacement Care Homes Programme.

An initial meeting has been held with families of service users in the Adult Services Community Support Service, and a timeline for further consultation has been developed.

1.0 Introduction

- 1.1 This document is the revised business case report for a new proposal for a 24-bed care home with 12 supported housing flats in Cupar and should be read in conjunction with the following Appendix:
 - Appendix A: Project Business Case
- 1.2 The site proposed for the new care home and supported housing remains the Dalgairn Centre, Bank Street, Cupar. Adult Services Community Support Service has now temporarily relocated to Eden House in Cupar and will be accommodated in the new building. The Meals on Wheels Service has now relocated permanently to alternative accommodation.
- 1.3 The development of the care home will comprise of four major components:
 - A 24-bed care home replacing Northeden House which currently has 40 beds, incorporating a hairdressing salon for use by residents and day service users as with our other care home facilities.

- 12 supported housing flats for adults with additional support needs.
- A Day Service facility for older people with complex care and support needs who require a building based service.
- Accommodation for Adult Services Community Support Service.

2.0 Options for Delivery of Residential Care

- 2.1 Four options were considered for the delivery of residential care at Policy & Coordination Committee on 24th January 2019:

Option 1 – Do Nothing

Option 2 – Transfer Northeden House to the independent sector

Option 3 – Reprovision all Beds in Independent Sector

Option 4 – Continue to Implement Fife Council's Decision to Invest in the Care Home Replacement Programme

- 2.2 Committee agreed a decision to proceed with Option 4 at that meeting. This report and the associated business case therefore have not re-visited the Options 1 to 3.
- 2.3 The Design Team worked on developing the design throughout 2019, however, the Stage Two Cost Report produced in February 2020 identified a significant budget shortfall for the proposed model (estimated cost of £7.800m against a budget of £5.580m).
- 2.4 The Project Team were then instructed to consider ways in which the project could be brought within budget and consultation with Housing Services concluded that a joint residential care home and supported housing building enabling shared costs would be the solution to address the H&SCP budget position and to meet adult supported housing need in the Cupar area.

3.0 Funding the Project and Recurring Costs

- 3.1 In line with the decision to proceed with Option 4 the project will be funded as follows:

CAPITAL COSTS – The indicative estimated costs are £6,600,000 for the 24 bed care home including construction costs, risk and inflation allowances, utilities, IT/ CCTV and alarms, demolition works of the Dalgairn site including fees, demolition works of the Northeden site including fees, furniture, fittings and equipment, planning and warrant fees, all necessary surveys and reports, professional fees and property indices increase for Brexit/Covid-19. It has not been possible to bring the costs down to the available budget of £5,580,000. Therefore, it is estimated an additional £1.020m is required over the reprofiled budget to cover the additional construction costs, demolition costs of the existing Northeden site and property indices increase to mitigate for Brexit and Covid-19.

REVENUE COSTS - Current Northeden revenue costs are £1,280,913 and would reduce to an estimated £1,193,000 from year 3 onwards due to having the 40 places at Northeden replaced by the proposed new 24 bed care home and resulting need to purchase 16 placements externally - a revenue saving of £88,000 after taking both internal and external beds into account. Additionally, there is a one-off charge of up to £36,000 for transitional costs in year 3.

- 3.1.1 The Capital costing allows for provision of accommodation for the existing Adult Services Community Support Service. The revenue costs for providing this service are expected to remain the same.
- 3.1.2 Additional care home revenue costs will be incurred with the need to purchase 16 placements externally. This includes an assumption that there will be an element of income contribution from the residents.
- 3.1.3 It is estimated that up to £36,000 transition costs will be incurred in moving to the new care home. This includes removal costs and dual care home staffing costs for up to three days whilst service users are transferred on a carefully planned, phased basis. Planning will involve all service users, staff, relatives and carers of the current care home to ensure consistency of care before, during and after the move.
- 3.1.4 In comparison to Northeden House care home, maintenance costs in the early years of the new care home will be low. A planned programme for maintenance and refurbishment of the new care home in future years will be required to ensure that the living environment continues to deliver high quality care whilst meeting legislative requirements and the needs of older people. The revised design allows for future changes to the fabric of the building, i.e. if less supported housing was required, the supported housing element could be converted to care home rooms and vice versa.
- 3.1.5 All Fife Council properties have a planned maintenance programme and costs will be lower for this new care home due to new-build warranties that will be in place and design of the building. Budget for the planned maintenance programme is outwith the scope of this project.
- 3.1.6 Housing Services revenue costs will be in relation to staff to support tenants in the 12 flats (1.5 posts). There will be on-going running costs, e.g. cleaning etc. which will need to be built into budgets. Housing Services have identified budget to fund these costs. The ability to share costs with Health & Social Care will help mitigate this.
- 3.1.7 Non-domestic rates are not applicable for residential care homes which are in receipt of 100% rating relief.
- 3.1.8 The project revenue costs will be ongoing annual costs and will need to be index linked to reflect inflationary factors, as they are currently across the service as part of the budget-setting process.

4.0 Update on Care Homes Replacement Programme

- 4.1 If the revised proposal is approved, the replacement of Northeden House with a new modern purpose-built care home in Cupar will be the second home in Phase Two of a wider Care Homes Replacement Programme, following the replacement for Methilhaven home.
- 4.2 The new proposal represents a first partnership project with Housing Services that will comprise a joint building for care home residents and adults with additional support needs.
- 4.3 Currently, Northeden House comprises 40 beds that are fully occupied, and the replacement care home would provide 24 beds to meet the design model of 12-bedroom units in the other new build care homes. Sixteen beds will be commissioned in the independent sector, if required, as the integrated building will also comprise 12 supported housing units.

- 4.4 Work in Cupar will commence immediately following completion of Methil Care Village. Work on a replacement for Ladywalk House in Anstruther using the same model as Cupar may commence shortly after Cupar dependent upon Committee approval.
- 4.5 Planning approval for Methil Care Village was granted in December 2019 and construction was due to commence on site in March 2020. However, the Covid-19 pandemic led to lockdown in March and the suspension of all construction projects.
- 4.6 Work finally started on Methil Care Village on 5th October, 2020 and is now well underway.
- 4.7 The current timeline for the programme anticipates completion of Methil Care Village by April 2022.

5.0 Scope

- 5.1 The Business Case outlines the proposal for delivery of a replacement care home for Northeden House and supported housing accommodation on the site of the Dalgairn Centre in Bank Street, Cupar to include the following:
- A 24-bed care home.
 - 12 supported housing flats.
 - A day service facility with the potential to provide up to 10 places daily.
 - Accommodation for Adult Services Community Support service.

6.0 Business Need

- 6.1 The existing Northeden care home was built in 1983 and the original Business Case for construction of the new care home reflected the condition and suitability of the existing asset in January 2019.
- 6.2 Within the independent sector, there is one residential home and two Nursing Homes in Cupar and surrounding area that provide a total of 120 beds. Currently there are 16 vacancies in the Cupar area. However, this is unusual and could be attributed to the current climate living with the Covid-19 pandemic and families maintaining relatives at home for longer with care packages.
- 6.3 Housing demand for supported housing in this area is high – there is a demand for Housing in North East Fife due to people who have been within Stratheden requesting accommodation in the Cupar area.
- 6.4 The new proposal for the replacement for Northeden House would provide opportunity for a shared facility with Housing Services and Adult Services which is in line with Fife Council's Fair4Fife approach and using assets more resourcefully.

7.0 Constraints

- 7.1 The £18,300,000 allocation for the replacement of three care homes in Phase Two has already come under pressure with the replacement for Methilhaven home having budget over-runs, the subsequent impact of the Covid-19 pandemic and the decision therefore to design joint buildings with Housing Services for Cupar and Anstruther. The need to bring a further £1.020m forward from the Capital Plan for Cupar will impact on the final home to be replaced in Anstruther, however, there is a proposal to mitigate any impact within the report and business case for Anstruther.

- 7.2 The inclusion of contingency costs for each project against Covid-19 measures, will be closely monitored, reviewed and reported to Programme Board throughout the design and construction phases in order to contain spend within the budget for Phase Two.

8.0 Programme

- 8.1 The current programme indicates that construction of the care home and supported housing facility could commence in April 2022 with completion by September 2023.
- 8.2 Prior to the relocation of services from Northeden House care home, Assets, Transportation and Environment (ATE) Service will consult with other Services on any potential use of the existing building and Housing Services has confirmed they are interested in acquiring the site for specific needs housing.
- 8.3 There is a commitment from H&SCP to demolish and clear the existing Northeden site prior to transfer to Housing Services for affordable housing.

9.0 Designs

- 9.1 The Design Team have now progressed to Stage Three, developing the detailed design, following acceptance of a Stage Two Report and Cost Plan for the revised proposal.
- 9.2 The existing care home exemplar layout used in the Phase One programme was used as the initial template and has been developed further, in conjunction with Care Inspectorate guidance to meet specific requirements.
- 9.3 The Housing Services design is based on our Extra Care flats model based on accessible one bedroom flats with communal meeting spaces in the building.

10.0 Project Board

- 10.1 A Project Board is in operation with key officers representing the Health and Social Care Partnership, Assets, Transportation and Environment, and Finance and Corporate Services, to project manage and deliver the projects within timescale and cost. The Project Board will also ensure that the required expertise is called upon and utilised at the appropriate times throughout the project's life.

11.0 Risk Management

- 11.1 A Risk Strategy has been developed that captures all of the risks before starting, during the project and following completion.
- 11.2 Initial risks associated with the project have been identified and considered as part of the Business Case. These will be transferred to the Risk Log and maintained throughout, and beyond the life of the project by the Project Team. The Risk Log will be a standing item on the monthly agenda as assurance for the Project Board.

12.0 Benefits

- 12.1 Benefits of the project have been identified and measures created which will demonstrate their realisation. Details of all benefits can be found in the Business Case (Appendix A). Some of the key benefits are:
- Significant measurable benefits in relation to the wellbeing of service users, staff and relatives/ carers as a result of the quality of the environment which promotes independence for service users.
 - Net reduction in on-going revenue costs of £88,000 due to the smaller size of the care home, offset by the need to purchase 16 additional beds.

13.0 Conclusion

- 13.1 The Business Case confirms that the necessary resources can be identified within the existing Re-provision of Care for Older People Capital Plan. This development will represent a significant capital investment in the infrastructure of Fife and will contribute towards the strategic objectives of Fife Council and its role within the Health and Social Care Partnership.

List of Appendices:

Appendix A: Revised Project Business Case

Background Papers

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

- Executive Committee Report - Options for Future Care Provision for Older People – dated 23rd October 2012
- Capital Investment Plan 2017/2027 – Fife Council Budget Meeting 16/02/17
- Policy & Coordination Committee of 24th January 2019 – Replacement for Northeden Care Home

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Project ref & title	Revised Business Case for Replacement of Northeden House, Cupar
Programme or eVision (if applicable)	Phase Two - Care Home Replacement Programme
Project Sponsor	Fiona McKay, Divisional General Manager (East)
Project Manager	Vivienne McBride, Change Manager – East Division
Approval board(s)	Policy & Coordination Committee
Date & version	11.12.20 V.9.0

As part of the proposal stage, you are only required to complete Section 1 of this document.

Document history

Date	Version	Last revised by	Details of revision
30.09.20	V. 1.0	V McBride	Initial Draft.
09.11.20	V. 2.0	P Short	Housing Services additions.
16.11.20	V. 3.0	V McBride	Revision with Lesley Burnie, Accountant.
19.11.20	V. 4.0	V McBride	Further revision with Lesley Burnie, Accountant
19.11.20	V. 5.0	V McBride	Budget revision with Lesley Burnie, Accountant
24.11.20	V. 6.0	V McBride	Final budget revision with Lesley Burnie, Accountant
03.12.20	V. 7.0	V McBride	Property Services Additions at 1.6 – inclusion of risks 6 & 7.
09.12.20	V. 8.0	V McBride	Revision with Lesley Burnie, Accountant, following ISG.
11.12.20	V. 9.0	V McBride	Revision following P&CC Pre Agenda.

Section 1: Proposal

1.1 What is the project going to do?

The revised project will deliver a replacement care home for Northeden House in Cupar and supported housing flats. The project will consist of a 24-bed care home, 12 supported housing flats for adults with support needs, a 10-place day service facility and a day facility for Adult Services Community Support Service. The Meals on Wheels facility allowed for in the original Northeden Business Case has now relocated permanently and no longer required.

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

1.2.1 Project background

Fife Council Executive Committee approved a programme of replacement of all ten of Fife's local authority care homes on 23rd October 2012. Phase One, incorporating three 60-bed care homes in Kirkcaldy, Glenrothes and Lumphinnans, was completed in May 2018.

On 16th February 2017, Fife Council approved £18,300,000 capital funding for Phase Two of the Care Homes Replacement Programme within the Capital Investment Plan 2017/2027. This is to fund the replacement of the existing care homes in Cupar, Anstruther and Buckhaven. The Joint Administration's Programme for Administration makes a commitment to build three more care homes with care villages, where feasible.

The redevelopment of Methilhaven care home was prioritised first in Phase Two due to its age, and the need to carry out extensive remedial mechanical and electrical works over the next few years, alongside the immediate availability of a suitable site in Fife Council ownership for its replacement at the former Kirkland High School site in Methil. The Business Case for Methil was approved at Policy & Coordination Committee on 12th April 2018.

It was proposed that the replacement of Northeden House should be second in the Phase Two programme timeline due to the availability of the Dalgairn site in Council ownership.

Policy & Coordination Committee approved the Business Case for the replacement of Northeden House care home on 24th January 2019. However, the Stage Two Cost Report received in February 2020 indicated that the project was unaffordable as the estimated cost was £7.800m so the Project Team was instructed to look at alternative solutions.

Officers consulted with colleagues in Housing Services and agreed to consider the feasibility of a partnership project to build a joint care home and supported housing building on the site and therefore sharing some of the costs on site.

A new Stage Two report and Cost Plan was produced that was acceptable to the Programme Board and work is underway proceeding to the detailed design of the project.

The revised design of the care home represents a further reduction of twelve beds from the original business case, therefore sixteen in total, and these will be commissioned in the independent sector if required.

1.2.2 Project justification

The Business Case approved on 24th January 2019 outlined the age and condition of Northeden House as well as changing needs, aspirations and dependency levels of our older people and the changing landscape of national care standards and Care Inspectorate requirements.

Residential care home places, permanent and short-stay, will continue to be required and the supported housing element of the building provides complementary alternative community care options for adults. The inclusion of day services and an Adult Resources facility within the care home/supported housing building will enhance the building and contribute to the prevention of hospital admissions and premature admission into residential care.

Within the independent sector, there is one residential home and two Nursing Homes in Cupar and surrounding area that provide a total of 120 beds. Currently there are 16 vacancies in the Cupar area.

Adult Services Community Support Service has already relocated to Eden House in Cupar (located next to Northeden House) for the period of demolition of the Dalgairn site and construction of the new care home facility.

Prior to completion of the new care home and the relocation of services from Northeden House, Assets, Transportation and Environment (ATE) Service will consult with other Services on any potential use of the existing building and Housing Services has confirmed they are interested in acquiring the site for specific needs housing. H&SCP will demolish and clear the Northeden site prior to transfer to Housing for affordable housing.

1.2.3 Urgency and consequences

There is a requirement for construction work of the care home to start as soon as is reasonably practicable due to significant works that require to be undertaken at Northeden House. It is projected that construction could commence in April 2022 following completion of the Methil project.

Housing Services have been working with Health & Social Care to establish the need for accommodation for Adults with on-going learning disabilities. The need for this type of accommodation relates to needing to move people out of Hospital and Group Homes. The lack of move on accommodation is meaning that people are stalled in the above settings.

Failure to deliver the new care home in Cupar within this timescale will result in further deterioration of Northeden House and increasing energy costs. This will mean increasing capital and revenue requirements to maintain the status quo. The current layout of Northeden House, whilst meeting current needs, will not meet the needs of future generations as dependency levels increase.

1.2.4 Lessons learned

The three care village projects undertaken in Phase One have highlighted the importance of working up a very tight and detailed specification and design brief.

The current climate of increased construction costs due to the Covid-19 pandemic and new guidance means partnership working between the H&SCP and Housing Services provides a solution to enable provision of a new build care home and supported housing for adults.

The provision of day services accommodation and the inclusion of Adult Services Community Support Service within the building ensures an integrated range of service provision.

A balance requires to be struck between energy efficiency aspirations (lower running costs) and delivering the project within a constrained capital budget.

An effective operational model for the ongoing running of the facility will be in place prior to the building opening.

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

This project will deliver a new residential care home consisting of a 24-bed care home, 12 supported housing flats for adults, day service facility and Adult Services Community Support Service facility. This is in line with Fife Council's Fair4Fife approach and using assets more resourcefully.

The outside space will provide opportunities for innovative landscaping that will benefit the residents, tenants and day service users in a safe environment.

Aside from the 'physical' deliverables of the new care home, supported flats, day service facility, and Adult Services Community Support Service, the following will also be required of the project:

- Agreement between services on the operation of shared facilities.
- New staffing model and associated rotas for the care home.
- New staffing model for the supported housing.
- New revenue budget to be set for the care home.
- Registration with the Care Inspectorate for care home and supported housing.
- Transitional arrangements for care home residents and staff.
- Transitional arrangements for supported adults to move from current setting
- Transitional arrangements for Adult Services service users and staff.

1.4 What are the desired outcomes and benefits?

Outcome	Benefit
Health & Social Care Partnership Building design allows for more efficient staffing model.	Increased staff satisfaction in working environment.
Health & Social Care Partnership Reduction in revenue expenditure.	There will be a reduction of recurring revenue expenditure of £88,000 per annum.

Health & Social Care Partnership Residents are living in an environment that has an appropriate mix of private and communal areas, including accessible outdoor space, because premises have been designed for high-quality care and support.	Care Home residents are happy with their living environment that has been designed for the provision of high-quality care and support to meet their needs and expectations.
Health & Social Care Partnership Day Service Users are able to participate in a range of activities that are enabling and promote independence.	Day Service User satisfaction with day service provision.
Housing Services New properties developed for Adults with support needs.	Allows for a move on from settings which may no longer be appropriate for the individual.
Housing Services Tenants living in an environment which provides a secure tenancy, with support and the provision of communal areas.	Housing tenants are happy with their living environment that has been designed for independent living and support to meet their needs

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

1.5.1 Costs

Total expected one-off capital cost	Total expected recurring revenue cost
<p>Capital expenditure of £6,600,000 for the delivery of 24-bed care home and associated services as per item 1.1.</p> <p>Capital budget of £3,200,000 for the delivery of 12 supported housing flats (inclusive of Scottish Government Grant)</p> <p><u>The above estimated figures include:</u></p> <ul style="list-style-type: none"> • Construction costs • Risk and inflation allowances • Utilities, IT/ CCTV & alarms • Demolition of Dalgairn works incl. fees • Furniture Fittings and Equipment • Planning and Warrant fees • All necessary Surveys & Reports • Professional fees • Demolition of existing Northeden House works incl. fees • Shared contingency sum to cover any Covid-19 costs 	<p>Future Northeden House Revenue expenditure will be £1,193,000 – this includes the purchase of 16 beds externally. This is a Net Cost as there are resident contributions to care.</p> <p>The above is a reduction of recurring expenditure of £88,000 per annum.</p> <p>Revenue costs for 1.5 Housing staff and other miscellaneous costs - £60,000.</p> <p>£50,000 for repairs, maintenance and cyclical costs for the Supported Housing.</p>

1.5.2 Resource requirement

The Project Board has been formed and consists of the individuals named below. All individuals named will carry out their responsibilities in relation to the Project as part of their operational post.

1.	Project Sponsor/ Chairperson	Fiona McKay, Divisional General Manager (East)
2.	Senior Users	John Cooper, Service Manager, Older People's Services Paul Short, Service Manager, Housing, Health & Social Care & Older Persons Ian Wilson, Service Manager, Adult Services (Resources)
3.	Senior Supplier	Alan Paul, Senior Manager (Property Services) Stephen Anderson, Service Manager – Major Works, Environment & Building Services
4.	Project Manager	Vivienne McBride, Change Manager – East Division

Representatives from Older People's Services, Housing Services, Adult Services (Resources), Property Services, Assets, Transportation & Environment, and Finance & Corporate Services have been identified to support the delivery of the Project.

A design and build solution by Assets, Transportation & Environment is the preferred route of delivery for the care home and associated services, as this brings many advantages in terms of shared costs and the construction process. This would be subject to Value for Money Assessment as the design stage of the project progresses.

1.5.3 Project timeline

The Design Brief is being developed and it is anticipated that construction could start on site in April 2022 and conclude by September 2023.

1.5.4 Funding availability

Fife Council approved £18,300,000 in its capital programme in February 2017 for commencement of Phase Two of the replacement care home programme, to replace three care homes. However, latest costing reviews indicate a budgetary requirement of £6,600,000 for the care home element due to increased construction costs, Brexit and Covid-19 contingency costs, the need to demolish and clear the Dalgairn and Northeden sites and to accommodate the existing Adult Services Community Support Service. This estimated indicative cost includes direct client costs.

The Phase Two budget came under pressure with Methil therefore it was agreed to enter into joint projects with Housing Services for Cupar and Anstruther to help contain costs within budget. ISG agreed to bring forward £525,000 from the **Re-provision of Care for Older People** Capital Plan on 23rd April 2019 to meet a cost over-run for Methil and an additional £535,000 has also been transferred from Capital Minor Works budget this financial year to mitigate a cost over-run for Methil following receipt of the Tender Report and the impact of Covid-19. Costs will be closely monitored and reported to the Programme Board throughout the life of the project.

The available capital for Cupar is £5,580,000 following reprofiling due to Methil cost over-runs. The Partnership has requested to bring forward £1.020m from the Capital Plan for the Cupar budget. This will impact on funding for the remaining care home to be replaced in Anstruther and this will be addressed in the Anstruther report and business case.

There is an assumption that funding for the housing will be available from the Scottish Government and the remainder from the Housing Revenue Account.

1.5.5 Resource availability

Yes.

1.6 What are the known pre start-up risks?

Risk description	Probability score (1-5)	Impact score (1-5)	Overall score (probability x impact)
<u>Social Work Service and Housing Services</u>			
Financial Risk: The risk that actual cost of construction of the care home and supported housing exceeds estimates.	4	5	20
Risk relating to Land: There is limited risk with the land which is in FC ownership. Any risk may be in relation to timescales.	3	3	9
Registration Risks: Risks which there may be around registering the new care home and supported housing building with the Care Inspectorate.	3	3	9
Operational Risks: Risks which may occur as a result of new staffing structure for the joint building. There are financial implications if the structure needs to be reviewed in line with requirements.	3	3	9
Redundancy Risk: Risk of redundancy as a result of new staffing structure for the care home element of the building. Social Work Service will work with Human Resources and Trade Unions in any Managing Change process to minimise impact.	2	5	10
Risks to Service Users: There are known risks associated with change for service users, e.g. the transition from current residence to a new home. This needs to be carefully managed to a level that will not put service users at significant risk.	2	4	8
<u>Specific Design / Construction Risks:</u>			
1. Change in requirements of the Council, that is, Council requiring changes (a 'Council Change') to the design leading to additional design and construction costs.	2	5	10
2. Changes required to the design required due to legislative or regulatory change specific to the Local Government Social Services environment leading to additional design and construction costs.	3	5	15
3. Failure to design brief in accordance with Council's requirements. That is, failure to translate the requirements of the Council into the Design Drawings/ Data.	2	3	6

4. Continuing development of design. That is, failure to develop the detail of the design within an agreed timetable leading to additional design and construction costs.	3	4	12
5. Statutory approvals including Planning permission. Any delay in receiving Planning Consent or other statutory approval resulting in broader cost implications for the Project.	2	5	10
6. Legislative or regulatory policy changes specific to UK/ Scottish Government's targets - leading to additional costs e.g. Building Standards/ Fire safety regulations / sustainability targets & net zero greenhouse gas emissions targets etc.	2	5	10
7. Time & cost risks related to COVID-19, Brexit effect, including labour shortages, reduced productivity and possible supply chain fragility issues leading to increased material premiums and delays.	2	5	10
Risk/Issues Logs will be maintained and updated throughout the Project.			

Note: Once the project enters the Plan stage, the project's pre start-up risks should be copied into the project's Risk Log. The Risk Log will supersede the items detailed in the above table.

1.7 Proposal sign-off

Approved by	Role	Date approved
Fiona McKay, Divisional General Manager (East)	Project Sponsor	
Vivienne McBride, Change Manager – East Division	Project Manager	

BTS Approval (for IT related projects only)	Role	Date approved
	Directorate Solutions Manager or Competency Centre Manager	

Note: For IT related projects, approval must be sought from the Directorate Solutions Manager or Competency Centre Manager within Business Technology Solutions (BTS).

Section 2: Business Case

2.1 What is the scope of the project?

2.1.1 Output

Project outputs are defined in [Section 1.3](#) of this document and relate to Option 4. Any updates to project outputs will be made in Section 1.3.

2.1.2 Resources

Project resources are defined in [Section 1.5.2](#) of this document and relate to Option 4. Any updates to project resources will be made in Section 1.5.2.

2.1.3 Customers

The care home will provide 24-hour residential care for 24 residents. All residents will have been assessed by the Social Work Service and meet the eligibility criteria. The care home will also offer day services, Monday to Friday, each week, and existing day service users of the Northeden House service will have the opportunity to transfer to the new service.

The supported housing flats will be allocated via the Fife Housing Register. All tenants will require accessible housing and the support provided.

The Adult Services Community Support Service will be able to operate as it does currently within the new facility.

2.1.4 Staff

Social Work Service:

The staff directly affected will be those currently working in Northeden House in various roles.

Discussions will take place with Human Resources and the Trade Unions before the transition to the new home occurs, and all casual/relief and temporary posts will be scrutinised and all staff members' status in relation to permanency will be ascertained. Fife Council's Managing Change Process will then be followed in relation to the transition into the new care home and staffing structure. If there is an inadequate number of posts in the new care home to place all Northeden staff on their existing grades, then they may be offered equivalent posts elsewhere in the service or be at risk of potential redundancy.

Housing Services:

There are no staff providing this type of service presently within Housing – this post will need to be developed and staff recruited.

2.1.5 Service delivery

Social Work Service:

All services currently provided at Northeden House, including the residential care service and day services.

All services currently provided at Dalgairn by Adult Services Community Support Service.

Housing Services:

This is a newly developed service – it will provide Housing and support for 12 tenants.

2.1.6 Business process

Modify existing service business processes.

2.2 How will 'business as usual' be maintained whilst change is implemented?

Social Work Service:

In terms of resources, it will be 'business as usual'. The Health & Social Care Partnership has a dedicated Change Manager to take forward the project.

Input required from staff in Northeden House will be planned at times that are operationally less difficult to manage, and the home will continue to operate in the normal way until the move to the new home. This also applies to admissions, discharges, recruitment and maintenance.

There will be a planned transitional period for relocating residents, service users, staff and equipment to the new care home from Northeden House. Additional costs have been identified for the move and are documented in the business case.

Adult Services Community Support Service have already relocated to Eden House in Cupar for the period of demolition of the Dalgairn site and construction of the new care home facility.

Housing Services:

There will be minimal impact on day to day business. The development will be overseen by the Affordable Housing Team and management of the housing when complete will be undertaken by the Older Persons Housing Team and the NE Fife Area Housing Team.

2.3 Who are the key stakeholders?

Key stakeholders are:

- Current residents of the care home, day service users and respite users.
- All Northeden House Care Home staff.
- All family/carers of residents and day service users of Northeden House.
- Housing list applicants for supported housing.
- Housing staff on site
- Local Area Housing Team.
- Adult Services Community Support Service staff.
- Adult Services Community Support Service service users and family/carers.
- Local Councillors.
- Integration Joint Board members.
- All members of the Project Board and Project Team.
- Potential future service users are also stakeholders and the Project Team has engaged with various forums and user groups to gather their views.

2.4 What are the options to deliver the project?

- Options 1 – Do Nothing, 2 – Transfer Northeden House to Independent Sector, and 3 – Reprovision all Beds in the Independent Sector over a 2-Year Period, would not deliver the Fife Council Executive Committee decision on 23rd October 2012 to replace its' residential care homes with new builds.
- Policy & Coordination Committee of 24th January 2019 approved the Northeden Business Case and Option 4 to deliver the project in line with the Fife Council Executive Committee decision.
- To recommend another option at this stage of the project would critically delay the project.

Option 4	In-house delivery through Asset and Facilities Management Service (Assets, Transportation & Environment)
Cost	Total One-Off Cost: £9,800,000. Recurring Revenue Cost: £1,193,000.
Time	20 months from approval.
Quality	Now experienced in care home and housing requirements: Social Work Service and Housing Services has built effective working relationships with Assets, Transportation & Environment across previous 3 care village builds. Additional benefits realised by utilising previous exemplar care home designs – use of BIM/3D models.
Resource	Assets, Transportation & Environment, Property Services 5.0 FTE, and Assets, Transportation & Environment, Building Services 10 FTE over the Cupar site. (Opportunity to maximise corporate capacity/efficiency through Assets, Environment & Transportation, Building Services, carrying out work packages where appropriate).
Scope	Baseline construction scope now established through work on the first three care villages in Kirkcaldy, Glenrothes and Lumphinnans.
Risk	Market prices exceeding available budgets; absence of “claims” culture; lower relative risk due to partnering approach. Static Assets, Transportation & Environment fees and absence of claims for additional design team fees if programme delayed. Covid-19 costs if further lockdowns are required.
Benefits	Service benefits as defined at 1.4 above would be met.

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

The recommended route continues to be Option 4 (in-house delivery through Assets, Transportation & Environment) as per the original Committee decision on 24th January 2019.

2.6 What is the outline plan and cost break-down?

2.6.1 Outline Plan

Stage	Outputs/deliverables	Timescale
	CARE HOME / SUPPORTED HOUSING CONSTRUCTION	TARGET TIMESCALES
PLAN	Site investigations	↓
PLAN	Design Brief formulation / Room Data Sheets / Facility Requirements / Accommodation Schedules / Housing Requirements	Ongoing to April 2022
PLAN	Early Scheme Design Stages	
PLAN	Stakeholder Engagement	
PLAN	Scheme design and cost proposals submitted / reviewed / assessed / accepted	
PLAN	Planning submission	
PLAN	Detailed design/ Production information	
PLAN	Target Planning approval	
PLAN	Building Warrant stages	
PLAN	Production Information/Tender Documentation	
PLAN	Agree Project Costs	
DO	Construction period	↑ April 2022 to September 2023
C & R	Target Handover	September 2023
	OPERATIONAL OUTPUTS	
PLAN	Review Staffing Model/Rotas	↓
PLAN	Recruit/Allocate Staff	April 2022 to September 2023
PLAN	Transition Work with Staff	
PLAN	Transition Work with Service Users/ Tenants	
DO	Managing Change Process for care home staff	
DO	Transfer of service users/staff and housing tenants and resources to new care home/ supported housing building.	
DO	Set up all ICT provision	

C&R	Environmental Heath and Care Inspectorate approvals Review.	↑ September 2023
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2.6.2 Budgets

Total capital budget	Total revenue budget
Capital budget of £5,580,000 for the delivery of 24-bed care home	Revenue Budget of £1,280,913 for the new home.
Housing capital of £3,200,000 for 12 supported housing flats (inclusive of Scottish Government Grant)	Revenue Budget of £60,000 for 1.5 Housing Staff.
<u>The above estimated figure includes:</u> <ul style="list-style-type: none"> • Construction costs • Risk and inflation allowances • Utilities, IT/ CCTV & alarms • Demolition Works incl. fees • Furniture Fittings and Equipment • Planning and Warrant fees • All necessary Surveys & Reports • Professional fees 	£50,000 for repairs, maintenance and cyclical costs for the Supported Housing.

2.6.3 Cost break-down

Item description	One-off cost	Recurring cost	Funding source	Funding available
Capital Costs				
Construction of 24-bed Care Home, day service and Adult Service facilities.	£6,600,000		Capital	Capital: Yes
Construction of 12 supported housing flats.	£3,200,000		HRA Capital & SG Grant	Capital: Yes
<u>The above estimated figure includes:</u> Construction costs Risk and inflation allowances Utilities, IT/ CCTV & alarms Demolition of Dalgairn works incl. fees Furniture Fittings and Equipment Planning and Warrant fees All necessary Surveys & Reports Professional fees Demolition of Northeden House works incl. fees Shared contingency costs against Covid-19				
Total Capital Costs	£9,800,000			
Revenue Costs				
Total revenue costs relating to Cupar Care Home	£36,000		Revenue	Revenue: Yes

Cupar Care Home Revenue Budget		£1,193,000	Revenue	Revenue: Yes
Supported Housing Staffing Budget		£60,000	Revenue	Revenue: Yes
Housing Maintenance & Repairs		£50,000	Revenue	Revenue: Yes
Total Revenue Costs	£36,000	£1,303,000		
Totals	£9,836,000	£1,303,000		

2.6.4 How realistic is the approach?

The capital costs are considered fair and reasonable and have been calculated having regard to analysed data from previous projects. Costs will be monitored throughout the project by the Project Manager and the Project Board.

2.7 What are the benefits of the project and what measures will be used to show their realisation?

Benefit name	Health & Social Care Partnership - Staff Satisfaction
Measure	A questionnaire will be developed to measure staff satisfaction.
Baseline(s) per measure	This will use measurable criteria and baseline figures will be developed six months before the move to the new care home.
Target per measure	Target will be set once criteria have been developed.
Benefit Owner	Unit Manager – Cupar Care Home.
Timescale	Questionnaire will be completed by staff six months after move to new environment and results will be compiled at that time.
Programme end benefit(s)	Modern environment that is attractive to care home staff.

Benefit name	Health & Social Care Partnership – Care Home Resident Satisfaction with Living Environment
Measure	Health & Social Care Standards, 5.1, 5.7, 5.20, 5.23
Baseline(s) per measure	Compliance with current Care Inspectorate guidance 'Building Better Care Homes for Adults' 2017.
Target per measure	<ul style="list-style-type: none"> • Ensuite facilities • Small group living • Provision of hairdressers • Appropriate mix of private and communal areas • Accessible outdoor space • Dementia Design principles
Benefit Owner	Health & Social Care Partnership
Timescale	By completion of new care home.
Programme end benefit(s)	Care Home residents are happy with their living environment that has been designed for the provision of high-quality care and support to meet their needs and expectations.

Benefit name	Health & Social Care Partnership – Day Service User Satisfaction with Day Service
Measure	Health & Social Care Standards, 5.22, 5.23
Baseline(s) per measure	Compliance with current Care Inspectorate guidance 'Building Better Care Homes for Adults' 2017.
Target per measure	<ul style="list-style-type: none"> • Provision of domestic facilities that enable service users. • Access to outdoor activities.
Benefit Owner	Health & Social Care Partnership
Timescale	By completion of new care home.
Programme end benefit(s)	Day Service Users are able to participate in a range of activities that are enabling and promote independence.

Benefit name	Housing Services – Increased Tenant Satisfaction with Living Environment
Measure	Surveys of tenants in the accommodation
Baseline(s) per measure	Tenant satisfaction figures reported to the Social Housing Regulator
Target per measure	<ul style="list-style-type: none"> • Self-contained accommodation • Access to communal areas • Access to shared facilities • Housing for Varying Needs principles • Accessible outdoor space • Dementia Design principles
Benefit Owner	Housing Services
Timescale	6 months following tenant entry.
Programme end benefit(s)	Tenants are happy with their living environment that has been designed to meet their needs.

Benefit name	Housing Services - Contributing to meeting the affordable housing shortfall in NE Fife area
Measure	Number of units completed
Baseline(s) per measure	Number of social rented properties in NE Fife. Baseline figure will be set within 6 months prior to site start.
Target per measure	Increase no of social rented properties by 12.
Benefit Owner	Helen Wilkie, Service Manager
Timescale	At project closure.
Programme end benefit(s)	Not applicable.

Benefit name	Housing Services - More efficient use of Housing Officer role
Measure	Number of tenants receiving support within development and surrounding community
Baseline(s) per measure	12 tenants receiving support in Supported Housing in Year 1
Target per measure	Housing Support Plans completed.
Benefit Owner	Paul Short, Service Manager
Timescale	3 years
Programme end benefit(s)	Not applicable.

2.8 What are the key assumptions and dependencies?

2.8.1 Assumptions

It is assumed that the new care home/supported housing project can be delivered within budget and within the desired timescale.

It is assumed that the ground conditions are favourable for a project of this size given the existing use of the site by Adult Services.

It is assumed that stakeholders will be engaging and supportive of the proposals for the site.

2.8.2 Dependencies

A period will be required for planning permission to be sought for the care home and supported housing.

2.9 What are the known pre start-up risks?

Project pre start-up risks have already been identified in [Section 1.6](#) of this document. Any updates to project pre start-up risks will be made in Section 1.6.

2.10 What are the permitted tolerances set for this project?

Tolerance table

	Amber status	Red status <i>(triggers exception report to Project Sponsor/Project Board)</i>
Cost	Health & Social Care Partnership Up to 5% over capital budgets, compared to the original expected project costs and budgetary requirements. Revenue – Expenditure will be managed within the revenue budget as per the Financial Regulations. Housing Services Up to 5% over either capital or revenue budgets, compared to the original expected project costs and budgetary requirements.	Health & Social Care Partnership Any percentage over either budget that exceeds the amber cost threshold. Housing Services Any percentage over either budget that exceeds the amber cost threshold
Time	Health & Social Care Partnership and Housing Services Up to 4 weeks late against the original project schedule.	Health & Social Care Partnership and Housing Services Any schedule delay that exceeds the amber time threshold.
Quality	Health & Social Care Partnership and Housing Services Elements of acceptance criteria which have no particular impact on the Business Case. These will be limited to minor adaptations to accommodation schedule / room data information or	Health & Social Care Partnership and Housing Services Elements of acceptance criteria that have slipped beyond what is defined within the amber quality threshold. These will have an impact on the Business Case and would include such things as changes to

	facility requirements that would have little or no impact on service users, staff or other stakeholders. Examples may include minor changes to fixtures and fittings provided.	size of rooms, significant deviation in Specification, fixtures and fittings or deviation from agreed contract.
Resource	Health & Social Care Partnership and Housing Services Resources available, but minor delay in obtaining them, or up to 10% more resource required than originally anticipated.	Health & Social Care Partnership and Housing Services Resources cannot be secured within a reasonable timescale, threatening other tolerances, or any additional resource required above the amber resource threshold.
Scope	Health & Social Care Partnership and Housing Services Scope of the care home element will be determined through accommodation schedule and facility requirement documents created by Assets, Transportation & Environment and Social Work Service. Minor changes in scope only would move project scope status to amber. Given the interdependent nature of the different components of the project, any significant deviation in scope would move status to red.	Health & Social Care Partnership and Housing Services Any element of project scope slippage out with, or over and above, what is defined under amber for scope.
Risk	Health & Social Care Partnership and Housing Services All risks can be managed within the project with an overall score of up to 15. .	Health & Social Care Partnership and Housing Services Any risk exceeding the amber threshold sees the entire Risk element of the project slip to red.

Benefits	Health & Social Care Partnership	Health & Social Care Partnership
	<ol style="list-style-type: none"> 1. Staff satisfaction – tolerance will be set when criteria agreed for this benefit. 2. Care Home resident satisfaction with their living environment. 3. Day Service User satisfaction with day service provision. <p>Housing Services</p> <ol style="list-style-type: none"> 1. Increased Tenant Satisfaction. 2. Contribution to Affordable Housing shortfall. 3. More efficient use of Housing Officer Role. 	<p>Red status would occur with non-compliance of Care Inspectorate guidance.</p> <p>Housing Services</p> <p>Red status will occur when any permitted deviations are exceeded as defined under amber. This should be slippage that has significant impacts to the Business Case and could threaten overall project viability.</p> <p>Red status would occur where there was lack of demand and scope to deliver services in the community.</p>

Section 3: Project Structure

3.1 What is the governance arrangement?

This Project has a formal Project Board with a Project Sponsor, Senior User(s) and Senior Supplier(s).

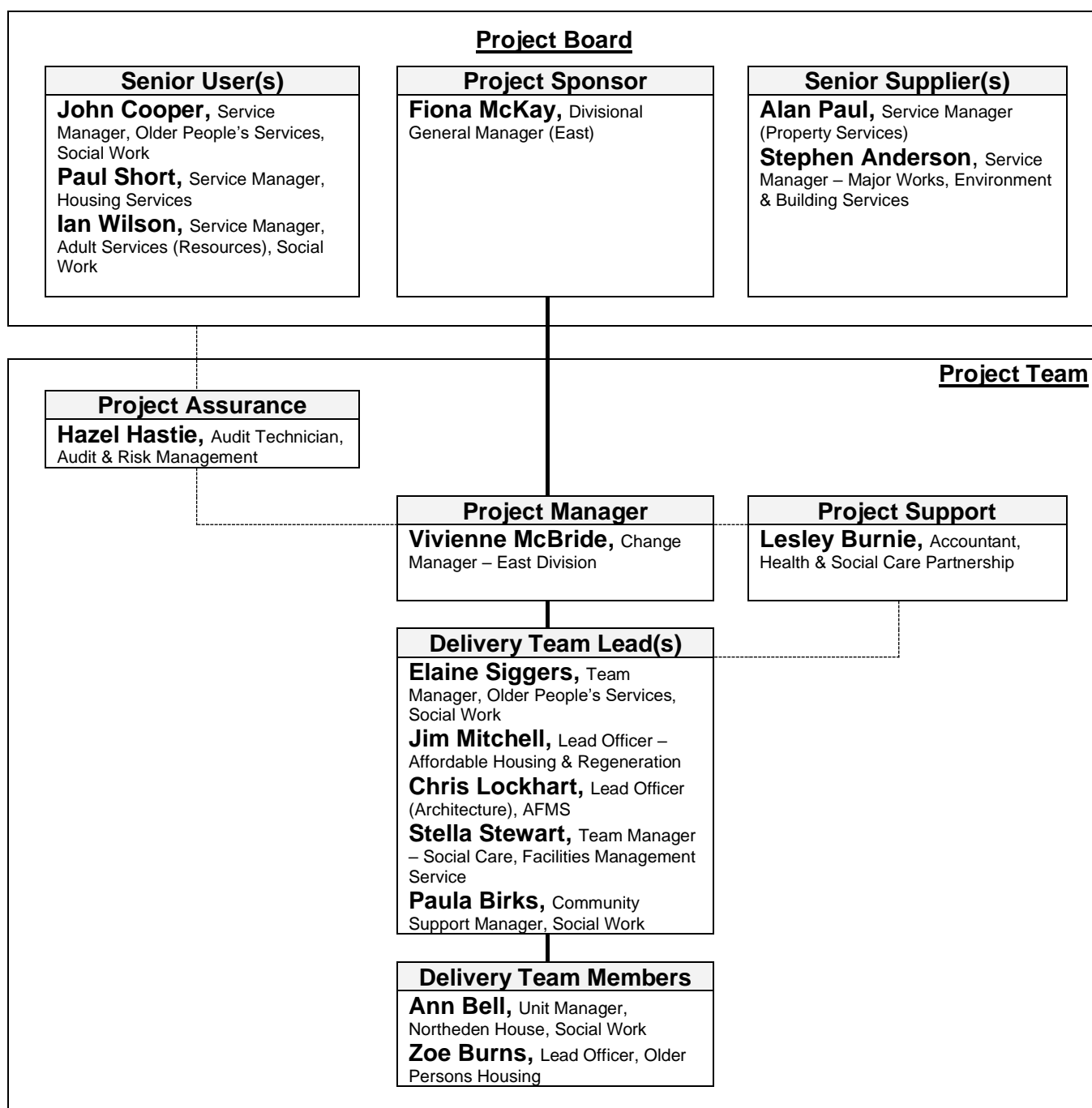
3.2 What skills, knowledge and experience are required for successful project delivery?

Skills, knowledge & experience description	Essential	Desirable
Project Management Skills	Yes	
Leadership Skills	Yes	
Expertise in Architecture / Care Home Design	Yes	
Expertise in Social Care / Social Work	Yes	
Experience of other organisations, i.e. benchmarking, lessons learned.	Yes	
Excellent knowledge of the needs of Older People to inform design	Yes	
Financial expertise and skills	Yes	
Legal expertise in relation to all aspects of the project	Yes	
Education skills, knowledge and experience	Yes	
Expertise in Housing	Yes	
HR expertise	Yes	
Procurement expertise	Yes	
Construction skills, knowledge and experience as required by the Council	Yes	
Specific expertise and knowledge in relation to all of the following: <ul style="list-style-type: none"> Catering & Cleaning requirements Moving & Handling requirements Telecare and 'nurse-call' requirements Health & Safety Occupational Therapy Management of change and transition 	Yes	

3.2.1 Is the required mix of 'essential' skills, knowledge and experience available to the Project Manager?

Yes.

3.3 Project structure chart and project roles



3.4 Business Case sign-off

Approved by	Role	Date approved
Fiona McKay, Divisional General Manager (East)	Project Sponsor	
Vivienne McBride, Change Manager – East Division	Project Manager	
Lesley Burnie, Accountant	Finance Representative/ Service Accountant	

Section 4: Project Delivery Resources

4.1 Who are the key resources the project may need to engage with at an early stage?

CPMO

Click [here](#) for a minisite link with more information and guidance.

BTS (formerly known as IT) / Information Policy & Standards

Capital Programme

Property Services

Procurement

Climate Change, Carbon & Energy

HR Business Partners

Finance

Equalities Unit

7th January, 2021.

Agenda Item No. 8

Care Home Reprovisioning Programme – Replacement of Ladywalk House, Anstruther Business Case

Report by: Nicky Connor, Director of Health and Social Care, and John Mills, Head of Housing Services

Wards Affected: Ward 19

Purpose

To present the Business Case for a new care home with day service provision to replace Ladywalk House in Anstruther on Housing Service's Mayview Court site in Anstruther. The new building will be an integrated building with Housing Services accommodating 24 residential care home beds, 12 extra care housing units and shared services. Two specific needs housing bungalows will also be constructed on the site.

Recommendation(s)

It is recommended that the Committee:-

- i) notes the contents of this report;
- ii) agrees to proceed to the Design Phase for the procurement, delivery and management of the proposed new care home/ extra care housing facility on the Mayview Court site in Anstruther.
- iii) agrees to the project drawing funds from Capital Minor Works budget to meet an anticipated capital shortfall of £1,470,000.
- iv) agrees to the development of 12 Extra Care Housing flats within the Care Village.
- v) requests further update reports at appropriate intervals.

Resource Implications

£18,300,000 was allocated in the Council's capital plan for the remaining phase of the 'Re-provision of Care for Older People' programme for the replacement of the three care homes in Methil, Cupar and Anstruther. ISG agreed to bring forward a further £525,000 from the Capital Plan on 23rd April 2019 to meet a cost over-run for Methil and an additional £535,000 has also been drawn down from Capital Minor Works budget this financial year to mitigate a cost over-run for Methil following receipt of the Tender Report and the impact of Covid-19.

The budget for the Cupar project was re-profiled to £5,580,000 following the Methil cost over-runs, however, permission is being sought to bring forward an additional £1,020,000 from the Capital plan to contain costs within the cost ceiling for Cupar of £6,600,000. This amount will also cover demolition costs for Northeden House in Cupar and shared contingency costs with Housing Services against Covid-19 costs.

If approval is granted for Cupar, this means remaining funds within the Capital Plan for Anstruther amount to £5,130,000.

The decision to deliver joint projects with Housing Services for Cupar and Anstruther should help to bring this final project within budget, however, it would be prudent in the current climate to assume there will be a cost overrun and to have a proposal in place to draw down funds from Capital Minor Works budget in 2023 if required. It should be noted that almost £500k of works would be required to the existing Ladywalk House in the next few years if not replaced.

Between £400k and £500k is allocated between Older People and Adult Services for Capital Minor Works each year and the pressure on this budget has been reducing significantly due to the new care homes completed in Phase One and therefore no requirement for any major refurbishment for several years. H&SCP also has plans to vacate Leng in Newport-on-Tay, and St David's in St Andrews has been the subject of a Community Asset Transfer, therefore there will be no further repairs and maintenance costs attached to these day centre properties.

Costs will be closely monitored and reported over the course of the programme.

Scottish Government Funding for the new housing will be allocated through the Strategic Housing Investment Plan 2018/19 - 2022/23 which was agreed by the Community and Housing Services Committee in November 2017. The remainder of the capital will be met through the Housing Revenue Account. The indicative costs are an estimated total cost of £3 million.

Legal & Risk Implications

Key risks and legal implications are summarised in the attached papers.

Impact Assessment

A full Impact Assessment for the care home has been carried out as part of the consultation process.

Consultation

The indicative design of the care home has been based on the 12-bed unit living model used in Phase One. There has been extensive consultation around the design due to the layout and topography of the site.

Consultation has also taken place with the Care Inspectorate in respect of the design. Staff, residents and families, and day service users at Ladywalk House have been briefed with regular Newsletters providing an update on the Replacement Care Homes Programme.

Anstruther TRA consultation were consulted as part of the development of the site. A meeting was held with the group to advise of the development of the Care Village and discuss potential plans for mainstream Housing on the Ladywalk Care Home Site when vacant.

Completed housing developments are assessed through tenant satisfaction questionnaires. The feedback from these is used to influence future changes in specification and design. The Housing Service has reviewed the development of other Care Villages and is building the lessons learned from these developments into new sites.

Briefing sessions have been provided for elected members throughout the process of identifying a suitable site for Anstruther, and there has been regular engagement with Anstruther Community Council.

1.0 Introduction

- 1.1** This document is the business case report for a proposed new care home in Cupar and should be read in conjunction with the following Appendices:
- Appendix A: Project Business Case
- 1.2** The site proposed for the new integrated building is Housing Service's Mayview Court site in Anstruther.
- 1.3** Approval was granted at Policy & Coordination Committee on Wednesday 2nd September 2020 for a change of use of the Mayview site from general needs housing to construction of the replacement care home and extra care/ specific needs housing.
- 1.4** Following demolition and clearance by Housing Services of the four existing Mayview Court flats, the development of the site will comprise four major components:
- A 24-bed care home replacing Ladywalk House which currently has 39 beds.
 - Twelve extra care flats.
 - Two specific needs bungalows on site for families with support needs.
 - A Day Service facility for older people with complex care and support needs who require a building based service.

2.0 Options for Delivery of Residential Care

2.1 Option 1 – Do Nothing

Ladywalk House does not currently meet new Care Inspectorate requirements for residents in terms of usable bedroom space and provision of fully-ensuite facilities. Therefore, as a regulator, the Care Inspectorate could at some point view the care home as no longer fit for purpose and at risk of deregistration. In addition, the age of Ladywalk House means there are significant works required in the replacement of all electrical wiring and accessories, and heating and hot water system in the immediate future at an estimated cost in region of £500,000. Therefore, the building will become increasingly costly to maintain and unviable in the medium term, and will not meet older people's increasing needs and expectations.

The estimated revenue cost of this option over ten years is £15.048m.

2.2 Option 2 – Transfer Ladywalk House to the Independent Sector

Transfer the existing Ladywalk House to the independent sector to operate. This option would not incur any capital cost, and staff would TUPE over to the new organisation. However, as with Option 1, the building is not compliant with new Care Inspectorate requirements for care homes and could become at risk of deregistration. This may discourage potential providers. In addition, there are critical

works required at Ladywalk House amounting to £500k that a new provider would wish to have made good prior to transfer.

The estimated revenue cost of this option over ten years is £14.548m.

2.3 Option 3 – Reprovision all Beds in Independent Sector (over 2-year period)

This option will be unpopular with residents and families as it is likely that the number of vacancies required would not be available in the independent sector within the Anstruther area. There will be implications for the current staff team who would be subject to Managing Change and at risk of redundancy.

The estimated revenue cost of this option over ten years is £11.216m.

2.4 Option 4 - Continue to Implement Fife Council's Decision to Invest in the Care Home Replacement Programme

Phase One comprising Ostlers House in Kirkcaldy, Napier House in Glenrothes and Lindsay House in Lumphinnans has been completed. Phase Two is underway with the start of construction of the replacement for Methilhaven Home in Methil in November 2020. Phase Two of the Care Home Replacement Programme was approved as part of the Council's Capital Programme in February 2017 and confirmed as a priority by the Council's new Administration following the last local government election.

The estimated cost of this option over ten years is £19,287m including £6.600m capital spend plus an estimated £3m for Housing.

2.5 Option 4 is the preferred option of the Programme Board to continue with the Care Homes Replacement Programme as approved by Fife Council Executive Committee on 23rd October, 2012, providing our care home residents with high quality, modern accommodation and facilities to meet their needs, and comply with current Care Inspectorate requirements, and in line with Phase One of the Programme which has been completed. This option also retains a mixed economy of residential care provision in Fife.

3.0 Funding the Care Home Project and Recurring Costs

3.1 All of the options are detailed in the Business Case and costs are detailed below:

3.2 Option 1 - Do Nothing

CAPITAL COSTS – this option has no capital costs.

REVENUE COSTS

Current Ladywalk Revenue Budget is £1.455m, and this would continue until year 3 when additional costs of £500k for electrical re-wiring and accessories and heating and hot water system would be incurred. Thereafter premises costs would increase through to year 10 when the costs are estimated to be in region of £1.504m.

3.3 Option 2 – Transfer Ladywalk House to the Independent Sector

CAPITAL COSTS – this option has no capital costs. However a potential provider may wish critical works to be completed prior to transfer amounting to £500k.

REVENUE COSTS

Current Ladywalk Revenue Budget is £1.455m and this would continue through years 1 to 10.

3.4 Option 3 – Reprovision all Beds in Independent Sector (over 3-year period)

CAPITAL COSTS – this option has no capital costs.

REVENUE COSTS

Current Ladywalk Revenue Budget is £1.455m and this would continue through year 1. In each of years 2, 3, and 4 some of the staff costs would be replaced by purchased placement costs reducing the overall spend from year 5 onwards to £1.034m.

3.5 Option 4 – Continue to Implement Fife Council's Decision to Invest in the Care Homes Replacement Programme

CAPITAL COSTS – The available budget is estimated at £5.130m for the 24 bed care home including construction costs, risk and inflation allowances, utilities, IT/ CCTV and alarms, demolition works including fees, furniture, fittings and equipment, planning and warrant fees, all necessary surveys and reports, and professional fees. The figure of £5.130m assumes the request for bringing forward budget for Cupar is approved.

REVENUE COSTS

These reduce from year 5 onwards due to having 39 places at Ladywalk being replaced by the proposed new 24 bed care home, however, there is a need to purchase 15 placements externally at a net cost of £398,000. The reduced cost of the care home offset by the cost of external beds would give a net revenue saving per year of £184k per year.

- 3.5.1 At this stage we do not have an indicative capital cost for the care home and the Design Team will be working to produce a Stage 2 Cost Report by Spring 2021 to include direct client costs and demolition costs for the existing Ladywalk site. The costs mentioned in this report are based on the assumption the cost will be the same as Cupar care home.
- 3.5.2 Additional care home revenue costs will be incurred with the need to purchase 15 placements externally. This includes an assumption that there will be an element of income contribution from the residents.
- 3.5.2 It is estimated that up to £36,000 transition costs could be incurred in moving to the new care home. This includes dual care home staffing costs for up to three days whilst service users are transferred on a carefully planned, phased basis. Planning will involve all service users, staff, relatives and carers of the current care home to ensure consistency of care before, during and after the move.
- 3.5.3 In comparison to Ladywalk House care home, maintenance costs in the early years of the new care home will be low. A planned programme for maintenance and refurbishment of the new care home in future years will be required to ensure that the living environment continues to deliver high quality care whilst meeting legislative requirements and the needs of older people. All Fife Council properties have a planned maintenance programme, and costs will be lower for this new care home due to new-build warranties that will be in place and design of the building. Budget for the planned maintenance programme is outwith the scope of this project.

- 3.5.4 Non-domestic rates are not applicable for residential care homes in receipt of 100% rating relief.
- 3.5.5 The project revenue costs will be ongoing annual costs and will need to be index linked to reflect inflationary factors, as they are currently across the service.
- 3.6 The opportunity to build on the Mayview Court site means that the groundworks and infrastructure capital costs will be shared with Housing Services in the creation of the care village model in Anstruther.
- 3.7 The development represents an opportunity for Housing Services to share development costs and provide new Extra Care Housing for Anstruther. The costs related to this for the Housing Service will be revenue costs in relation to the running of the service. The main cost is likely to be for an additional full time and part time post to support tenants in the development.

4.0 Background and Update on Care Homes Replacement Programme

- 4.1 If Option 4 is approved, the replacement of Ladywalk House with a new modern purpose-built care home in Anstruther would be the final home in Phase Two of the wider Care Homes Replacement Programme, running concurrently with the replacement for Northeden House in Cupar.
- 4.2 The proposal represents the second partnership project with Housing Services that will comprise a joint building for care home residents and adults requiring extra care housing.
- 4.3 It is hoped that work in Anstruther will commence after start of construction in Cupar by February 2023, meaning both projects will be running concurrently, and dependent upon Committee approval.
- 4.4 The replacement for Northeden House in Cupar is scheduled to commence construction on the Dalgairn site in Cupar in April 2022.
- 4.5 Currently, Ladywalk House comprises 39 beds that are fully occupied, and the replacement care home would provide 24 beds to meet the design model of 12-bedroom units in the other new build care homes. Fifteen beds will be commissioned in the independent sector, if required, as the integrated building will also comprise 12 extra care housing units.
- 4.6 Ladywalk House also comprises a day service facility offering up to 50 places per week and the replacement care home would provide suitable accommodation for the current level of day service facility to continue to meet the need for building-based services, however, day services have been suspended since March 2020 due to the Covid-19 pandemic and these services will be subject to review.
- 4.7 The development of 12 extra care housing units and additional extra care/ specific needs housing on the adjacent site is in addition to Fife Council's wider programme of developing an indicative 3,500 affordable homes by May 2022.

5.0 Scope

- 5.1 The Business Case outlines the options for delivery of an integrated care home/ extra care housing building on the site of Mayview Court to include the following:
- A 24-bed residential care home.
 - A day service facility with the potential to provide up to 10 places daily.
 - 12 extra care flatted units.
 - 2 specific needs bungalows.

6.0 Business Need

- 6.1 The existing care home was built in the early 1980's. The Business Case for construction of the new care home reflects the current condition and suitability of the existing asset as well as current and projected demand for care home places in the Anstruther area (Appendix A).
- 6.2 The condition of the existing wiring and electrical accessories in Ladywalk House care home is currently adequate and safe, but beyond the recommended lifespan at 35 years old, and it has been assessed as needing fully replaced by 2023 at an estimated cost of £133,000. In addition there is a recommendation to replace the existing heating and hot water system in 2021 as the existing boilers are around 24 years old and the distribution pipework is 35 years old. The estimated cost of this work is £352,000.
- 6.3 Within the independent sector, there is one further residential home in Anstruther and in total they provide 20 beds – as at November 2020 there are no vacancies.
- 6.4 A replacement for Ladywalk House provides an opportunity for an integrated building with Housing Services and development of a wider care village in line with the aspirations of the current Administration.

7.0 Constraints

- 7.1 The £18,300,000 allocation for the replacement of three care homes in Phase Two has already come under pressure with the replacement for Methilhaven home having budget over-runs, subsequent impact of the Covid-19 pandemic, and the decision therefore to design joint buildings with Housing Services for Cupar and Anstruther.
- 7.2 The inclusion of contingency costs for each project against Covid-19 measures, will be closely monitored, reviewed and reported to Programme Board throughout the design and construction phases in order to contain spend within the budget for this remaining home in Phase Two.

8.0 Programme

- 8.1 The current programme indicates that construction of the care home could commence in February 2023 with completion in August 2024.

- 8.2** Prior to the relocation of services from Ladywalk House care home, Assets, Transportation and Environment (ATE) Service will make plans for the existing buildings to be demolished and the site transferred to Housing Services.
- 8.3** The Housing provision at Mayview and on the Ladywalk site (once clear) will be developed as part of the Affordable Housing programme and will count towards the total houses being developed as part of Phase 4 of the programme.

9.0 Designs

- 9.1** Early conceptual and schematic layouts have been created as part of the initial feasibility studies to aid the development of the brief and to provide assurance that the proposed development can be accommodated on the Mayview Court site.
- 9.2** For the purposes of this exercise, the existing care home 12-bed unit layout used in the Phase One programme was used as the initial template and will be further developed during the design phase to meet specific requirements.
- 9.3** Housing design is based on the model of flatted accommodation successfully developed already at existing Extra Care Housing sites.

10.0 Project Board

- 10.1** A Project Board has been convened with key officers representing the Health and Social Care Partnership, Assets, Transportation and Environment, and Finance and Corporate Services, to project manage and deliver the projects within timescale and cost. The Project Board will also ensure that the required expertise is called upon and utilised at the appropriate times throughout the project's life.

11.0 Risk Management

- 11.1** A Risk Strategy will be developed that will capture all of the risks before starting, during the project and following completion.
- 11.2** Initial risks associated with the project have been identified and considered as part of the Business Case. These will be transferred to the Risk Log and maintained throughout, and beyond the life of the project by the Project Team. The Risk Log will be a standing item on the monthly agenda as assurance for the Project Board.

12.0 Benefits

- 12.1** Benefits of the project have been identified and measures created which will demonstrate their realisation. Details of all benefits can be found in the Business Case (Appendix A). Some of the key benefits are:
- Significant measurable benefits in relation to the wellbeing of service users, their relatives/carers, and care home staff as a result of the quality of the environment which promotes independence for service users.
 - Housing Service benefits – the site provides for the development of Extra Care Housing to meet the needs of Older People in North East Fife. There are additional benefits in being able to develop the Ladywalk site to provide much needed general needs housing for people in the Anstruther area.

13.0 Conclusion

13.1 The Business Case confirms that the necessary resources are available for the extra housing flats but not for the new care home unless approval is given to transfer £1,470,000 from the future years of the Capital Minor Works budget. This development will represent a significant capital investment in the infrastructure of Fife and will contribute towards the strategic objectives of Fife Council and its role within the Health and Social Care Partnership.

List of Appendices:

Appendix A: Project Business Case

Background Papers

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

- Executive Committee Report - Options for Future Care Provision for Older People – dated 23rd October 2012
- Capital Investment Plan 2017/2027 – Fife Council Budget Meeting 16/02/17

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Project ref & title	Replacement of Ladywalk House, Anstruther
Programme or eVision (if applicable)	Phase Two - Care Home Replacement Programme
Project Sponsor	Fiona McKay, Divisional General Manager (East)
Project Manager	Vivienne McBride, Change Manager – East Division
Approval board(s)	Fife Council Investment Strategy Group
Date & version	24.11.20 V. 6.0

As part of the proposal stage, you are only required to complete Section 1 of this document.

Document history

Date	Version	Last revised by	Details of revision
20.12.19	V. 1.0	V McBride	Initial Draft.
12.02.20	V. 2.0	V McBride	Revision following Elected Member, Community Council and Programme Board Comments.
30.10.20	V. 3.0	V McBride	Revision to include Housing Services.
18.11.20	V. 4.0	V McBride	Housing Services revision.
20.11.20	V. 5.0	V McBride	Financial Revision by Lesley Burnie
24.11.20	V. 6.0	V McBride	Final revision with Lesley Burnie, Accountant

Section 1: Proposal

1.1 What is the project going to do?

The project will deliver a replacement care home for Ladywalk House in Anstruther and will consist of an integrated 24-bed care home and 12-flatted extra care housing building with day service accommodation and shared communal facilities.

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

1.2.1 Project background

Fife Council Executive Committee approved a programme of replacement of all ten of Fife's local authority care homes on 23rd October 2012. In Phase One, we were able to merge two care homes into one 60-bed care home in Kirkcaldy, Glenrothes and Lumphinnans, therefore replacing six homes with three.

The first care home in Phase One, Ostlers House in Kirkcaldy, opened in December 2015, followed by Napier House in Glenrothes in September 2017, and Lindsay House in Lumphinnans which opened on 1st May 2018. In each of these locations there were two care homes in close proximity to each other that could be replaced by one larger 60-bed home, and achieve revenue efficiencies through a new staffing model. It is not possible to replicate the 60-bed model in the other localities for Phase Two as each care home is remote from the others.

On 16th February 2017, Fife Council approved £18,300,000 capital funding for Phase Two of the Care Homes Replacement Programme within the Capital Investment Plan 2017/2027. This is to fund the replacement of existing care homes in Buckhaven, Cupar and Anstruther. The Joint Administration's Programme for Administration makes a commitment to build three more care homes with care villages where feasible.

The redevelopment of Methilhaven care home was prioritised first in Phase Two due to its age, and the need to carry out extensive remedial mechanical and electrical works over the next few years, alongside the immediate availability of a suitable site in Fife Council ownership for its replacement at the former Kirkland High School site in

Methil. The Business Case for Methil was approved at Policy & Coordination Committee on 12th April 2018.

The replacement of Northeden House in Cupar was prioritised second in the Phase Two timeline and its Business Case was approved at Policy & Coordination Committee on 24th January 2019. However, the Stage Two Cost Report received in February 2020 indicated that the project was unaffordable and the Project Team was instructed to look at alternative solutions. A revised Business Case for Cupar is also under consideration at this Committee.

Over the last two years, twelve sites were considered for the replacement of Ladywalk House in and around the Anstruther area including the Mayview Court site and this was initially discounted due to timescale and pre-existing plans by Housing Services for development of the site.

Towards the end of 2019, we considered redeveloping the existing site of Ladywalk House, however, the feasibility plan determined that it would extend the project by around two years, due to the phased nature of demolition of part of the site, decanting residents into another area and building the first phase of the new building. The extended project would also cost an additional £3.1m in capital, increased revenue costs, requirement to purchase respite beds, and potentially care home places in the private sector, and there would be a reduced income to the service as beds are reduced. Therefore, the Ladywalk site was discounted.

At this point, Elected Members suggested we revisit the Mayview site and this is now the preferred option following positive dialogue with Housing Services regarding a change of use for the site. The site provides Health & Social Care and Housing Services an opportunity to evolve the care village model by developing a fully integrated care home/ extra care housing building. The building will also house day services for older people, a hairdressing salon, communal staffing facilities, a communal area for tenants and a community café/ drop-in facility.

A joint Health & Social Care and Housing Services project enables the capital costs of construction of this building to be shared between the two services, and Housing Services are also able to draw down additional grant from Scottish Government for extra care housing and communal facilities.

Upon completion of the new care home/ extra care housing, the existing Ladywalk site will be transferred to Housing Services for the development of affordable housing.

The Mayview site currently houses four blocks of flats that are now scheduled for demolition following decant and rehousing of all existing tenants. Only one former tenant requires to be rehoused again upon completion of a suitable property either on the Mayview or Ladywalk site.

Due to the nature of the ageing population across Fife (and the North East Fife area in particular) there is a need to provide good quality affordable housing which meets the needs of older residents. The development of 12 Extra Care flats will add to the existing provision in the area and provide an opportunity to deliver a service for more vulnerable older people who still wish to live independently.

This also provides an opportunity for housing tenants to mix with residents and visitors to the communal hub area of the building.

1.2.2 Project justification

Ladywalk House was built circa 1983 and has served the Anstruther community well. However, the needs, aspirations and dependency levels of older people have changed, and will continue to change and we need to provide facilities that will meet those needs both now and in the future. In addition to this, the design and physical condition within the care home will not keep pace with either the changing landscape of national care standards and Care Inspectorate requirements, i.e. requirement for *en suite* facilities, or the changing needs of the residents with higher dependency levels.

In order to meet demand and older people's expectations, residential care home places, permanent and short-stay, will continue to be required alongside alternative community care options of which being able to remain at home is generally the preferred choice of this age cohort where reasonably practicable. The development of an integrated building with Housing Services incorporating 12 extra care flatted units will support people to remain in their own home longer. The inclusion of day services will complement the care home/ extra care housing and can contribute to the prevention of hospital admissions and premature admission into residential care.

Prior to completion of the new care home and the relocation of services from Ladywalk House, plans will be developed for the existing buildings to be demolished and the site transferred to Housing Services to aid their Affordable Homes target of 3,500 by 2022.

1.2.3 Urgency and consequences

There is a requirement for construction work of the care home to start as soon as is reasonably practicable due to significant electrical works and replacement of the existing heating and hot water system that requires to be undertaken at Ladywalk House. However, it will take at least twelve months to complete the design period for this project, and it is projected that construction could commence in February 2023.

Failure to deliver the new care home in Anstruther within this timescale will result in further deterioration of Ladywalk House and increasing energy costs. This will mean increasing capital and revenue requirements to maintain the status quo. The current layout of Ladywalk House, whilst meeting current needs, will not meet the needs of future generations as dependency levels increase.

As part of the Affordable Housing programme there is a need to develop new build housing across Fife to contribute to the delivery of the target of 3,500 homes.

1.2.4 Lessons learned

The three care village projects undertaken in Phase One have highlighted the importance of working up a very tight and detailed specification and design brief.

Feedback from the care villages in Kirkcaldy and Lumphinnans has reflected the positive impact the communal facilities have had on the residents of the care homes and tenants of the extra care housing.

The Mayview Court site can accommodate an evolved care village model through development of an integrated building incorporating the care home and extra care housing. The provision of day service accommodation and communal facilities for residents and tenants ensures an integrated range of service provision.

A balance requires to be struck between energy efficiency aspirations (lower running costs) and delivering the project within a constrained capital budget.

An effective operational model for the ongoing running of the facility will be in place prior to the building opening.

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

This project will deliver a new residential care home consisting of a 24-bed care home with day services, integrated with Housing Service's 12 extra care housing flats. This is in line with Fife Council's Fair4Fife approach and using assets more resourcefully.

The provision of extra care housing responds to the need to ensure that tenants have a range of housing options to enable them to live independently in a modern caring environment with care and support available when needed. The new properties will cater for tenants with varying needs and a housing support service will be available to those who need it.

The outside space will provide opportunities for innovative landscaping that will benefit the tenants and residents in a safe environment.

Aside from the 'physical' deliverables of the new care home, day service facility, extra care flats and communal area, the following will also be required of the project:

- Agreement between services on the operation of shared facilities.
- New staffing model and associated rotas for the care home.
- New revenue budgets to be set for the care home and extra care housing.
- Staffing model and associated arrangements for the extra care housing.
- Registration with the Care Inspectorate for the care home.
- Registration with the Care Inspectorate for the housing support service.
- Allocations/ lettings process for the extra care housing.
- Transitional arrangements for care home residents and staff.

1.4 What are the desired outcomes and benefits?

Outcome	Benefit
Health & Social Care Partnership Building design allows for more efficient staffing model.	Increased staff satisfaction in working environment.
Health & Social Care Partnership Residents are living in an environment that has an appropriate mix of private and communal areas, including accessible outdoor space, because premises have been designed for high-quality care and support.	Care Home residents are happy with their living environment that has been designed for the provision of high-quality care and support to meet their needs and expectations.
Health & Social Care Partnership Day Service Users are able to participate in a range of activities that are enabling and promote independence.	Day Service User satisfaction with day service provision.
Housing Services Completion of 12 extra care housing flats and affordable housing on the Ladywalk site will enable people to downsize in the Anstruther area and contribute to addressing a shortfall of affordable homes.	Older people will free up larger properties and more households in need will be provided with a home suitable for their needs.
Housing Services High levels of customer satisfaction with	Tenants remain in their homes for longer and

homes built to cater for those with specific needs and access to housing support and social activity within the hub.	resources spent dealing with complaints means dissatisfaction is minimised.
Housing Services More efficient use of the Very Sheltered Housing Officer role.	Very Sheltered Housing Officers can deliver housing support to tenants in the extra care properties and in nearby Harbourlea Very Sheltered Housing. Staffing models will be developed to deliver this.

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

1.5.1 Costs

Total expected one-off capital cost	Total expected recurring revenue cost
<p>Social work budget of £6,600,000 for the delivery of 24-bed care home, and associated services as per item 1.1. (assuming proposal to draw additional funding from Capital Minor Works budget is approved)</p> <p><u>The above estimated figure includes:</u></p> <ul style="list-style-type: none"> • Construction costs • Risk and inflation allowances • Utilities, IT/ CCTV & alarms • Demolition Works incl. fees • Furniture Fittings and Equipment • Planning and Warrant fees • All necessary Surveys & Reports • Professional fees <p>Total estimated housing costs of £3m (inclusive of Scottish Government grant contribution).</p>	<p>Anstruther Care Home revenue cost £1.455m (Social Work).</p> <p>Revenue costs for Very Sheltered Housing staff - £60,000 for two posts.</p> <p>£50,000 for repairs, maintenance and cyclical costs for the extra care housing.</p>

1.5.2 Resource requirement

The Project Board has been formed and consists of the individuals named below. All individuals named will carry out their responsibilities in relation to the Project as part of their operational post.

1.	Project Sponsor/ Chairperson	Fiona McKay, Divisional General Manager (East)
2.	Senior Users	John Cooper, Service Manager, Older People's Services Paul Short, Service Manager, Housing Services
3.	Senior Supplier	Alan Paul, Senior Manager (Property Services) Stephen Anderson, Service Manager – Major Works, Environment & Building Services
4.	Project Manager	Vivienne McBride, Change Manager – East Division

Representatives from Older People's Services, Housing Services, Property Services, Assets, Transportation & Environment, and Finance & Corporate Services have been identified to support the delivery of the Project.

A design and build solution by Assets, Transportation & Environment is the preferred route of delivery however for the care home and extra care housing building with associated services, as this brings many advantages in terms of shared costs and the construction process. This would be subject to Value for Money Assessment as the design stage of the project progresses.

1.5.3 Project timeline

The Design Brief is currently being developed and it is anticipated that construction could start on site in February 2023 and conclude by August 2024.

1.5.4 Funding availability

Fife Council approved £18,300,000 in its capital programme in February 2017 for commencement of Phase Two of the replacement care home programme, to replace three care homes.

The Phase Two budget has come under pressure with Methil therefore it was agreed to enter into joint projects with Housing Services for Cupar and Anstruther to help contain costs within budget. ISG agreed to bring forward £525,000 from the Capital Plan on 23rd April 2019 to meet a cost over-run for Methil and an additional £535,000 has also been transferred from Capital Minor Works budget this financial year to mitigate a cost over-run for Methil following receipt of the Tender Report and the impact of Covid-19.

The Partnership has requested to bring forward £1.020m from the Capital Plan for the Cupar budget, and if approved, this means the available capital remaining for Anstruther is £5,130m. It is proposed that Capital Minor Works budget of £1,470 be made available to bring the Anstruther project within budget. It should be noted that there is an existing requirement to carry out capital works amounting to £500k at Ladywalk House in the next few years, if not replaced, therefore the remaining balance to be found is £970k.

A contingency sum for Covid-19 costs has also been allowed for in the capital budget and costs will be monitored and reported to Programme Board on a regular basis.

1.5.5 Resource availability

Yes.

1.6 What are the known pre start-up risks?

Risk description	Probability score (1-5)	Impact score (1-5)	Overall score (probability x impact)
<u>Social Work Service</u>			
Financial Risk: The risk that actual cost of construction of the care home exceeds estimates.	4	5	20
Risk relating to Land: There is limited risk with the land which is in FC ownership. Any risk may be in relation to timescales.	3	3	9
Registration Risks: Risks which there may be around registering the new care home with the Care Inspectorate.	3	3	9

Operational Risks: Risks which may occur as a result of new staffing structure. There are financial implications if the structure needs to be reviewed in line with requirements.	3	3	9
Redundancy Risk: Risk of redundancy as a result of new staffing structure. Social Work Service will work with Human Resources and Trade Unions in any Managing Change process to minimise impact.	2	5	10
Risks to Service Users: There are known risks associated with change for service users, e.g. the transition from current residence to a new home. This needs to be carefully managed to a level that will not put service users at significant risk.	2	4	8
<u>Housing Services:</u>			
Legal Risk: Risk that there are legal issues around land transfers.	2	2	4
Financial Risk: Risk that actual cost of construction of the housing exceeds estimates.	3	3	9
Risks to Service Users: There are risks associated with change for service users, i.e. the transition from current residence to a new home.	2	4	8
Operational Risks: That the new properties will result in an increase in void properties in the area due to the tenants moving.	2	5	10
<u>Specific Design / Construction Risks:</u>			
1. Change in requirements of the Council, that is, Council requiring changes (a 'Council Change') to the design leading to additional design and construction costs.	3	5	15
2. Changes required to the design required due to legislative or regulatory change specific to the Local Government Social Services environment leading to additional design and construction costs.	2	3	6
3. Failure to design brief in accordance with Council's requirements. That is, failure to translate the requirements of the Council into the Design Drawings/ Data.	3	4	12
4. Continuing development of design. That is, failure to develop the detail of the design within an agreed timetable leading to additional design and construction costs.	2	5	10

<p>5. Statutory approvals including Planning permission. Any delay in receiving Planning Consent or other statutory approval resulting in broader cost implications for the Project.</p> <p>Risk/Issues Logs will be maintained and updated throughout the Project.</p>			
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Note: Once the project enters the Plan stage, the project's pre start-up risks should be copied into the project's Risk Log. The Risk Log will supersede the items detailed in the above table.

1.7 Proposal sign-off

Approved by	Role	Date approved
Fiona McKay, Divisional General Manager (East)	Project Sponsor	
Vivienne McBride, Change Manager – East Division	Project Manager	

BTS Approval (for IT related projects only)	Role	Date approved
	Directorate Solutions Manager or Competency Centre Manager	

Note: For IT related projects, approval must be sought from the Directorate Solutions Manager or Competency Centre Manager within Business Technology Solutions (BTS).

Section 2: Business Case

2.1 What is the scope of the project?

2.1.1 Output

Project outputs are defined in [Section 1.3](#) of this document and relate to Option 4. Any updates to project outputs will be made in Section 1.3.

2.1.2 Resources

Project resources are defined in [Section 1.5.2](#) of this document and relate to Option 4. Any updates to project resources will be made in Section 1.5.2.

2.1.3 Customers

The care home will provide 24-hour residential care for 24 residents. All residents will have been assessed by the Social Work Service and meet the eligibility criteria. The care home will also offer day services, Monday to Friday, each week, and existing day service users of the Ladywalk House service will have the opportunity to transfer to the new service.

The Extra Care housing flats will be allocated via the Fife Housing Register. All tenants will require accessible housing and the support provided.

2.1.4 Staff

Social Work Service:

The staff directly affected will be those currently working in Ladywalk House in various roles.

Discussions will take place with Human Resources and the Trade Unions before the transition to the new home occurs, and all casual/relief and temporary posts will be scrutinised and all staff members' status in relation to permanency will be ascertained. Fife Council's Managing Change Process will then be followed in relation to the transition into the new care home and staffing structure. As there will be an inadequate number of posts in the new care home to place all Ladywalk staff on their existing grades due to the reduction in beds, then they may be offered equivalent posts elsewhere in the service or be at risk of potential redundancy.

Housing Services:

These will be new posts that are tagged to this development. There will be opportunities to apply for these posts.

2.1.5 Service delivery

Social Work Service:

All services currently provided at Ladywalk House, including the residential care service and day services.

Housing Services:

This site will deliver an extra care housing service for older tenants with staff cover 7 days per week, 9.00am to 3.00pm. The alarm system will operate 24/7 so that tenants can use this if they require assistance outwith the time staff are on site.

2.1.6 Business process

Modify existing service business processes.

2.2 How will 'business as usual' be maintained whilst change is implemented?

Social Work Service:

In terms of resources, it will be 'business as usual'. The Health & Social Care Partnership has a dedicated Change Manager to take forward the project.

Input required from staff in Ladywalk House will be planned at times that are operationally less difficult to manage, and the home will continue to operate in the normal way until the move to the new home. This also applies to admissions, discharges, recruitment and maintenance.

There will be a planned transitional period for relocating residents, service users, staff and equipment to the new care home from Ladywalk House. Additional costs have been identified for the move and are documented in the business case.

Housing Services:

There will be minimal impact on day to day business. The development will be overseen by the Affordable Housing Team and management of the housing when complete will be undertaken by the Older Persons Housing Team and the North East Fife Area Housing Team.

2.3 Who are the key stakeholders?

Key stakeholders are:

- Current residents of the care home, day service users and respite users.
- All Ladywalk House Care Home staff.
- All family/carers of residents and day service users of Ladywalk House.
- Tenants of Housing Services.
- All housing staff within the area.
- Housing list applicants.
- Local Councillors.
- Integration Joint Board members.
- All members of the Project Board and Project Team.
- Potential future service users are also stakeholders and the Project Team has engaged with various forums and user groups to gather their views.

2.4 What are the options to deliver the project?

- Options 1, 2 and 3 do not deliver the Fife Council Executive Committee decision on 23rd October 2012 to replace its' residential care homes with new builds.
- Option 4 delivers the project in line with the Fife Council Executive Committee decision.

Option 1	Do Nothing
Cost	Total One-Off Cost: N/A. Recurring Revenue cost £1.455m.
Time	N/A
Quality	There would be further deterioration of Ladywalk House with increasing energy, repairs and maintenance costs, including a one-off cost of £481,000 for full re-wiring and replacement of electrical accessories and replacement of the existing heating and hot water system. Therefore there will be increasing capital and revenue costs to meet the status quo. The current facility does not meet the recommended Care Inspectorate standards for care home residents.
Resource	Current Property Services' Repairs & Maintenance contractual arrangements.
Scope	N/A
Risk	Ongoing deterioration of Ladywalk House and failure to meet recommended standards means the service, at a pre-determined point in time, would have to be reprovisioned within independent sector.
Benefits	<ul style="list-style-type: none"> • The desired impact and benefits as defined at 1.4 above would not be met. • There would be no capital costs.

Option 2	Transfer Ladywalk House to the Independent Sector
Cost	Total One-Off Cost: N/A. Recurring Revenue cost £1.455m after transfer.
Time	Within 3-6 months of approval.
Quality	Not known. The responsibility for condition and standards within the building would pass to the independent sector, however, they may require critical works of around £500k made good prior to transfer. The care home currently does not meet the recommended Care Inspectorate standards for care home residents.
Resource	Not known.
Scope	N/A
Risk	There is a risk for staff who would TUPE over to another organisation. The condition of the care home may discourage potential providers.
Benefits	<ul style="list-style-type: none"> • The desired impact and benefits as defined at 1.4 above would not be met. • There would be no capital costs.

Option 3	Reprovision all Beds in Independent Sector Over 3-Year Period
Cost	Estimated cost of £1.034m from year 5 onwards.
Time	Within 24 months of approval.
Quality	Not known. Alternative provision quality represented by Care Inspectorate gradings.
Resource	N/A
Scope	N/A
Risk	There is a risk to staff who would be subject to Managing Change and potential redundancy. There is a risk for residents as it is unlikely that the number of vacancies required would be available within the independent sector and they could be placed outwith Anstruther.
Benefits	<ul style="list-style-type: none"> • The desired impact and benefits as defined at 1.4 above would not be met. • No ongoing capital costs, however ongoing revenue costs with reprovisioning beds.

Option 4	In-house delivery through Asset and Facilities Management Service (Assets, Transportation & Environment)
Cost	Total One-Off Cost: £6.600m. Recurring Revenue cost £1.271m from year 5 onwards.
Time	24 months from approval.
Quality	Now experienced in care home requirements: Social Work Service has built effective working relationships with Assets, Transportation & Environment across previous 3 care village builds. Additional benefits realised by utilising previous exemplar care home designs – use of BIM/3D models.
Resource	Assets, Transportation & Environment, Property Services 5.0 FTE, and Assets, Transportation & Environment, Building Services 10 FTE over the Anstruther site. (Opportunity to maximise corporate capacity/efficiency through Assets, Environment & Transportation, Building Services, carrying out work packages where appropriate).
Scope	Baseline construction scope now established through work on the first three replacement care homes in Kirkcaldy, Glenrothes and Lumphinnans and current construction of the new Methil home.
Risk	Market prices exceeding available budgets; absence of “claims” culture; lower relative risk due to partnering approach. Static Assets, Transportation & Environment fees and absence of claims for additional design team fees if programme delayed.
Benefits	Service benefits as defined at 1.4 above would be met.

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

The design and build solution by Assets, Transportation & Environment is the preferred route of

delivery for the care home and associated services, as this brings many advantages in terms of experience in the delivery of our care homes and housing, and shared costs of the construction process. This would be subject to Value for Money Assessment as the design stage of the project progresses.

2.6 What is the outline plan and cost break-down?

2.6.1 Outline Plan

Stage	Outputs/deliverables	Timescale
	CARE HOME CONSTRUCTION	TARGET TIMESCALES
PLAN	Site investigations	↓
PLAN	Design Brief formulation / Room Data Sheets / Facility Requirements / Accommodation Schedules	Ongoing to February 2023
PLAN	Early Scheme Design Stages	
PLAN	Stakeholder Engagement	
PLAN	Scheme design and cost proposals submitted / reviewed / assessed / accepted	
PLAN	Planning submission	
PLAN	Detailed design/ Production information	
PLAN	Target Planning approval	
PLAN	Building Warrant stages	
PLAN	Production Information/Tender Documentation	
PLAN	Agree Project Costs	
DO	Construction period	↑ February 2023 to August 2024
C & R	Target Handover	September 2024
	OPERATIONAL OUTPUTS	
PLAN	Review Staffing Model/Rotas	↓ February 2023 to August 2024
PLAN	Recruit/Allocate Staff	
PLAN	Transition Work with Staff	
PLAN	Transition Work with Service Users	
DO	Managing Change Process for care home staff	
DO	Transfer of service users/staff and resources to new care home.	
DO	Set up all ICT provision	
DO	Environmental Health and Care Inspectorate approvals	
C&R	Review.	↑ September 2024

2.6.2 Budgets

Total capital budget	Total revenue budget
Social Work budget of £5.130m for the delivery of 24-bed care home, and associated services as per item 1.3 (assuming the proposal for Cupar is agreed by this Committee)	Anstruther Care Home £1.455m.
<u>The above estimated figure includes:</u> <ul style="list-style-type: none"> • Construction costs • Risk and inflation allowances 	

<ul style="list-style-type: none"> • Utilities, IT/ CCTV & alarms • Demolition Works incl. fees • Furniture Fittings and Equipment • Planning and Warrant fees • All necessary Surveys & Reports • Professional fees <p>Housing budget of £3 million (this includes Scottish Government Grant)</p>	<p>Very Sheltered Housing Staff - £60,000. Repairs, maintenance and cyclical costs - £50,000.</p>
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2.6.3 Cost break-down

Item description	One-off cost	Recurring cost	Funding source	Funding available
Capital Costs				
Overall project capital cost for 24-bed Care Home.	£6,600,000		Capital	Capital: No £5.130m is available)
Construction of 12 Extra Care flatted units.	£3,000,000		HRA Capital & SG Grant	
<u>The above estimated figure includes:</u> Construction costs Risk and inflation allowances Utilities, IT/ CCTV & alarms Demolition Works incl. fees Furniture Fittings and Equipment Planning and Warrant fees All necessary Surveys & Reports Professional fees				
Total Capital Costs	£9,600,000			
Revenue Costs				
Total revenue costs relating to Anstruther Care Home	£36,000		Revenue	Revenue: Yes
Anstruther Care Home Revenue Expenditure		£1,271,000	Revenue	Revenue: Yes
Supported Housing Staffing Expenditure		£60,000		
Housing Maintenance & Repairs		£50,000		
Total Revenue Costs	£36,000	£1,381,000		
Totals	£9,636,000	£1,381,000		

2.6.4 How realistic is the approach?

The capital costs are based on the estimated cost of constructing Cupar care home and on data from previous Housing projects. Costs will be monitored throughout the project by the Project Manager and the Project Board.

2.7 What are the benefits of the project and what measures will be used to show their realisation?

Benefit name	Health & Social Care Partnership - Staff Satisfaction
Measure	A questionnaire will be developed to measure staff satisfaction.
Baseline(s) per measure	This will use measurable criteria and baseline figures will be developed six months before the move to the new care home.
Target per measure	Target will be set once criteria have been developed.
Benefit Owner	Unit Manager – Cupar Care Home.
Timescale	Questionnaire will be completed by staff six months after move to new environment and results will be compiled at that time.
Programme end benefit(s)	Modern environment that is attractive to care home staff.

Benefit name	Health & Social Care Partnership – Care Home Resident Satisfaction with Living Environment
Measure	Health & Social Care Standards, 5.1, 5.7, 5.20, 5.23
Baseline(s) per measure	Compliance with current Care Inspectorate guidance 'Building Better Care Homes for Adults' 2017.
Target per measure	<ul style="list-style-type: none"> • <i>En suite</i> facilities • Small group living • Provision of hairdressers • Appropriate mix of private and communal areas • Accessible outdoor space • Dementia Design principles
Benefit Owner	Health & Social Care Partnership
Timescale	By completion of new care home.
Programme end benefit(s)	Care Home residents are happy with their living environment that has been designed for the provision of high-quality care and support to meet their needs and expectations.

Benefit name	Health & Social Care Partnership – Day Service User Satisfaction with Day Service
Measure	Health & Social Care Standards, 5.22, 5.23
Baseline(s) per measure	Compliance with current Care Inspectorate guidance 'Building Better Care Homes for Adults' 2017.
Target per measure	<ul style="list-style-type: none"> • Provision of domestic facilities that enable service users. • Access to outdoor activities.
Benefit Owner	Health & Social Care Partnership
Timescale	By completion of new care home.
Programme end benefit(s)	Day Service Users are able to participate in a range of activities that are enabling and promote independence.

Benefit name	Housing Services – Increased Tenant Satisfaction with Living Environment
Measure	Surveys of tenants

Baseline(s) per measure	Tenant Satisfaction surveys to Scottish Housing Regulator
Target per measure	<ul style="list-style-type: none"> • Self-contained accommodation • Access to communal areas • Access to shared facilities • Housing for Varying Needs principles • Accessible outdoor space • Dementia Design principles
Benefit Owner	Housing Services
Timescale	6 months following tenant entry.
Programme end benefit(s)	Tenants are happy with their living environment that has been designed to meet their needs. There are good facilities for independent living and communal facilities to combat social isolation.

Benefit name	Housing Services - Contributing to meeting the affordable housing shortfall in NE Fife area
Measure	Number of units completed
Baseline(s) per measure	Number of social rented properties in NE Fife. Baseline figure will be set within 6 months prior to site start.
Target per measure	Increase no of social rented properties by 12.
Benefit Owner	Helen Wilkie, Service Manager
Timescale	At project closure.
Programme end benefit(s)	Not applicable.

Benefit name	Housing Services - More efficient use of Housing Officer role
Measure	Number of tenants receiving support within development and surrounding community
Baseline(s) per measure	12 tenants receiving support in Supported Housing in Year 1
Target per measure	All tenants receive appropriate Housing Support.
Benefit Owner	Paul Short, Service Manager
Timescale	3 years
Programme end benefit(s)	Not applicable.

2.8 What are the key assumptions and dependencies?

2.8.1 Assumptions

It is assumed that the extra care housing project can be delivered within budget and within the desired timescale. The new care home cannot be delivered within budget unless approval is given to transfer the funding shortfall of £1.470m from Capital Minor Works.

It is assumed that the ground conditions are favourable for a project of this size given the previous use of the site by Housing Services.

It is assumed that stakeholders will be engaging and supportive of the proposals for the site.

2.8.2 Dependencies

A period will be required for planning permission to be sought for the integrated care home and extra care housing building.

2.9 What are the known pre start-up risks?

Project pre start-up risks have already been identified in [Section 1.6](#) of this document. Any updates to project pre start-up risks will be made in Section 1.6.

2.10 What are the permitted tolerances set for this project?

Tolerance table

	Amber status	Red status <i>(triggers exception report to Project Sponsor/Project Board)</i>
Cost	<p>Health & Social Care Partnership</p> <p>Up to 5% over capital budgets, compared to the original expected project costs and budgetary requirements. Revenue – Expenditure will be managed within the revenue budget as per the Financial Regulations.</p> <p>Housing Services</p> <p>Up to 5% over either capital or revenue budgets, compared to the original expected project costs and budgetary requirements.</p>	<p>Health & Social Care Partnership</p> <p>Any percentage over either budget that exceeds the amber cost threshold.</p> <p>Housing Services</p> <p>Any percentage over either budget that exceeds the amber cost threshold.</p>
Time	<p>Health & Social Care Partnership and Housing Services</p> <p>Up to 4 weeks late against the original project schedule.</p>	<p>Health & Social Care Partnership and Housing Services</p> <p>Any schedule delay that exceeds the amber time threshold.</p>
Quality	<p>Health & Social Care Partnership and Housing Services</p> <p>Elements of acceptance criteria which have no particular impact on the Business Case. These will be limited to minor adaptations to accommodation schedule / room data information or facility requirements that would have little or no impact on service users, staff or other stakeholders. Examples may include minor changes to fixtures and fittings provided.</p>	<p>Health & Social Care Partnership and Housing Services</p> <p>Elements of acceptance criteria that have slipped beyond what is defined within the amber quality threshold. These will have an impact on the Business Case and would include such things as changes to size of rooms, significant deviation in Specification, fixtures and fittings or deviation from agreed contract.</p>
Resource	<p>Health & Social Care Partnership</p> <p>Resources available, but minor delay in obtaining them, or up to 10% more resource required than originally anticipated.</p> <p>Housing Services</p> <p>Resources available, but minor delay in obtaining them, or up to 5% more resource required than originally</p>	<p>Health & Social Care Partnership</p> <p>Resources cannot be secured within a reasonable timescale, threatening other tolerances, or any additional resource required above the amber resource threshold.</p> <p>Housing Services</p> <p>Resources cannot be secured within a reasonable timescale, threatening other tolerances, or any additional resource</p>

	anticipated.	required above the amber resource threshold.
Scope	Health & Social Care Partnership and Housing Services Scope of the care home element will be determined through accommodation schedule and facility requirement documents created by Assets, Transportation & Environment and Social Work Service. Minor changes in scope only would move project scope status to amber. Given the interdependent nature of the different components of the project, any significant deviation in scope would move status to red.	Health & Social Care Partnership and Housing Services Any element of project scope slippage out with, or over and above, what is defined under amber for scope.
Risk	Health & Social Care Partnership and Housing Services All risks can be managed within the project with an overall score of up to 15.	Health & Social Care Partnership and Housing Services Any risk exceeding the amber threshold sees the entire Risk element of the project slip to red.
Benefits	Health & Social Care Partnership 1. Staff satisfaction – tolerance will be set when criteria agreed for this benefit. 2. Care Home resident satisfaction with their living environment. 3. Day Service User satisfaction with day service provision. Housing Services 1. Reduction in the number of new homes by up to 25%. 2. Measurable reduction in tenant satisfaction levels – tolerance of 10%. 3. More efficient use of Very Sheltered Housing Officer role – tolerance of 10%.	Health & Social Care Partnership Red status would occur with non-compliance of Care Inspectorate guidance. Housing Services Red status will occur when any permitted deviations are exceeded as defined under amber. This should be slippage that has significant impacts to the Business Case and could threaten overall project viability. Red status would occur where there was lack of demand and scope to deliver services in the community.

Section 3: Project Structure

3.1 What is the governance arrangement?

This Project has a formal Project Board with a Project Sponsor, Senior User(s) and Senior Supplier(s).

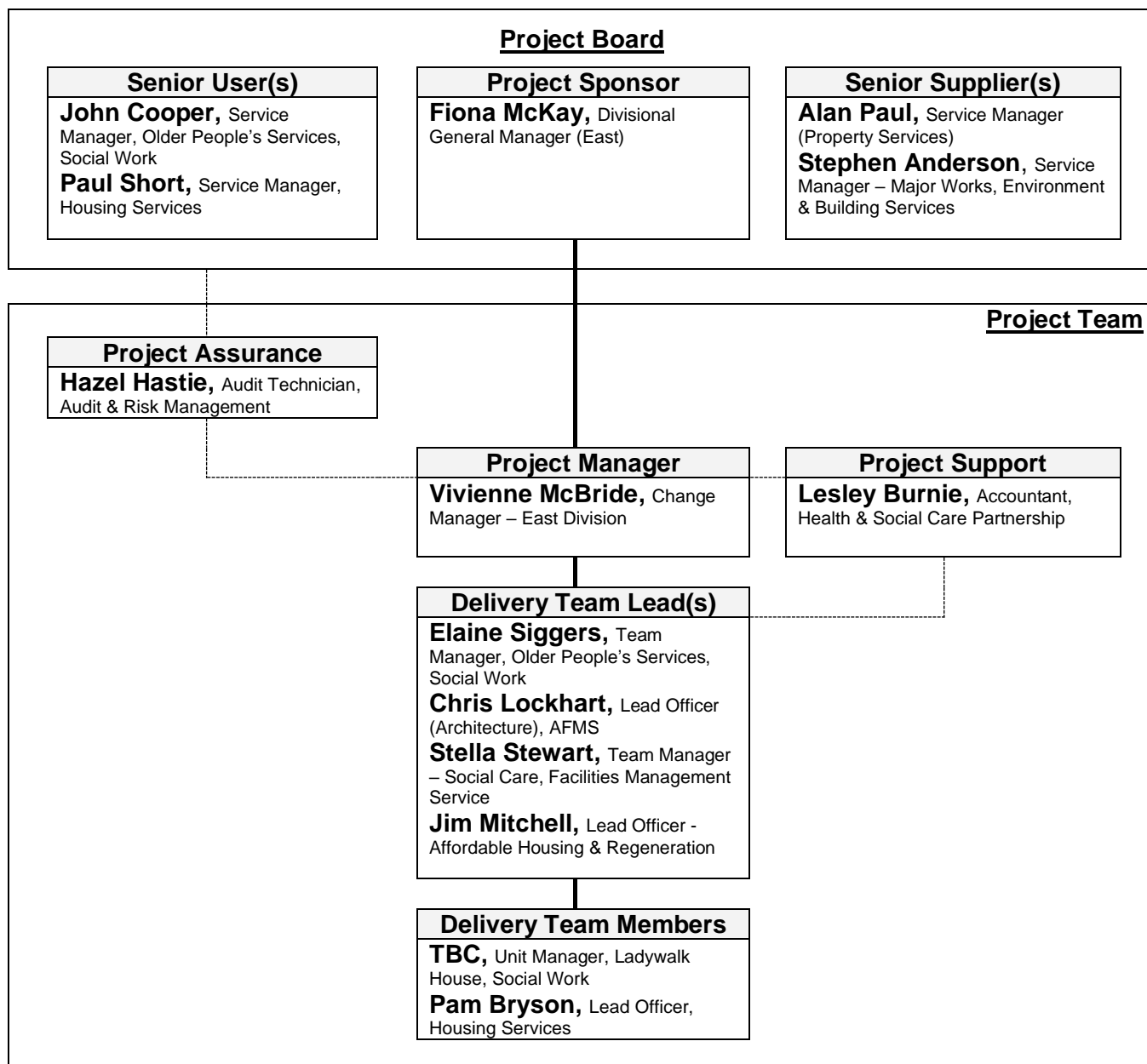
3.2 What skills, knowledge and experience are required for successful project delivery?

Skills, knowledge & experience description	Essential	Desirable
Project Management Skills	Yes	
Leadership Skills	Yes	
Expertise in Architecture / Care Home Design	Yes	
Expertise in Social Care / Social Work	Yes	
Experience of other organisations, i.e. benchmarking, lessons learned.	Yes	
Excellent knowledge of the needs of Older People to inform design	Yes	
Financial expertise and skills	Yes	
Legal expertise in relation to all aspects of the project	Yes	
Education skills, knowledge and experience	Yes	
Expertise in Housing	Yes	
HR expertise	Yes	
Procurement expertise	Yes	
Construction skills, knowledge and experience as required by the Council	Yes	
Specific expertise and knowledge in relation to all of the following: <ul style="list-style-type: none"> Catering & Cleaning requirements Moving & Handling requirements Telecare and 'nurse-call' requirements Health & Safety Occupational Therapy Management of change and transition 	Yes	

3.2.1 Is the required mix of 'essential' skills, knowledge and experience available to the Project Manager?

Yes.

3.3 Project structure chart and project roles



3.4 Business Case sign-off

Approved by	Role	Date approved
Fiona McKay, Divisional General Manager (East)	Project Sponsor	
Vivienne McBride, Change Manager – East Division	Project Manager	
Lesley Burnie, Accountant, Health & Social Care Partnership	Finance Representative/ Service Accountant	

Section 4: Project Delivery Resources

4.1 Who are the key resources the project may need to engage with at an early stage?

CPMO

Click [here](#) for a minisite link with more information and guidance.

BTS (formerly known as IT) / Information Policy & Standards

Capital Programme

Property Services

Procurement

Climate Change, Carbon & Energy

HR Business Partners

Finance

Equalities Unit

Phase Two Care Homes Replacement Programme - Anstruther

Proposal to address the capital funding gap for the new Anstruther care home:

Allocate £1,470k from Capital Minor Works Budget

Between £400k and £500k is allocated between Older People and Adult Services for Capital Minor Works each year and the total allocation to 2030/31 is £4.600m.

It is proposed to offset the anticipated funding gap of £1,470k for the Anstruther care home by drawing funding from Capital Minor Works over six years, starting in 2021-22.

The funding for Anstruther will not be required until 2023/24 but, rather than delaying any transfer until then, the proposal is to transfer the funds starting in 2021/22 and then re-phase the transferred budget into the relevant years starting from 2023/24.

Capital Minor Works	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Existing budgets	500	500	500	450	450	400	400	400	500	500	4,600
Transfer to Anstruther	-285	-285	-285	-235	-235	-145	0	0	0	0	(1,470)
Balance remaining	215	215	215	215	215	255	400	400	500	500	3,130

The transfer of £1,470k over 6 years will leave £215k available for Capital Minor Works in each year until 2027-28, at which point the budget for Capital Minor works will revert to its existing level of £400k - £500k per year. The figure of £215k is based on the average spend over the last 5 years on “normal” capital minor works expenditure for Older People and Adults, i.e. excluding one-offs and expenditure on closed care homes. It should therefore be adequate to cover expenditure on infection control, fire & safety, access issues and other similar projects which are required each year.

Rationale for using Capital Minor Works budget:

- H&SCP already has 3 new care homes and with 3 to be replaced in the current programme, there should be several years’ flexibility before any major refurbishment is required.
- H&SCP currently has plans to vacate Leng in Newport-on-Tay, and St David’s in St Andrews has been the subject of a Community Asset Transfer, therefore there will be no further repairs and maintenance costs attached to these two properties.

7th January 2021.

Agenda Item No. 9

Crown Estate Funding

Report by: Gordon Mole, Head of Business and Employability

Wards Affected: All

Purpose

The purpose of this report is to provide an update on the allocation of Scottish Crown Estate funding and outline a recommended approach for the future allocation of the funds.

Recommendation(s)

It is recommended that the Policy and Co-ordination Committee:

- (i) notes the proposals supported from the allocation of Crown Estate funding throughout 2019/2020;
- (ii) notes the proposals supported from the allocation of Crown Estate funding throughout 2020/2021 to date; and
- (iii) approves the recommended approach for future allocation of Crown Estate funding received by Fife Council to support Climate Action Fife.

Resource Implications

There are no resource implications for Fife Council as the Crown Estate Fund is additional to current budgets and is to be used for the purpose set out in this report. A small resource will be required by the Community Investment Team to manage the funding programme and monitoring arrangements.

Legal & Risk Implications

There are no legal or risk implications.

Impact Assessment

An EqIA has not been completed and is not necessary as this is additional funding allocated to Fife Council and to be used for a specified purpose.

Consultation

An officer working group has been formed to consider proposals for the allocation of the funds including Business and Employability, Climate Change and Zero Waste, Communities and Neighbourhoods and Finance.

1.0 Background

- 1.1 Following devolution of the management of the Scottish Crown Estate marine assets, new arrangements were established in September 2019 to allow coastal communities to benefit from the net revenue generated from these assets, directly through their local authority.
- 1.2 Annual allocations are distributed in arrears following the finalisation of the annual accounts for the Scottish Crown Estate. The allocation for 2020/2021 therefore relates to income generated in 2019/2020. The allocation received in 2019/2020 related to income generated in 2018/2019. Each local authority's allocation is based on a formula agreed by CoSLA based on a proportion of coastline, with a de minimus allocation of £1,000 per authority.
- 1.3 The funding is to be used for expenditure that specifically benefits coastal communities. Proposals should also align to at least one of the following priorities as advised by the Scottish Government in November 2020:
 - Environmental Enhancement
 - Emissions Reduction or Removal of Waste
 - Jobs
 - Tourism
 - Skills Development
 - Diversification Projects
 - Investment for Community Purpose
 - Climate Change Adaptation
- 1.4 In July 2020, in response to the Covid-19 pandemic, the Scottish Government reaffirmed the position that local authorities could choose to allocate the funds to support businesses, including third sector organisations, facing particular difficulties as a result of the pandemic – although such support should continue to deliver benefits to coastal communities. This was taken into account in developing and appraising proposals for 20/21.

2.0 2019/2020 Proposals Supported

- 2.1 Fife's allocation of funds for 2019/2020 was **£136,659.86**. This allocation was notified to the Council at the end of September 2019, affording very little time to consider priorities, develop proposals and spend the funds.
- 2.2 A working group, led by Gordon Mole, Head of Business and Employability, was established to agree distribution of the funding in line with the requirement that projects deliver benefits to coastal communities.
- 2.3 The proposals developed and supported by the 2019/2020 allocation of Crown Estate funding are summarised below:

Organisation:	Tayport Harbour Trust	Grant:	£10,000
Project Description:			
<p>The Tayport Harbour Trust received a £10,000 contribution of Crown Estate funding to undertake health and safety improvements at the harbour comprising:</p> <ul style="list-style-type: none"> - Fencing off the east end of the harbour; - Repairs to the east end of the slipway. 			
Main Outcome:		Investment for Community Purpose	

Organisation:	Fife Coast and Countryside Trust (FCCT)	Grant:	£102,500
Project Description:			
<p>Funding was allocated to Fife Coast and Countryside Trust for a suite of works comprising the following:</p> <ul style="list-style-type: none"> - Wormit Bay remedial works – works to the seawall, steps, road, path and memorial area (£67,500); - Upper Eden River – treatment of hogweed (£10,000); - Ruby Bay remedial works - surfacing, marking out parking bays and installing a parking meter (£20,000); - Rural Tourism Infrastructure Fund (RTIF) - Design Options Appraisal (£5,000). 			
Main Outcome:		Investment for Community Purpose	

2.4 From the 2019/20 allocation, there remained a carry forward sum of **£24,159.86**.

3.0 2020/2021 Proposals Supported

- 3.1 Fife's allocation of the funding for 2020/2021 is **£184,231.95**. This sum was notified to local authorities by letter dated 2nd July 2020. A briefing note was prepared for Executive Directors at the end of July 2020 and subsequently CET recommended a small number of projects be developed covering the coastal area of Fife, and which would not be eligible for other COVID support funding. Along with the carry forward from 19/20, the total available for distribution in 20/21 is **£208,391.81**.
- 3.2 The working group was reconvened to consider an approach for allocation of the funds, bearing in mind the ability to use the funds to support organisations particularly impacted by Covid-19. The working group met on 14th August 2020 and identified a number of proposals to be developed. A budget of approximately £30,000 per proposal was agreed.
- 3.3 The proposals developed and supported this financial year are summarised below:

Organisation:	Tayport Harbour Trust	Grant:	£30,600
Project Description:			
<p>Funding has been awarded to replace the existing caravan/office with a new office and clubhouse facility. This will create a new welcome hub for visitors berthing at the harbour as well as providing a meeting space for members and volunteers.</p>			
Main Outcome:		Tourism	

Organisation:	The Scottish Fisheries Museum Trust Ltd	Grant:	£28,450
Proposal Description:			
<p>A grant has been awarded to the Scottish Fisheries Museum for a feasibility study to consider the longer-term plans for the facility. The study will include three stages:</p> <ul style="list-style-type: none"> - Review of existing provision and development of priorities; - Design of options and high-level costs into a draft report; - Refinement of options and production of final report. 			
Main Outcome:		Tourism	

Organisation:	FEAT Trading CIC	Grant:	£31,471
Proposal Description:			
<p>Support of £31,471 is allowing the Silverburn Campsite Manager and Assistant posts to be extended beyond the current funding available. This is required due to the delay in completing and opening the campsite due to lockdown. Funding is also being used to help meet additional cleaning costs associated with Covid-19 procedures.</p>			
Main Outcome:		Jobs	

Organisation:	Love Oor Langtoun (LOL)	Grant:	£30,000
Proposal Description:			
<p>Funding has been allocated to support the development of a Kirkcaldy gift card and digital reward system to encourage and lock in local spend via both self-use and gift use (both personal gift and corporate). The gift cards will help to retain spend in the area and promote a place-based approach to supporting the local economy.</p>			
Main Outcome:		Jobs	

Organisation:	Fife Historic Buildings Trust	Grant:	£21,590
Proposal Description:			
<p>A grant has been awarded to extend the community-based training and activity programme of the wider Inverkeithing Heritage Regeneration Project. This will enable adaption of the programme to account for covid-19 restrictions and so continue to deliver new skills and raise awareness of local heritage as well as combatting social insolation. The programme includes a heritage textile project, community art engagement activities and model making with the local primary school.</p>			
Main Outcome:		Investment in Community Purpose	

- 3.4 A further £10,000 has been allocated to the South and West Fife area to support development of the Climate Ready Inner Forth project with partners across Fife, Clackmannanshire, Falkirk and Stirling. The aim is to develop a £1.5 million

programme to utilise the natural and built heritage of the area on which to build a sustainable, healthy and green future for the inner Forth communities.

- 3.5 The total funding approved to the projects outlined above is **£152,111**. This leaves **£56,280.81** available for distribution to further proposals.
- 3.6 Each of the projects that have been allocated funding have worked with officers to develop a Service Level Agreement setting out the activities and objectives of the funding. During the remainder of 20/21, the Service Level Agreements will be monitored, with site visits if covid-19 restrictions and safety considerations allow. This will inform the annual monitoring return to the Scottish Government.
- 3.7 Allocation of remaining £56,280.81 will be based on viable projects which meet the criteria as set out above. Projects currently being considered include works at Harbour Road, Tayport and repairs at the Orry slipway at Lower Largo.

4.0 Future Approach to Spend

- 4.1 Prior to the pandemic, the working group had developed an approach for the allocation of funding for 20/21 onwards that supported Fife's response to the Global Climate Emergency and specifically aligned to the Climate Fife vision which states that by 2045 Fife will 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
 - **Climate Just** - ensuring that all Fifers and the Fife environment can benefit from this transition
- 4.2 Scotland's challenging national carbon emission targets and the need to adapt to unavoidable climate change will require significant alignment of investment. It should be recognised that with much of the carbon reduction and energy efficiency 'easy wins' already undertaken, the actions now needed to tackle the growing environmental crisis will have cost implications.
- 4.3 In the first year of *Climate Fife*, there has been considerable emphasis on how best to support communities to deliver tangible on-the-ground climate change action. However, with the closure of the Scottish Government's Climate Challenge Fund to new applicants, there is a risk that funding for such action will become more difficult for communities to access.
- 4.4 Responding to climate change in Fife will require action on multiple fronts to support three core areas of activity to be undertaken between now and 2045:
1. **Greenhouse Gas Mitigation / Carbon Emission Mitigation**
Actions which reduce or avoid greenhouse gas emissions being released in the first place (for example using videoconferencing rather than flying to a meeting). This may be by entirely halting activities which release emissions or by switching to cleaner, renewable technologies (for example using an electric car rather than a diesel vehicle).

2. Carbon Sequestration

Actions which prevent carbon emissions being able to have an impact on the climate by locking it away within the biosphere, i.e. by tree-planting, industrial carbon capture and storage (CCS) or restoring / preventing the degradation of peatlands and saltmarsh habitats.

3. Climate Change Adaptation

Actions which increase the resilience of society, ecosystems and infrastructure, etc. to the impacts predicted to arise because of climate change, i.e. flooding, droughts, temperature extremes, an increase in the severity and frequency of stormy conditions, etc.

4.5 Projects in scope for funding for future years will meet the following criteria:

- be located within a coastal area (NE Fife, South and West Fife, Kirkcaldy, Levenmouth)
- support climate change objectives as set out above
- enhance the economic offer for Fife
- where appropriate, support regional initiatives, for example the Tay Cities Region Tay Adventures programme
- align with the Council's reform strategies and the Plan 4 Fife

4.6 Projects will be considered by the officer working group with approval through Policy and Co-ordination Committee. Projects will be targeted to ensure a balance across geographies and at a scale of c. £30,000 or greater.

4.7 Where viable match funding is identified, projects will be prioritised within appropriate financial years to maximise investment.

5.0 Conclusion

5.1 Financial constraints are one of the most significant barriers to robust climate action. Responding to the climate emergency during a time of austerity will not be easy. It is vital that climate change projects within Fife are enabled by investment and grant-funding where possible and that Fife Council's strategic aspirations are translated into practical support for projects on the ground, in such a way as to make most efficient use of public monies.

5.2 In the light of the climate emergency, it is recommended that future allocations of Crown Estate Funds be invested to align to the priorities as advised by the Scottish Government and to support community projects to deliver on the urgent actions identified by Climate Fife.

Report Contact

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