

# Notice of meeting and agenda

## Housing, Homelessness and Fair Work Committee

**10.00 am Tuesday, 27th February, 2024**

Dean of Guild Court Room - City Chambers

This is a public meeting and members of the public are welcome to watch the webcast live on the Council's website.

The law allows the Council to consider some issues in private. Any items under "Private Business" will not be published, although the decisions will be recorded in the minute.

### Contacts

Email: [jamie.macrae@edinburgh.gov.uk](mailto:jamie.macrae@edinburgh.gov.uk) /  
[joanna.pawlikowska@edinburgh.gov.uk](mailto:joanna.pawlikowska@edinburgh.gov.uk)

Tel: 0131 529 4264

## 1. Order of Business

---

- 1.1 Including any notices of motion and any other items of business submitted as urgent for consideration at the meeting.

## 2. Declaration of Interests

---

- 2.1 Members should declare any financial and non-financial interests they have in the items of business for consideration, identifying the relevant agenda item and the nature of their interest.

## 3. Deputations

---

- 3.1 If any.

## 4. Minutes

---

- 4.1 Minute of the Housing, Homelessness and Fair Work Committee of 5 December 2023 – submitted for approval as a correct record 13 - 42

## 5. Forward Planning

---

- 5.1 Housing, Homelessness and Fair Work Committee Work Programme 43 - 48
- 5.2 Housing, Homelessness and Fair Work Committee Rolling Actions Log 49 - 108

## **6. Business Bulletin**

---

<b>6.1</b>	Housing, Homelessness and Fair Work Committee Business Bulletin	109 - 166
------------	---	-----------

## **7. Executive Decisions**

---

<b>7.1</b>	Capital City Partnership Service Level Agreement – Report by the Executive Director of Place	167 - 180
<b>7.2</b>	UK Shared Prosperity Fund Update – Report by the Executive Director of Place	181 - 188
<b>7.3</b>	Affordable Childcare for Working Parents – Report by the Executive Director of Place	189 - 196
<b>7.4</b>	Parental Employability Support – Report by the Executive Director of Place	197 - 208
<b>7.5</b>	Increasing Affordable Homes Delivery – Report by the Executive Director of Place	209 - 216
<b>7.6</b>	Cyclical assurance on service performance – Report by the Executive Director of Place	217 - 222
<b>7.7</b>	Responding to the Housing Emergency Declaration – Report by the Executive Director of Place	223 - 258

## **8. Routine Decisions**

---

<b>8.1</b>	The City of Edinburgh Council – Apprenticeship Programme – Report by the Executive Director of Place	259 - 266
<b>8.2</b>	Support for Refugees, Asylum Seekers and Displaced People – Report by the Executive Director of Children, Education and Justice Services	267 - 290

(Note: Councillor Mattos Coelho has been called for this item)

<b>8.3</b>	Housing and Homelessness and Business Growth and Inclusion: Revenue Budget Monitoring 2023/24 – Month Eight position – Report by the Executive Director of Place	291 - 300
<b>8.4</b>	The Noise App – Report by the Executive Director of Place (Note: Councillor Aston has been called for this item)	301 - 306
<b>8.5</b>	Empty Homes Annual Report – Report by the Executive Director of Place	307 - 320
<b>8.6</b>	National Housing Trust (NHT) initiative: winding up NHT Limited Liability Partnerships – Report by the Executive Director of Place	321 - 326
<b>8.7</b>	Edinburgh Local Heat and Energy Efficiency Strategy and Delivery Plan – referral from the Policy and Sustainability Committee	327 - 628
<b>8.8</b>	Internal Audit reports: Management of Ad-hoc Mixed Tenure Works (PL2302), Housing Stock Condition - Tenant Safety, Damp and Mould (PL2303), Repairs Right First Time (PL2306) and service area responses for (PL2303) and (PL2306) – referral from the Governance, Risk and Best Value Committee	629 - 690

## **9. Motions**

---

### **9.1** By Councillor Dobbin - Voids Returned for Letting

“Committee:

Notes that the Council having declared a Housing Emergency, urgent action to address the emergency is essential.

Bringing Voids back into service represents an opportunity that sits directly within the Council’s control.

Recognises that not all Voids are suitable or available to return for letting.

Requests the status of Voids be reported in the Business Bulletin in each cycle:

- voids returned to stock for letting.

- new voids added during period.
- balance of voids for re-letting.
- breakdown of voids unable to be let.”

**9.2** By Councillor Dobbin - Damp and Mould Cases Clearance Reporting

“Committee:

Welcomes the establishment of the dedicated Damp and Mould Team approved at the May 2023 committee meeting.

Notes that while Edinburgh has declared a Housing Emergency in order to address the extreme shortage of accommodation in the City, also recognises that all accommodation offered by the Council should be free from damp and mould and be a safe, secure living environment.

Requests reporting in each Business Bulletin on progress made to eradicate Damp and Mould as a factor impacting the lives of Council tenants and their families, in line with the approved tenant engagement process:

Reporting to include:

Number of homes by Ward reported as having damp and mould at date of report

Average waiting time for a dampness survey

Number of homes by Ward having been cleared of Damp and Mould since formation of the Dedicated Team (first report) / since last report (ongoing)

- as recorded by the Damp and Mould Team
- as confirmed by Tenant sign off

New Damp and Mould Cases reported since date of last report by Ward.”

**9.3** By Councillor Parker - Opportunities for nature on HRA land

“Committee:

1. Notes that the Council declared a Nature Emergency in February 2023 recognising the “inherent value of nature, including its crucial importance as an integral part of culture and society, and for our health, wellbeing, and economy”.
2. Notes a number of existing Council strategies and pledges which focus on improving outcomes for biodiversity, for example the Thriving Greenspaces strategy, Biodiversity Action Plan, Nature Network, Living Landscapes work and Million Tree City pledge.
3. Notes that much of the work under these strategies to date is primarily planned for Parks and Greenspace land, though welcomes discussions to focus on HRA land as part of the next stage of delivery of the Edinburgh Nature Network.
4. Considers that people - as well as birds, bees, butterflies, caterpillars, worms, badgers, foxes, otters, hedgehogs, fungi, lichen, mosses, plants, trees, grasses etc - have no concept of the artificial categorisation of HRA land vs Parks and Greenspace land, and that therefore general strategies which focus on improving outcomes for biodiversity should operate across these boundaries, and that this will require a joined up approach across the Council.

Additionally:

5. Notes that the HRA includes spending on the Neighbourhood Environment Programme – worth £3.5m in 22-23 and £2.3m in 23-24 – to cover funding for projects taking place on HRA land to improve estates, but that:
  - a. There are no specific outcomes or relevant KPIs defined for nature as part of these projects.
  - b. There is no data collected about: i) land converted from greenspace to hardstanding, ii) land converted from hard standing to greenspace or, iii) land converted to that with high biodiversity value, through these projects,

despite these being key aims / indicators as part of the wider Council's nature strategies.

6. Notes that, whilst maintenance standards are consistent between HRA land and Parks and Greenspace land, monitoring of landscape quality is not – for example, Parks and Greenspace land is routinely assessed against Green Flag standards / Parks Quality Assessment (which includes the monitoring of positive outcomes for biodiversity), but this is not applied to HRA land.
7. Recognises that nature has a key role to play in improving health and wellbeing and, in line with a climate justice approach, the opportunity for people to access nature should apply equally across all of the Council's estate, be that on HRA land or Parks & Greenspace land.

Further notes that:

8. Estate-wide changes are taking place within the Parks and Greenspace service to change operations to improve outcomes for biodiversity and that this will impact on how some areas of HRA land are maintained, as well as how the HRA is charged for Parks & Greenspace services.
9. The Housing and Property Framework which contains NEP spending is due for retendering in November 2024.
10. Over the next year the Council will be developing a Local Housing Strategy for Edinburgh (2025-2030).
11. A Living Landscape map is being developed to outline where interventions are being planned as part of that project, and that this will allow for individuals to see the disaggregation of HRA land and Parks and Greenspace land within the project.

Therefore, with the aim of pulling together these different projects, outcomes, and concerns:

12. Requests a report to Housing, Homelessness and Fair Work committee in 2 cycles to set out:
  - a. A timetable and update for the Living Landscape mapping

project concerning HRA land, with specific information about how this output will be integrated into wider workplans within the Housing service.

- b. Recommendations for how resources allocated from the Neighbourhood Environment Programme in 24-25 can be better utilised to support aims for nature, including how these projects can dovetail with other Council strategies working on nature and biodiversity, and what additional data ought to be collected against these projects in order to evidence this going forward.
  - c. Recommendations for what specific outcomes for nature could be included as part of the NEPs programme when it is retendered later this year, including KPIs to be included as part of this.
  - d. Recommendations for how the above actions can be monitored through committee going forward, including a proposed future reporting schedule around “Opportunities for nature on HRA land” / tackling the Nature Emergency on HRA land, cognisant of the possible overlapping of projects and reporting with Culture & Communities committee and suggestions about how this should be managed.
13. Agrees that the Local Housing Strategy will include a specific topic paper focused on improving opportunities for nature as part of it, and that this will be developed in consultation with relevant officers / external groups with expertise on nature and biodiversity.”

**Nick Smith**

Service Director, Legal and Assurance



## **Committee Members**

---

Councillor Jane Meagher (Convener), Councillor Graeme Bruce, Councillor Jack Caldwell, Councillor Stuart Dobbin, Councillor Pauline Flannery, Councillor Euan Hyslop, Councillor David Key, Councillor Ben Parker, Councillor Tim Pogson, Councillor Susan Rae and Councillor Iain Whyte

## **Information about the Housing, Homelessness and Fair Work Committee**

---

The Housing, Homelessness and Fair Work Committee consists of 11 Councillors and is appointed by the City of Edinburgh Council.

This meeting of the Housing, Homelessness and Fair Work Committee is being held in the City Chambers, High Street, Edinburgh and virtually by Microsoft Teams.

## **Further information**

---

If you have any questions about the agenda or meeting arrangements, please contact Jamie Macrae, Committee Services, City of Edinburgh Council, Business Centre 2.1, Waverley Court, 4 East Market Street, Edinburgh EH8 8BG, Tel 0131 529 4264, email [jamie.macrae@edinburgh.gov.uk](mailto:jamie.macrae@edinburgh.gov.uk) / [joanna.pawlikowska@edinburgh.gov.uk](mailto:joanna.pawlikowska@edinburgh.gov.uk).

The agenda, minutes and public reports for this meeting and all the main Council committees can be viewed online by going to the Council's online [Committee Library](#).

Live and archived webcasts for this meeting and all main Council committees can be viewed online by going to the Council's [Webcast Portal](#).

## **Webcasting of Council meetings**

---

Please note this meeting may be filmed for live and subsequent broadcast via the Council's internet site – at the start of the meeting the Convener will confirm if all or part of the meeting is being filmed.

The Council is a Data Controller under current Data Protection legislation. We broadcast Council meetings to fulfil our public task obligation to enable members of the public to observe the democratic process. Data collected during this webcast will be retained in accordance with the Council's published policy including, but not limited to, for the purpose of keeping historical records and making those records available via the Council's internet site.

Generally the public seating areas will not be filmed. However, by entering the Council Chamber and using the public seating area, individuals may be filmed and images and sound recordings captured of them will be used and stored for the web casting and

training purposes and for the purpose of keeping historical records and making those records available to the public.

Any information presented by individuals to the Council at a meeting, in a deputation or otherwise, in addition to forming part of a webcast that will be held as a historical record, will also be held and used by the Council in connection with the relevant matter until that matter is decided or otherwise resolved (including any potential appeals and other connected processes). Thereafter, that information will continue to be held as part of the historical record in accordance with the paragraphs above.

If you have any queries regarding this, and, in particular, if you believe that use and/or storage of any particular information would cause, or be likely to cause, substantial damage or distress to any individual, please contact Committee Services ([committee.services@edinburgh.gov.uk](mailto:committee.services@edinburgh.gov.uk)).



This page is intentionally left blank

# Minutes

## Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 5 December 2023

### Present

Councillors Meagher (Convener), Bruce, Caldwell, Dobbin, Flannery, Hyslop, Key, Munro (substituting for Councillor Whyte) (items 2-19), Parker, Pogson and Rae.

### 1. Deputations

---

#### a) The Challenges Group in relation to Item 8 – UK Shared Prosperity Fund Update

Lynn Houmdi was in attendance on behalf of The Challenges Group. She gave a presentation about the current programme called Making Work *Work*, which was an award-winning, innovative programme based on proven methods, lived experience, continuous improvement and collaboration. This programme helped almost 200 women across the Scotland to come back to meaningful work combined with other commitments. The programme was funded by UK Shared Prosperity Fund. Support was provided to 75 unemployed or underemployed women in Edinburgh to re-enter or progress in work after a career break in form of support groups, online training sessions, mentoring, self-study, masterclasses, and qualifications. The second short project supporting women called LEAP (Learning, Employability and Purpose) was described as a collaborative project with Firstpoint. The LEAP programme supported 10 highly skilled women facing employment barriers by providing online sessions, 8-10 weeks pro-bono work placements in social enterprises, training for social enterprise managers. Lynn Houmdi spoke about two training cohorts of 36 women and provided figures which demonstrated the reduction in unemployment and underemployment after these training sessions. The positive feedback from users was presented to the committee members.

(See Item 8 below)

#### b) NUS (National Union of Students) Scotland in relation to Item 9 – Fair Work Charter

Ellie Gomersall addressed committee on behalf of NUS Scotland about the Fair Work Charter, highlighting that the living wage for apprentices was excluded from the Fair Work Charter, and that those young people had to live in extreme poverty. On average the minimum wage for apprentices was £5.28 per hour. Committee members were asked to imagine living on this wage taking into account that young people had different circumstances, such as family, children, or carers responsibilities. The Scottish

Government's own fair work principles stated that apprentices should be paid the real living wage. Susan, who was one of apprentices, carer and parent to 6-year-old, was in attendance and spoke about regulations in Scotland related to hours of study and supervision which resulted in working full time hours with no financial support available for her. She compared her monthly salary, based on £5.28 per hour, to monthly rent costs and childcare costs. She wouldn't be able to live in Edinburgh to complete her apprenticeship and it was not the right benchmark for the capital city.

**(See Item 9 below)**

**c) Edinburgh Tenants Federation in relation to Item 15 – Tenant Participation and Community Engagement 2024/2027**

Betty Stone and Ilene Campbell were in attendance on behalf of the Edinburgh Tenants Federation (ETF), which was established in 1990 to represent tenants, and continuously worked in partnership with The City of Edinburgh Council, along with social and private tenants. ETF supported tenants needs and acted as a conduit of information for the Council. ETF conducted consultations, visits to identify repairs issues, provided training for students, developed mental health groups, and meetings with tenants. ETF identified issues between tenants and the repairs department at the Council ETF representatives had also had meetings with Service Directors to discuss service improvements and make suggestions about how to deliver the best value to tenants. Since October last year there had been a forum to discuss concerns about rent changes and funding, especially towards Tenant Hardship which had been a great success. ETF was also actively involved in homelessness and poverty. Betty Stone highlighted an urgent need for funding to employ more staff at ETF during the cost of living crisis.

**(See Item 15 below)**

**d) Neighbourhood Alliance in relation to Item 15 – Tenant Participation and Community Engagement 2024/2027**

Susan Carr (Project Manager) spoke on behalf of Neighbourhood Alliance. She thanked Council for the work they had supported for the last 20 years, including the regeneration of Craigmillar. Two main principles of the Community Alliance Trust (CAT), the Neighbourhood Alliance's parent organisation, were to build community trust and bring social support to make Craigmillar the best place it could be. The Neighbourhood Alliance was working collaboratively with statutory services. There were different factors to support housing and work as a part of community such as working groups, forums, different facilities, and income maximisation advice. She described different projects to support the Craigmillar community. A placemaking study was including in the report which flagged information used for the future development. The customer satisfaction score was 61 out of potential 98 so there was a need to investigate customers' needs along with establishing a local development plan. The study also highlighted changes in the demography of this area and a lack of social spaces. The Neighbourhood Alliance wanted to address those issues by planning social events and developing a third part synergy network to adapt diversity, and also by engaging with local organisations. Alternative solutions had been looked at after

recent events at Bonfire night. The return of investment was good value for money, delivering social return, economic benefits and addressing health and wellbeing issues.

**(See Item 15 below)**

## **2. Minutes**

---

### **Decision**

To approve the minute of the Housing, Homelessness and Fair Work Committee of 3 October 2023 as a correct record subject to a correction on page 17: “To approve the following adjusted motion by Councillor Flannery Parker”.

## **3. Work Programme**

---

The Housing, Homelessness and Fair Work Committee Work Programme was presented.

### **Decision**

To note the work programme.

(Reference – Work Programme, submitted.)

## **4. Rolling Actions Log**

---

The Housing, Homelessness and Fair Work Committee Rolling Actions Log was presented.

### **Decision**

- 1) To agree to close the following actions:
  - Action 5 (2, 5, 6 and 7) - Response to motion by Councillor Campbell – Coillesdene House Lifts
  - Action 7 (3) - Capital Funding Opportunities for Council Housing
  - Action 8 - By Councillor Campbell - Waste and Cleansing Services on Council Housing Estates
  - Action 9 (2) - Business Bulletin
  - Action 10 (5) - Rapid Rehousing Transition Plan – Annual Update on Progress
  - Action 12 (2) - UK Shared Prosperity Fund
  - Action 14 (2) - Motion by Councillor Caldwell – Geographic spread of Council Housing in SHIP, Acquisitions & Disposals
  - Action 17 - Whole House Retrofit
  - Action 19 - Housing Revenue Account Budget Strategy 2024/252)
  - Action 20 - Tenant Participation and Community Engagement 2024/2027
  - Action 24 - Family and Household Support Service
  - Action 25(1) - By Councillor Flannery – Student Homelessness Response
  - Action 26(1 and 2) - By Councillor Parker – Temporary accommodation for asylum
- 2) To agree to update the following actions:
  - Action 4 – to request that feedback from the Scottish Government on Inchpark Living to be circulated to members.

- Action 23 – to request that this be followed up with Councillor Parker to arrange a meeting in January.

3) To otherwise note the remaining outstanding actions.

(Reference – Rolling Actions Log, submitted.)

## **5. Business Bulletin**

---

The Business Bulletin was presented.

### **Decision**

- 1) To note the Business Bulletin.
- 2) To note that officers were preparing a response to the Scottish Government's consultation on Housing for Varying Needs and that this would be submitted or circulated to committee.

(Reference – Business Bulletin, submitted.)

## **6. No One Left Behind – Stage 1 Provision 2024-27**

---

Following Committee's decision on 8 August 2023 to commence an open grants process for No One Left Behind - Stage 1 Provision for delivery over a three-year period from 1 April 2024 until 31 March 2027, it was recommended that Council award grant funding to third party organisations, up to the value of £301,000 per annum, for a maximum of three years, to support young people into positive destinations, and to progress in employment, in the future.

### **Decision**

- 1) To note the small grants process which was implemented to meet needs identified for Stage 1 provision for young people across the city.
- 2) To approve the award of third-party grants to seven services (detailed in Appendix 3 of the report by the Executive Director of Place) up to a maximum total cost of £301,000 per annum.
- 3) To note that officers would work with the successful applicants to finalise funding agreements to commence delivery of the new No One Left Behind – Stage 1 Provision from 1 April 2024 until 31 March 2027 (subject to annual Scottish Government funding).
- 4) To note the 24 applications not recommended for an award of funding.

(Reference – report by the Executive Director of Place, submitted.)

## **7. No One Left Behind – Next Phase**

---

Details were provided of the work undertaken by the City of Edinburgh Council and the Local Employability Partnership (LEP) to put in place additional services funded by Scottish Government, under the No One Left Behind (NOLB) strategy, in anticipation of the award amount for funding for 2024/25. A recommended funding plan was set out for Committee approval.



## Decision

- 1) To note the expectation that additional funding of approx. £890,000 would be allocated to the Council for No One Left Behind (NOLB) delivery, to be fully utilised in 2024/25.
- 2) To note the urgency in developing and implementing a comprehensive programme to ensure delivery of NOLB Next Phase could take place from 1 April 2024.
- 3) To agree, subject to this additional funding being made available, to allocate:
  - Up to £330,000 on a one-off basis to continue delivery of four projects, currently funded by Young Person's Guarantee funding, for 12 months from 1 April 2024, pending confirmed outcomes for 2023/24.
  - £50,000 to Capital City Partnership for the creation of employer cultural awareness sessions to enhance in-work support for Black and Asian Minority Ethnicity communities.
  - Up to £90,000 to support current Network of Employability Support and Training providers with rising operation costs due to inflation.
  - Up to £250,000 to recruit a team of dedicated Edinburgh Guarantee staff to engage with hard-to-reach communities and signpost to providers across the strategic skills pipeline.
  - £100,000 to launch an open grants process to expand the existing NOLB programme with a specific citywide Additional Support Needs Stage 1 provision.
  - The remaining funds, but no more than £100,000, for the creation of a dedicated NOLB transition fund across all NOLB activities to meet increasing client costs.

(Reference – report by the Executive Director of Place, submitted.)

## 8. UK Shared Prosperity Fund Update

---

Details were provided of projects which were funded through the UK Shared Prosperity Fund (UK SPF), covering activity during the period 1 April – 30 September 2023. Recommendations for allocation of the funds earmarked for delivering projects aligned with the Regional Prosperity Fund (RPF) were also presented.

### Motion

- 1) To note the six-month report provided to the UK Government and the progress made with UK Shared Prosperity Fund (UK SPF) programme delivery in Edinburgh.
- 2) To note that the People and Skills projects which were allocated funding from the underspent 2022/23 Multiply allocation had commenced delivery.
- 3) To agree to allocate £130,415 on five projects under the Regional Prosperity Framework (RPF)'s Visitor Economy & Culture Delivery Programme, as detailed in Appendix 2 of the report by the Executive Director of Place.

- 4) To agree to reallocate the remaining capital funds which had been earmarked for RPF project delivery to deliver Council-led projects which align with the UK SPF criteria and can be completed within the timescales required.
- 5) To agree to reallocate the remaining revenue funds which had been earmarked for RPF project delivery to boost existing projects delivering under Edinburgh's UK SPF programme.
- 6) To note that a report would be submitted to Committee in February 2024, further detailing recommendations for the spend of the reallocated funds.

- moved by Councillor Meagher, seconded by Councillor Pogson

#### **Amendment 1**

- 1) To note the six-month report provided to the UK Government and the progress made with UK Shared Prosperity Fund (UK SPF) programme delivery in Edinburgh.
- 2) To note that the People and Skills projects which were allocated funding from the underspent 2022/23 Multiply allocation had commenced delivery.
- 3) To agree to allocate £130,415 on five projects under the Regional Prosperity Framework (RPF)'s Visitor Economy & Culture Delivery Programme, as detailed in Appendix 2 of the report by the Executive Director of Place.
- 4) To agree to reallocate the remaining capital funds which had been earmarked for RPF project delivery to deliver Council-led projects which can be completed within the timescales required on projects related to net zero, climate adaptation and nature recovery in recognition of the fact that these are unfunded capital priorities as outlined in the Sustainable Capital Budget update paper at Finance and Resources committee on 21st November 2023, that becoming a Net Zero City by 2030 is a key aim of the Council Business Plan and that these are cross-cutting themes within the UK SPF criteria. Also agrees that the additional update report mentioned at 1.1.6 will clearly outline how the projects selected for this spending deliver against the various workplans / strategies which fall under the remit of the Net Zero Edinburgh Leadership Board.
- 5) To agree to reallocate the remaining revenue funds which had been earmarked for RPF project delivery to boost existing projects delivering under Edinburgh's UK SPF programme.
- 6) To note that a report would be submitted to Committee in February 2024, further detailing recommendations for the spend of the reallocated funds.

- moved by Councillor Parker, seconded by Councillor Rae

In accordance with Standing Order 22(13), Amendment 1 was adjusted and accepted as an amendment to the motion.

At this point in the meeting the following Amendment 2 was proposed:

#### **Amendment 2**

To agree the original motion as proposed by Councillor Meagher.

- moved by Councillor Bruce, seconded by Councillor Munro

### **Voting**

The voting was as follows:

For the Motion (as adjusted) - 9 votes

For Amendment 2 - 2 votes

(For the Motion (as adjusted): Councillors Caldwell, Dobbin, Flannery, Hyslop, Key, Meagher, Parker, Pogson and Rae.

For Amendment 2: Councillors Bruce and Munro)

### **Decision**

To approve the following adjusted motion by Councillor Meagher:

- 1) To note the six-month report provided to the UK Government and the progress made with UK Shared Prosperity Fund (UK SPF) programme delivery in Edinburgh.
- 2) To note that the People and Skills projects which were allocated funding from the underspent 2022/23 Multiply allocation had commenced delivery.
- 3) To agree to allocate £130,415 on five projects under the Regional Prosperity Framework (RPF)'s Visitor Economy & Culture Delivery Programme, as detailed in Appendix 2 of the report by the Executive Director of Place.
- 4) To agree to reallocate the remaining capital funds which had been earmarked for RPF project delivery in the first instance to deliver Council-led projects which could be completed within the timescales required on projects related to net zero, climate adaptation and nature recovery in recognition of the fact that these were unfunded capital priorities as outlined in the Sustainable Capital Budget update paper at Finance and Resources committee on 21st November 2023, that becoming a Net Zero City by 2030 was a key aim of the Council Business Plan and that these were cross-cutting themes within the UK SPF criteria. To also agree that the additional update report mentioned at 1.1.6 of the report by the Executive Director of Place would clearly outline how the projects selected for this spending delivered against the various workplans / strategies which fell under the remit of the Net Zero Edinburgh Leadership Board.
- 5) To agree to reallocate the remaining revenue funds which had been earmarked for RPF project delivery to boost existing projects delivering under Edinburgh's UK SPF programme.
- 6) To note that a report would be submitted to Committee in February 2024, further detailing recommendations for the spend of the reallocated funds.

(References – Housing, Homelessness and Fair Work Committee, 4 August 2022 (item 6), 1 December 2022 (item 11) and 8 August 2023 (item 9); report by the Executive Director of Place, submitted.)

## 9. Edinburgh Fair Work Charter

---

An update was provided on progress in developing an Edinburgh Fair Work Charter, and a proposed timescale and approach for further engagement, design, and implementation.

### **Motion**

To agree the planned work programme for development of a city-wide Edinburgh Fair Work Charter.

- moved by Councillor Meagher, seconded by Councillor Pogson

### **Amendment 1**

- 1) To agree the planned work programme for development of a city-wide Edinburgh Fair Work Charter with the following adjustments:
  - in the “Achieving” status level of the “Real Living Wage” section under “Fair Pay” specify that apprentices should also be paid a Real Living Wage for businesses to be considered “Achieving” in this category
  - in the ‘Inclusivity’ section include actions relating to specific support for unpaid carers
- 2) To request that the ‘scoping and engagement’ phase of the timescale includes engagement with third sector and voluntary organisations working on employment and employability for women, disabled people, Black and minority ethnic people, care leavers, unpaid carers and other marginalised groups.

- moved by Councillor Parker, seconded by Councillor Rae

In accordance with Standing Order 22(13), Amendment 1 was accepted as an addendum to the motion.

At this point in the meeting the following Amendment 2 was proposed:

### **Amendment 2**

- 1) To agree the planned work programme for development of a city-wide Edinburgh Fair Work Charter.
- 2) To request that the ‘scoping and engagement’ phase of the timescale includes engagement with third sector and voluntary organisations working on employment and employability for women, disabled people, Black and minority ethnic people, care leavers, unpaid carers and other marginalised groups.

- moved by Councillor Bruce, seconded by Councillor Munro

### **Voting**

The voting was as follows:

For the motion	-	9 votes
For Amendment	-	2 votes

(For the motion (as adjusted): Councillors Caldwell, Dobbin, Flannery, Hyslop, Key, Meagher, Parker, Pogson and Rae.

For Amendment 2: Councillors Bruce and Munro.)

### **Decision**

To approve the following adjusted motion by Councillor Meagher:

- 1) To agree the planned work programme for development of a city-wide Edinburgh Fair Work Charter with the following adjustments:
  - in the “Achieving” status level of the “Real Living Wage” section under “Fair Pay” specify that apprentices should also be paid a Real Living Wage for businesses to be considered “Achieving” in this category
  - in the ‘Inclusivity’ section include actions relating to specific support for unpaid carers
- 2) To request that the ‘scoping and engagement’ phase of the timescale includes engagement with third sector and voluntary organisations working on employment and employability for women, disabled people, Black and minority ethnic people, care leavers, unpaid carers and other marginalised groups.

(References – Housing, Homelessness and Fair Work Committee, 8 August 2023 (item 12); report by the Executive Director of Place, submitted.)

## **10. Housing and Homelessness and Business Growth and Inclusion: Revenue Budget Monitoring 2023/24 – Month Five position**

---

A summary of the 2023/24-month five revenue forecast for Housing and Homelessness, Business Growth and Inclusion and the Housing Revenue Account (HRA) was presented. The projected Council-wide General Fund revenue budget position, based on month five, was reported to the Finance and Resources Committee on 21 November 2023. The Homelessness and Housing general fund services month five forecast was provided as an overspend of £1.10m, and a reduction of £0.25m from the forecast of £1.35m reported at month three.

### **Decision**

- 1) To note the Place service area, which included Housing and Homelessness, Culture and Wellbeing, Sustainable Development and Operational Services, was forecasting a pressure of £0.71m, as at month five, which was a reduction of £1.24m from the £1.95m forecast at month three.
- 2) To note that Housing and Homelessness was forecasting a budget pressure, as at month five, of £1.10m which was a reduction of £0.25m from the £1.35m forecast at month three.
- 3) To note that Business Growth and Inclusion was forecasting an underspend, as at month five, of £0.46m which was an increase of £0.06m from the £0.40m underspend forecast at month three.
- 4) To note the Housing Revenue Account (HRA) was forecasting a contribution of £2.724m to the Strategic Housing Investment Fund (SHIF) from revenue generated in 2023/24,

a reduction of £1.596m from the position reported at month three. This was a £4.254m shortfall against the budgeted contribution.

- 5) To note that measures would continue to be progressed to offset budget pressures and to deliver approved savings targets to achieve outturn expenditure and income in line with the approved General Fund revenue budget for 2023/24.
- 6) To note the ongoing risks to the achievement of a balanced revenue budget for services delivered by the Housing and Homelessness service and to delivering the forecast HRA contribution to the SHIF.
- 7) To note the need for all existing pressures, savings delivery shortfalls and risks to be fully and proactively managed within Directorates.
- 8) To note updates would continue to be provided to members of the Committee during the remainder of the year.

(References – Housing, Homelessness and Fair Work Committee, 3 October 2023 (item 8); Finance and Resources Committee, 23 October 2023 (item 3) and 21 November 2023 (item 5); report by the Executive Director of Place, submitted.)

## **11. Strategic Housing Investment Plan (SHIP) 2024-29**

---

A potential development programme of around 11,000 new affordable homes over a five-year period was identified, with over 9,500 of these requiring grant funding through the Affordable Housing Supply Programme (AHSP). These would require an additional £665 million over five years, almost four times the amount of grant funding set out in current resource planning assumptions. An estimate, rather than a target, was provided of potential approvals and completions, along with the challenges faced in delivering a pipeline of affordable homes during a period of economic instability; the continued impact that construction industry capacity, construction materials availability and increased costs, availability of grant funding and borrowing capacity of affordable developers (linked to rental income) which would have an impact on the deliverability of the programme.

### **Motion**

- 1) To approve the Strategic Housing Investment Plan (SHIP) 2024-29 for submission to the Scottish Government.
- 2) To note the SHIP includes over 9,500 homes that would require grant funding through the Affordable Housing Supply Programme (AHSP). These would require an additional £665 million over five years, almost four times the amount of grant funding set out in current resource planning assumptions.
- 3) To note the key challenges to delivering affordable housing at scale are securing control of sites, availability of grant funding, borrowing capacity of affordable developers (linked to rental income), high development cost, construction industry capacity and reduced private sector housebuilding due to mortgage market instability.

- 4) To note that the SHIP is reviewed annually, and officers will continue to seek opportunities to accelerate delivery of affordable housing and secure more grant funding.
- 5) To agree to discharge the action agreed at Housing, Homelessness and Fair Work Committee on 8 August 2023 as set out in Appendix 1 of the report by the Executive Director of Place.
- 6) To agree to approach COSLA regarding the Transfer of Management Development Fund (TMDF) funding to discuss a proportionate allocation of the funding available.
- 7) To note that officers will continue discussions with the Scottish Government over increased and innovative funding opportunities to instil confidence in the market and increase the completion rate for approved homes.

- moved by Councillor Meagher, seconded by Councillor Pogson

### **Amendment 1**

- 1) To approve the Strategic Housing Investment Plan (SHIP) 2024-29 for submission to the Scottish Government.
- 2) To note the SHIP includes over 9,500 homes that would require grant funding through the Affordable Housing Supply Programme (AHSP). These would require an additional £665 million over five years, almost four times the amount of grant funding set out in current resource planning assumptions.
- 3) To note the key challenges to delivering affordable housing at scale are securing control of sites, availability of grant funding, borrowing capacity of affordable developers (linked to rental income), high development cost, construction industry capacity and reduced private sector housebuilding due to mortgage market instability.
- 4) To note that the SHIP is reviewed annually, and officers will continue to seek opportunities to accelerate delivery of affordable housing and secure more grant funding.
- 5) To agree to discharge the action agreed at Housing, Homelessness and Fair Work Committee on 8 August 2023 as set out in Appendix 1 of the report by the Executive Director of Place.
- 6) To agree to approach COSLA regarding the Transfer of Management Development Fund (TMDF) funding to discuss a proportionate allocation of the funding available.
- 7) To note that officers will continue discussions with the Scottish Government over increased and innovative funding opportunities to instil confidence in the market and increase the completion rate for approved homes.
- 8) Notes the excellent work and success rate of the Empty Homes Officer detailed in Appendix 4 of the report by the Executive Director of Place.

- 9) Calls for a report within one cycle exploring the benefits and costs of increasing the size of the Empty Homes Team e.g. in Glasgow there are 4 Empty Homes Officers as opposed to 1 in Edinburgh.

- moved by Councillor Key, seconded by Councillor Dobbin

### **Amendment 2**

- 1) To approve the Strategic Housing Investment Plan (SHIP) 2024-29 for submission to the Scottish Government.
- 2) To note the SHIP includes over 9,500 homes that would require grant funding through the Affordable Housing Supply Programme (AHSP). These would require an additional £665 million over five years, almost four times the amount of grant funding set out in current resource planning assumptions.
- 3) To note the key challenges to delivering affordable housing at scale are securing control of sites, availability of grant funding, borrowing capacity of affordable developers (linked to rental income), high development cost, construction industry capacity and reduced private sector housebuilding due to mortgage market instability.
- 4) To note that the SHIP is reviewed annually, and officers will continue to seek opportunities to accelerate delivery of affordable housing and secure more grant funding.
- 5) To agree to discharge the action agreed at Housing, Homelessness and Fair Work Committee on 8 August 2023 as set out in Appendix 1 of the report by the Executive Director of Place.
- 6) To agree to approach COSLA regarding the Transfer of Management Development Fund (TMDF) funding to discuss a proportionate allocation of the funding available.
- 7) To note that officers will continue discussions with the Scottish Government over increased and innovative funding opportunities to instil confidence in the market and increase the completion rate for approved homes.
- 8) Requests quarterly pipeline approvals and completions in table format (similar to the table in 4.1.4 Table 2 of this report) on the Business Bulletin, to allow committee to track realistic progress.
- 9) Notes the estimations on Item 2.9 of the SHIP report and requests committee receives updated impact going forward after the induction of the Short Term Let Control Area.

- moved by Councillor Flannery, seconded by Councillor Caldwell

### **Amendment 3**

- 1) To approve the Strategic Housing Investment Plan (SHIP) 2024-29 for submission to the Scottish Government.
- 2) To note the SHIP includes over 9,500 homes that would require grant funding through the Affordable Housing Supply Programme (AHSP). These would



require an additional £665 million over five years, almost four times the amount of grant funding set out in current resource planning assumptions.

- 3) To note the key challenges to delivering affordable housing at scale are securing control of sites, availability of grant funding, borrowing capacity of affordable developers (linked to rental income), high development cost, construction industry capacity and reduced private sector housebuilding due to mortgage market instability.
- 4) To note that the SHIP is reviewed annually, and officers will continue to seek opportunities to accelerate delivery of affordable housing and secure more grant funding.
- 5) To agree to discharge the action agreed at Housing, Homelessness and Fair Work Committee on 8 August 2023 as set out in Appendix 1 of the report by the Executive Director of Place.
- 6) To agree to approach COSLA regarding the Transfer of Management Development Fund (TMDF) funding to discuss a proportionate allocation of the funding available.
- 7) To note that officers will continue discussions with the Scottish Government over increased and innovative funding opportunities to instil confidence in the market and increase the completion rate for approved homes.
- 8) Notes from the report that:

“On 2 November 2023 Council declared a Housing [Emergency] due to the acute nature of Edinburgh’s homelessness crisis, coupled with the severe shortage of social rented homes ...” (3.5, p4)

“Edinburgh has one of the lowest proportions of social housing in Scotland with only 13% of homes for social rent compared to the national average of 22%” (Appendix 4, 2.3)

“The majority of the AHSP approvals are for social rent (63%), with most of the remaining homes being for mid-market rent” (Appendix 4, 4.8)

The Scottish Government’s target is for 70% of approvals to be social rent (Appendix 4, 4.8)
- 9) Considers that, in the context of the declaration of a Housing Emergency which recognises the severe shortage of social rented homes as a critical factor, and of being a local authority with one of the lowest percentages of social rented homes in Scotland, an investment plan which fails to meet the Scottish Government target of 70% approvals for social rent is not sufficiently radical and that the Council should instead be pursuing an investment plan which delivers above and beyond that target to remedy the historical underinvestment in social rented homes in the city and achieve parity with other local authorities.
- 10) Notes that the investment plan does not consider alternative housing models such as housing co-operatives, “modular” homes or co-housing arrangements

which can provide better quality housing at more affordable rents and should be part of the solution to the Housing Emergency.

- 11) Notes that the Council will be developing a Housing Emergency Action Plan and agrees that this process should address the points above such that future iterations of the SHIP greater prioritise investment in social rented homes and alternative housing models.
- 12) Considers that the Emergency Action Plan should further interrogate funding sources for the SHIP, for example by exploring preventative spend projects within health and social care, climate, or economic development where housing has a key role to play in achieving objectives and where additional, external investment from other funds might be appropriate.

- moved by Councillor Parker, seconded by Councillor Rae

In accordance with Standing Order 22(13) Amendments 1, 2 and 3 were accepted as addendums to the Motion.

### **Decision**

- 1) To approve the Strategic Housing Investment Plan (SHIP) 2024-29 for submission to the Scottish Government.
- 2) To note the SHIP included over 9,500 homes that would require grant funding through the Affordable Housing Supply Programme (AHSP). These would require an additional £665 million over five years, almost four times the amount of grant funding set out in current resource planning assumptions.
- 3) To note the key challenges to delivering affordable housing at scale would be securing control of sites, availability of grant funding, borrowing capacity of affordable developers (linked to rental income), high development cost, construction industry capacity and reduced private sector housebuilding due to mortgage market instability.
- 4) To note that the SHIP would be reviewed annually, and officers would continue to seek opportunities to accelerate delivery of affordable housing and secure more grant funding.
- 5) To agree to discharge the action agreed at Housing, Homelessness and Fair Work Committee on 8 August 2023 as set out in Appendix 1 of the report by the Executive Director of Place.
- 6) To agree to approach COSLA regarding the Transfer of Management Development Fund (TMDF) funding to discuss a proportionate allocation of the funding available.
- 7) To note that officers would continue discussions with the Scottish Government over increased and innovative funding opportunities to instil confidence in the market and increase the completion rate for approved homes.
- 8) To note the excellent work and success rate of the Empty Homes Officer detailed in Appendix 4 of the report by the Executive Director of Place.

- 9) To call for a report within one cycle exploring the benefits and costs of increasing the size of the Empty Homes Team e.g. in Glasgow there were 4 Empty Homes Officers as opposed to 1 in Edinburgh.
- 10) To request quarterly pipeline approvals and completions in table format (similar to the table in 4.1.4 Table 2 of the report by the Executive Director of Place) on the Business Bulletin, to allow committee to track realistic progress.
- 11) To note the estimations on Item 2.9 of the report by the Executive Director of Place and to request committee would receive updated impact going forward after the induction of the Short Term Let Control Area.
- 12) To note from the report that:
 

“On 2 November 2023 Council declared a Housing [Emergency] due to the acute nature of Edinburgh’s homelessness crisis, coupled with the severe shortage of social rented homes ...” (3.5, p4)

“Edinburgh has one of the lowest proportions of social housing in Scotland with only 13% of homes for social rent compared to the national average of 22%” (Appendix 4, 2.3)

“The majority of the AHSP approvals are for social rent (63%), with most of the remaining homes being for mid-market rent” (Appendix 4, 4.8)

The Scottish Government’s target is for 70% of approvals to be social rent (Appendix 4, 4.8)
- 13) To consider that, in the context of the declaration of a Housing Emergency which recognised the severe shortage of social rented homes as a critical factor, and of being a local authority with one of the lowest percentages of social rented homes in Scotland, an investment plan which failed to meet the Scottish Government target of 70% approvals for social rent was not sufficiently radical and that the Council should instead be pursuing an investment plan which delivered above and beyond that target to remedy the historical underinvestment in social rented homes in the city and achieve parity with other local authorities.
- 14) To note that the investment plan did not consider alternative housing models such as housing co-operatives, “modular” homes or co-housing arrangements which could provide better quality housing at more affordable rents and should be part of the solution to the Housing Emergency.
- 15) To note that the Council would be developing a Housing Emergency Action Plan and to agree that this process should address the points above such that future iterations of the SHIP would greater prioritise investment in social rented homes and alternative housing models.
- 16) To consider that the Emergency Action Plan should further interrogate funding sources for the SHIP, for example by exploring preventative spend projects within health and social care, climate, or economic development where housing had a key role to play in achieving objectives and where additional, external investment from other funds might be appropriate.

(References – Housing, Homelessness and Fair Work Committee, 1 December 2022 (item 9) and 8 August 2023 (item 16); Planning Committee, 14 June 2023 (item 3); report by the Executive Director of Place, submitted.)

## 12. Housing Emergency Action Plan

---

High-level actions were proposed in response to the Council's declaration of a housing emergency on 2 November 2023. These actions were Council wide, covering housing management practice, homelessness prevention, housebuilding and purchase, funding, social care and children's services. The action plan would be developed into a programme plan for delivery and presented to the Housing, Homelessness and Fair Work Committee on 27 February 2024, with financial projections factored into the Council's budget process.

### Motion

- 1) To note that, on 2 November 2023, the Council agreed to declare a Housing Emergency.
- 2) To note the draft Council wide action plan outlined in Appendix 1 of the report by the Executive of Place.
- 3) To agree that these actions should form the basis of a programme plan that will be developed and presented to the Housing, Homelessness and Fair Work Committee on the 27 February 2024.
- 4) To note that meetings have been held with partner agencies including Registered Social Landlords, SHAPE, Shelter and Cyrenians to agree a partnership response to the housing emergency.
- 5) To note that financial projections based on these actions will be presented to Finance and Resources Committee on the 6 February 2024 to inform the Council's budget setting process.
- 6) To agree to refer this report to the Edinburgh Integration Joint Board and to Education, Children and Families Committee for further discussion and debate.

- moved by Councillor Meagher, seconded by Councillor Pogson

### Amendment 1

- 1) To note that, on 2 November 2023, the Council agreed to declare a Housing Emergency.
- 2) To note the draft Council wide action plan outlined in Appendix 1 of the report by the Executive of Place.
- 3) To agree that these actions should form the basis of a programme plan that will be developed and presented to the Housing, Homelessness and Fair Work Committee on the 27 February 2024.
- 4) To note that meetings have been held with partner agencies including Registered Social Landlords, SHAPE, Shelter and Cyrenians to agree a partnership response to the housing emergency.

- 5) To note that financial projections based on these actions will be presented to Finance and Resources Committee on the 6 February 2024 to inform the Council's budget setting process.
- 6) To agree to refer this report to the Edinburgh Integration Joint Board and to Education, Children and Families Committee for further discussion and debate.
- 7) Requests the Service Director, Housing and Homelessness, continues to explore all further options to resolve the housing emergency and requests the 'cyclical updates' are present on May 2024 and August 2024 Business Bulletins respectively and the Homelessness Action Plan is annually scheduled as routine for scrutiny.
- 8) Requests the May 2024 Business Bulletin update (as above) or a 'Void Turnaround Improvement Strategy' report (as determined suitable) includes the feasibility of 're-decoration vouchers' for properties where repairs / re-decoration are the primary barrier to allowing Lets of Void properties (supporting Action Area 1.).
- 9) Requests the following action areas are appended to the draft Housing Emergency Action Plan:
  - Adds Action Area 26. "Ensure there is dedicated resource to liaise across Lothian council areas, when appropriate, to develop a strategic housing partnership across the City of Edinburgh Council, Midlothian Council, East Lothian Council, and West Lothian Council."
  - Adds Action Area 27. "Ensure parity, where legislatively possible, between Planning and Housing departments and committees, and increase opportunities for departments and committees to co-ordinate to meet Housing Supply Targets in LDP 2016 and City Plan 2030 respectively."
  - Adds Action Area 28. "Guarantee action areas 1., 14., 16., 17. and 18. prioritise the dignity and wellbeing of residents above all quotas, targets and figures, and recognises the critical work officers currently do to ensure these values are upheld in all transactions."
- 10) Requests the final action plan is broken down by practical steps that can be taken now and aspirational actions that require substantial additional capital.

- moved by Councillor Caldwell, seconded by Councillor Flannery

## **Amendment 2**

- 1) To note that, on 2 November 2023, the Council agreed to declare a Housing Emergency.
- 2) Notes that Council agreed that the "structure and reporting schedule of this additional Plan will be discussed in a workshop environment with the Housing, Homelessness & Fair Work committee", and that the plan would take "a human rights-based approach to future work".
- 3) Notes that Housing, Homelessness & Fair Work committee has not been involved in the development of the draft plan, and that this report fails to include

an IIA which would be a helpful way of ensuring that a human rights-based approach is taken to this work.

- 4) Looks forward to engaging with officers and relevant stakeholders, including those with lived experience of the impact of the housing emergency, to develop the plan.

- moved by Councillor Parker, seconded by Councillor Rae

In accordance with Standing Order 22(13), Amendment 1 was accepted as an addendum to the motion, and Amendment 2 was adjusted and accepted as an addendum to the motion.

### **Decision**

To approve the following adjusted motion by Councillor Meagher:

- 1) To note that, on 2 November 2023, the Council agreed to declare a Housing Emergency.
- 2) To note the draft Council wide action plan outlined in Appendix 1 of the report by the Executive of Place.
- 3) To agree that these actions should form the basis of a programme plan that would be developed and presented to the Housing, Homelessness and Fair Work Committee on the 27 February 2024.
- 4) To note that meetings had been held with partner agencies including Registered Social Landlords, SHAPE, Shelter and Cyrenians to agree a partnership response to the housing emergency.
- 5) To note that financial projections based on these actions would be presented to Finance and Resources Committee on the 6 February 2024 to inform the Council's budget setting process.
- 6) To agree to refer this report to the Edinburgh Integration Joint Board and to Education, Children and Families Committee for further discussion and debate.
- 7) To request the Service Director, Housing and Homelessness, would continue to explore all further options to resolve the housing emergency and to request the 'cyclical updates' would be present on May 2024 and August 2024 Business Bulletins respectively and the Homelessness Action Plan would be annually scheduled as routine for scrutiny.
- 8) To request the May 2024 Business Bulletin update (as above) or a 'Void Turnaround Improvement Strategy' report (as determined suitable) would include the feasibility of 're-decoration vouchers' for properties where repairs / re-decoration were the primary barrier to allowing Lets of Void properties (supporting Action Area 1.).
- 9) To request the following action areas be appended to the draft Housing Emergency Action Plan:
  - Adds Action Area 26: "Ensure there was dedicated resource to liaise across Lothian council areas, when appropriate, to develop a strategic housing

partnership across the City of Edinburgh Council, Midlothian Council, East Lothian Council, and West Lothian Council.”

- Adds Action Area 27: “Ensure parity, where legislatively possible, between Planning and Housing departments and committees, and increase opportunities for departments and committees to co-ordinate to meet Housing Supply Targets in LDP 2016 and City Plan 2030 respectively.”
  - Adds Action Area 28: “Guarantee action areas 1., 14., 16., 17. and 18. prioritise the dignity and wellbeing of residents above all quotas, targets and figures, and recognised the critical work officers currently do to ensure these values were upheld in all transactions.”
- 10) To request the final action plan be broken down by practical steps that could be taken now and aspirational actions that would require substantial additional capital.
  - 11) To note that Council agreed that the “structure and reporting schedule of this additional Plan will be discussed in a workshop environment with the Housing, Homelessness & Fair Work committee”, and that the plan would take “a human rights-based approach to future work”.
  - 12) To note that Housing, Homelessness & Fair Work committee had not been involved in the development of the draft plan, and that this report had yet to include an IIA which would be a helpful way of ensuring that a human rights-based approach be taken to this work.
  - 13) To look forward to engaging with officers and relevant stakeholders, including those with lived experience of the impact of the housing emergency, to develop the plan.

(References – Housing, Homelessness and Fair Work Committee, 3 October 2023 (item 16); Act of Council No. 14 of 2 November 2023; report by the Executive Director of Place, submitted.)

### **13. Strategy for purchasing land and homes to meet affordable housing need**

---

Progress with Council’s Housing Land Delivery Strategy was reviewed as agreed by Committee in December 2022. The strategy was renamed the ‘Strategy for purchasing land and homes to meet affordable housing need’. The strategy focused on increasing affordable housing supply by four routes – building directly, working on strategic sites with development partners, purchasing completed new build homes, and purchasing second hand homes. It had allowed the Council to identify and secure numerous opportunities to increase supply, although there was considerable pressure on the funding available to move forward with any of these opportunities, particularly new build development where construction costs were exceptionally high.

#### **Motion**

- 1) To note the progress made towards delivering the strategy to increase land and housing supply agreed by this Committee in December 2022.

- 2) To note that the strategy for the coming year will continue to focus on seeking land opportunities for building directly, purchase suitable completed new build homes from the private sector and work with landowners on partnering opportunities on strategic sites.
- 3) To note that approval would be sought from Finance and Resources Committee for bulk purchase of homes or sites with progress reported to this Committee via briefings and Business Bulletin updates.
- 4) To note that officers would also be seeking to accelerate purchase of second-hand homes aligned to our asset management strategy. Delegated authority was in place for the Executive Director of Place to purchase homes up to £250,000 per property.

- moved by Councillor Meagher, seconded by Councillor Pogson

#### **Amendment 1**

- 1) To note the progress made towards delivering the strategy to increase land and housing supply agreed by this Committee in December 2022.
- 2) To note that the strategy for the coming year will continue to focus on seeking land opportunities for building directly, purchase suitable completed new build homes from the private sector and work with landowners on partnering opportunities on strategic sites.
- 3) To note that approval would be sought from Finance and Resources Committee for bulk purchase of homes or sites with progress reported to this Committee via briefings and Business Bulletin updates.
- 4) To note that officers would also be seeking to accelerate purchase of second-hand homes aligned to our asset management strategy. Delegated authority was in place for the Executive Director of Place to purchase homes up to £250,000 per property.
- 5) Notes that the council has powers to compulsorily purchase properties such as long-term empty homes but that the council does not use these powers due to a lack of suitable budget.
- 6) Therefore agrees to receive an update report within three cycles on the feasibility of using CPO powers to bring long-term empty homes back into use and retaining those which align with the council's asset management strategy and disposing of those which do not.

- moved by Councillor Parker, seconded by Councillor Rae

In accordance with Standing Order 22(13), Amendment 1 was accepted as an addendum to the motion.

At this point in the meeting the following Amendment 2 was proposed:

#### **Amendment 2**

To approve the motion as originally submitted by Councillor Meagher.

- moved by Councillor Bruce, seconded by Councillor Munro



## Voting

The voting was as follows:

For the motion (as adjusted) - 7 votes

For Amendment 2 - 4 votes

(For the motion (as adjusted): Councillors Dobbin, Hyslop, Key, Meagher, Parker, Pogson and Rae.

For Amendment 2: Councillors Bruce, Caldwell, Flannery and Munro)

## Decision

To approve the following adjusted motion by Councillor Meagher:

- 1) To note the progress made towards delivering the strategy to increase land and housing supply agreed by this Committee in December 2022.
- 2) To note that the strategy for the coming year would continue to focus on seeking land opportunities for building directly, purchase suitable completed new build homes from the private sector and work with landowners on partnering opportunities on strategic sites.
- 3) To note that approval would be sought from Finance and Resources Committee for bulk purchase of homes or sites with progress reported to this Committee via briefings and Business Bulletin updates.
- 4) To note that officers would also be seeking to accelerate purchase of second-hand homes aligned to our asset management strategy. Delegated authority was in place for the Executive Director of Place to purchase homes up to £250,000 per property.
- 5) To note that the council had powers to compulsorily purchase properties such as long-term empty homes but that the council did not use these powers due to a lack of suitable budget.
- 6) To agree to receive an update report within three cycles on the feasibility of using CPO powers to bring long-term empty homes back into use and retaining those which align with the council's asset management strategy and disposing of those which did not.

(References – Housing, Homelessness and Fair Work Committee, 1 December 2022 (item 19); report by the Executive Director of Place, submitted.)

## 14. Waste and Cleansing Services on Housing Land

---

Details were provided of the range of services provided by Waste and Cleansing on the Council's housing estates, in response to a Motion to Committee on 9 May 2023 by Councillor Campbell.

**Decision** To note the report by the Executive Director of Place.

(References – Housing, Homelessness and Fair Work Committee, 9 May 2023 (item 12); report by the Executive Director of Place, submitted.)

## 15. Tenant Participation and Community Engagement 2024/2027

---

An update on tenant participation activities in 2023/24 was provided highlighting the development of a new Tenant Participation Strategy (TPS) and agreement of funding for Edinburgh Tenants' Federation (ETF) for a further two years from 1 April 2024 - 31 March 2026 to support tenant participation and engagement. Details were also provided information on the future work of the Neighbourhood Alliance and approval was sought for 12 months' funding to support tenant participation, community engagement and placemaking initiatives.

### Motion

- 1) To agree to fund Edinburgh Tenants' Federation (ETF) for a further two years to 31 March 2026, on a maximum standstill budget of £241,083 per annum.
- 2) To agree to fund the Neighbourhood Alliance from one year to March 2025 on a maximum standstill budget of £70,940.

- moved by Councillor Meagher, seconded by Councillor Pogson

### Amendment 1

- 1) Recognises that funding to support tenant participation and community engagement is of vital importance.
- 2) Notes that Councillors have been asked to agree spending of over £550k of public money without:
  - a) oversight of the SLA which governs the contract;
  - b) a RAG status update (or similar) against the KPIs contained within the SLA;
  - c) explanation of how the proposed spend delivers value for money in the context of other local authorities delivering a similar service differently and at lower cost.
- 3) Considers that for Councillors to approve spending without this information falls short of the level of scrutiny the public expect from Elected Members and is poor governance.
- 4) Therefore, requests that officers engage with political groups to share the above in advance of the next tranche of funding being awarded to ETF.

- moved by Councillor Parker, seconded by Councillor Rae

In accordance with Standing Order 22(13), Amendment 1 was accepted as an addendum to the motion.

At this point in the meeting the following Amendment 2 was proposed:

### Amendment 2

To approve the motion as originally submitted by Councillor Meagher.

- moved by Councillor Caldwell, seconded by Councillor Flannery

At this point in the meeting, Amendment 2 was withdrawn.

## Decision

To approve the following adjusted motion by Councillor Meagher:

- 1) To agree to fund Edinburgh Tenants' Federation (ETF) for a further two years to 31 March 2026, on a maximum standstill budget of £241,083 per annum.
- 2) To agree to fund the Neighbourhood Alliance from one year to March 2025 on a maximum standstill budget of £70,940.
- 3) To recognise that funding to support tenant participation and community engagement was of vital importance.
- 4) To note that Councillors had been asked to agree spending of over £550k of public money without:
  - a) oversight of the SLA which governs the contract;
  - b) a RAG status update (or similar) against the KPIs contained within the SLA;
  - c) explanation of how the proposed spend delivered value for money in the context of other local authorities delivering a similar service differently and at lower cost.
- 5) To consider that for Councillors to approve spending without this information fell short of the level of scrutiny the public expect from Elected Members and was poor governance.
- 6) Therefore, to request that officers engage with political groups to share the above in advance of the next tranche of funding being awarded to ETF,

(References – Housing, Homelessness and Fair Work Committee, 20 January 2020 (item 7); report by the Executive Director of Place, submitted.)

## 16. Affordable Housing Commuted Sums – referral from the Planning Committee

---

On 15 November 2023, the Planning Committee considered a report which provided an update on commuted sums being used in lieu of onsite affordable housing and how they were used to build affordable homes in Edinburgh. This was referred to the Housing, Homelessness and Fair Work Committee for information.

### Motion

To note the report by the Executive Director of Place.

- moved by Councillor Meagher, seconded by Councillor Pogson

### Amendment

- 1) Notes that the Council recently declared a Housing Emergency.
- 2) Notes the Planning Committee decision at paragraph 5 of the referral report by the Executive Director of Corporate Services to receive a report in Autumn 2024.
- 3) Given the Housing Emergency and need to develop an Emergency Action Plan, agrees that this Committee will receive a briefing note on this subject as soon as possible.

- moved by Councillor Parker, seconded by Councillor Rae

In accordance with Standing Order 22(13), the amendment was accepted as an addendum to the motion.

### **Decision**

To approve the following adjusted motion by Councillor Meagher:

- 1) To note the report by the Executive Director of Place.
- 2) To note that the Council recently declared a Housing Emergency.
- 3) To note the Planning Committee decision at paragraph 5 of the referral report by the Executive Director of Corporate Services to receive a report in Autumn 2024.
- 4) To agree, given the Housing Emergency and need to develop an Emergency Action Plan, that this Committee would receive a briefing note on this subject as soon as possible.

(References – Planning Committee, 15 November 2023 (item 6), referral from the Planning Committee, submitted.)

## **17. The EDI Group – annual update for the year ending 31 December 2022**

---

An update was provided on the progress of the transition strategy for The EDI Group Limited, which aimed to close it and its subsidiary companies.

### **Decision**

- 1) To note the report by the Executive Director of Place.
- 2) To refer the report to the Governance, Risk and Best Value Committee.

(Reference – report by the Executive Director of Place, submitted.)

## **18. By Councillor Caldwell - EdIndex during the Housing Emergency**

---

The following motion was submitted by Councillor Caldwell in terms of Standing Order 17:

“Committee Notes:

1. That Edinburgh Council and Housing Associations run EdIndex as a single portal to try and match residents with social-rent properties, with over 24,000 registered applicants (RRTP Aug 23).
2. EdIndex utilises a points-based system and bidding to match residents to potential homes, and notes that FY22/23 saw 185 average bids per property (EPC Oct 23).
3. That Edinburgh Council declared a Housing Emergency on 2nd November 2023 which requested progress monitoring and further partnership working with RSLs.

Requests:

4. A report in three cycles which outlines:
  - a) Key statistics from EdIndex over FY 23/24, including:
    - a. number of applicants registered on EdIndex.
    - b. total number of successful and unsuccessful bids in the FY.
    - c. average number of days applicants on different priority tiers.
  - b) A full list of partner organisations who are associated with EdIndex and the benefits that EdIndex partners, including the Council, receive.
  - c) What alternative systems comparable local authorities use.
  - d) A general summation of feedback from applicants over the last year and any relevant mechanisms/proposals to collect feedback from unsuccessful and successful applicants and third sector partners, as well as any proposals to maximise social equity in the system in the context of the Housing Emergency.
5. The information requested in 4. a, b, and c is appended to the annual 'Edinburgh in Numbers' report to ensure transparent public monitoring during the Housing Emergency.
6. Prior to the publication of the above report, a meeting between any elected members, relevant Place Directorate officers and EdIndex Board members (who wish to participate) is arranged to better understand the successes and challenges around EdIndex in the context of Edinburgh's wider Housing Emergency declaration."

### **Motion**

To approve the motion by Councillor Caldwell.

- moved by Councillor Caldwell, seconded by Councillor Flannery

### **Amendment**

To add to the motion by Councillor Caldwell:

- 1) Notes that there are a number of challenges reported with using EdIndex related to digital exclusion and / or comprehension, felt most acutely by older adults and some disabled people, and requests that this report pays particular attention to these issues.
- 2) Recognises that individual, 1-1 support to help individuals to submit an EdIndex form is the best way of addressing this problem and that, whilst training has been put in place with some services within the Council to signpost people to the EdIndex site – for example, within the library service – proactive support for individual applicants to complete an EdIndex form is not currently offered.
- 3) Therefore requests that this report also covers detail on what resourcing could be put in place to trial a programme of application support – for example, via scheduled drop in sessions in libraries, community centres, or over the phone – with oversight of this programme given to the HART team, who already work closely with disabled applicants or those with additional support needs, to

ensure consistency in support for applicants from the point of application through to offer and post-offer support / tenancy sustainment, recognising that this is an important tenet of trauma informed working.

- moved by Councillor Parker, seconded by Councillor Rae

In accordance with Standing Order 22(13), the amendment was accepted as an addendum to the motion.

### **Decision**

To approve the following adjusted motion by Councillor Caldwell:

- 1) To note that Edinburgh Council and Housing Associations ran EdIndex as a single portal to try and match residents with social-rent properties, with over 24,000 registered applicants (RRTP Aug 23).
- 2) To note that EdIndex utilised a points-based system and bidding to match residents to potential homes, and to note that FY22/23 saw 185 average bids per property (EPC Oct 23).
- 3) To note that Edinburgh Council declared a Housing Emergency on 2nd November 2023 which requested progress monitoring and further partnership working with RSLs.
- 4) To request a report in three cycles which outlined:
  - a) Key statistics from EdIndex over FY 23/24, including:
    - a. number of applicants registered on EdIndex.
    - b. total number of successful and unsuccessful bids in the FY.
    - c. average number of days applicants on different priority tiers.
  - b) A full list of partner organisations who were associated with EdIndex and the benefits that EdIndex partners, including the Council, received.
  - c) What alternative systems comparable local authorities used.
  - d) A general summation of feedback from applicants over the last year and any relevant mechanisms/proposals to collect feedback from unsuccessful and successful applicants and third sector partners, as well as any proposals to maximise social equity in the system in the context of the Housing Emergency.
- 5) To request the information requested in 4. a, b, and c be appended to the annual 'Edinburgh in Numbers' report to ensure transparent public monitoring during the Housing Emergency.
- 6) To request prior to the publication of the above report, a meeting between any elected members, relevant Place Directorate officers and EdIndex Board members (who wish to participate) be arranged to better understand the successes and challenges around EdIndex in the context of Edinburgh's wider Housing Emergency declaration.
- 7) To note that there were a number of challenges reported with using EdIndex related to digital exclusion and / or comprehension, felt most acutely by older

adults and some disabled people, and request that this report paid particular attention to these issues.

- 8) To recognise that individual, 1-1 support to help individuals to submit an EdIndex form was the best way of addressing this problem and that, whilst training had been put in place with some services within the Council to signpost people to the EdIndex site – for example, within the library service – proactive support for individual applicants to complete an EdIndex form was not currently offered.
- 9) Therefore, to request that this report would also cover detail on what resourcing could be put in place to trial a programme of application support – for example, via scheduled drop in sessions in libraries, community centres, or over the phone – with oversight of this programme given to the HART team, who already worked closely with disabled applicants or those with additional support needs, to ensure consistency in support for applicants from the point of application through to offer and post-offer support / tenancy sustainment, recognising that this was an important tenet of trauma informed working.

### **Declaration of interests**

Councillor Parker made a transparency statement in respect of the above item as an associate with Housing Options Scotland (in this work, Councillor Parker had worked with disabled people and older adults on housing application processes).

## **19. By Councillor Hyslop – Discretionary Housing Payments**

---

The following motion was submitted by Councillor Hyslop in terms of Standing Order 17:

- 1) Notes that Councillors were informed of funding pressures affecting Discretionary Housing Payments through a briefing note circulated on 1 November.
- 2) Notes that DHPs which are awarded to mitigate the effects of the Bedroom Tax and the Benefit Cap will not be affected.
- 3) Notes that the Edinburgh is one of the few authorities who make awards for DHP for citizens looking to move to more appropriate/affordable accommodation to support with rent in advance, deposits and removals.
- 4) Notes with concern that pressures outlined in the briefing note and the decision to cut back on these supports means that the council will be less able to support one off funding awards to support citizens to stay in their tenancies and avoid homelessness.
- 5) Believes that decisions taken with the aim of saving money to reduce funding pressures, which subsequently lead to an increase in homelessness are unlikely to achieve their aim and will potentially lead to a higher cost for the Council and significantly worse outcomes for residents.
- 6) Requests a report to HHFW Committee within 2 cycles with an update to committee which outlines the potential for an increase in homelessness and

associated costs to the council if DHP's are withdrawn as set out in the briefing note.”

### **Motion**

To approve motion by Councillor Hyslop.

- moved by Councillor Hyslop, seconded by Councillor Flannery

### **Amendment 1**

To add to the motion by Councillor Hyslop:

Requests this report seeks input from the Accessible Housing Sounding Board.

- moved by Councillor Caldwell, seconded by Councillor Flannery

### **Amendment 2**

To add to the motion by Councillor Hyslop:

- 1) Notes that DHP has the particular policy intention of helping people on a meanwhile basis to access more appropriate / affordable accommodation, but that this is a challenge in Edinburgh where rents are hugely inflated.
- 2) Notes that other benefits and funds are available relating to addressing pressures on housing / homelessness prevention, for example the Tenant Grant Fund and Tenant Hardship Fund. Also notes that other funds exist which support tenancy sustainment such as the School Clothing Grant and Scottish Welfare Fund.
- 3) Requests that this report also includes an outline of funds in addition to DHP whose general objectives are to prevent homelessness / support tenancy sustainment, outline the nuances of the policy intentions behind each of these funds, the different criteria attached to them (for example, which funds are eligible for benefit recipients vs non benefit recipients) and the funding streams for them, all with a view to setting out if there are additional considerations which ought to be made when reviewing funding needs for DHP going forward.

- moved by Councillor Parker, seconded by Councillor Rae

In accordance with Standing Order 22(13), Amendments 1 and 2 were accepted as addendums to the motion.

### **Decision**

To approve the following adjusted motion by Councillor Hyslop:

- 1) To note that Councillors were informed of funding pressures affecting Discretionary Housing Payments through a briefing note circulated on 1 November.
- 2) To note that DHPs which were awarded to mitigate the effects of the Bedroom Tax and the Benefit Cap would not be affected.



- 3) To note that the Edinburgh was one of the few authorities who made awards for DHP for citizens looking to move to more appropriate/affordable accommodation to support with rent in advance, deposits and removals.
- 4) To note with concern that pressures outlined in the briefing note and the decision to cut back on these supports meant that the council would be less able to support one off funding awards to support citizens to stay in their tenancies and avoid homelessness.
- 5) To believe that decisions taken with the aim of saving money to reduce funding pressures, which subsequently led to an increase in homelessness were unlikely to achieve their aim and would potentially lead to a higher cost for the Council and significantly worse outcomes for residents.
- 6) To request a report to HHFW Committee within 2 cycles with an update to committee outlining the potential for an increase in homelessness and associated costs to the council if DHP's were withdrawn as set out in the briefing note.
- 7) To request this report would seek input from the Accessible Housing Sounding Board.
- 8) To note that DHP has the particular policy intention of helping people on a meanwhile basis to access more appropriate / affordable accommodation, but that this was a challenge in Edinburgh where rents were hugely inflated.
- 9) To note that other benefits and funds were available relating to addressing pressures on housing / homelessness prevention, for example the Tenant Grant Fund and Tenant Hardship Fund. Also to note that other funds existed which supported tenancy sustainment such as the School Clothing Grant and Scottish Welfare Fund.
- 10) To request that this report would also include an outline of funds in addition to DHP whose general objectives are to prevent homelessness / support tenancy sustainment, outline the nuances of the policy intentions behind each of these funds, the different criteria attached to them (for example, which funds were eligible for benefit recipients vs non benefit recipients) and the funding streams for them, all with a view to setting out if there were additional considerations which ought to be made when reviewing funding needs for DHP going forward.

This page is intentionally left blank

# Work Programme

## Housing, Homelessness and Fair Work Committee

27 February 2024

No.	Title / description	Purpose/Reason	Directorate and Lead Officer	Progress updates	Expected date
1	Place and Homelessness – Financial Monitoring	Quarterly and annual report	Executive Director of Place Lead Officer: Brendan O'Hara 0131 469 3620 <a href="mailto:brendan.o'hara@edinburgh.gov.uk">brendan.o'hara@edinburgh.gov.uk</a>		May 2024 October 2024 December 2024
2	Homelessness Services' Performance Dashboard	Six-monthly report	Executive Director of Place Lead Officer: Nicky Brown 0131 469 3620 <a href="mailto:nicky.brown@edinburgh.gov.uk">nicky.brown@edinburgh.gov.uk</a>		May 2024 October 2024
3	EDI Group	Annual Report and six-monthly update	Executive Director of Place Lead Officer: David Cooper 0131 529 6233 <a href="mailto:david.cooper@edinburgh.gov.uk">david.cooper@edinburgh.gov.uk</a>		May 2024 December 2024

4	Appointments to Working Groups	Annual report	Executive Director of Corporate Services Lead Officer: Jamie Macrae 0131 553 8242 <a href="mailto:jamie.macrae@edinburgh.gov.uk">jamie.macrae@edinburgh.gov.uk</a>		August 2024
5	Capital City Partnership	Annual report	Executive Director of Place Lead Officer: Elin Williamson 0131 469 2801 <a href="mailto:elin.williamson@edinburgh.gov.uk">elin.williamson@edinburgh.gov.uk</a>		May 2024
6	City of Edinburgh Council Assurance Schedule on Housing Services	Annual report	Executive Director of Place Lead Officer: Derek McGowan <a href="mailto:derek.mcgowan@edinburgh.gov.uk">derek.mcgowan@edinburgh.gov.uk</a>		August 2024
7	Edinburgh Living Annual Report	Annual Report	Executive Director of Place Lead Officer: Derek McGowan <a href="mailto:derek.mcgowan@edinburgh.gov.uk">derek.mcgowan@edinburgh.gov.uk</a>		May 2024
8	Empty Homes Annual Update	Annual Report	Executive Director of Place Lead Officer: Andrew Mitchell 0131 469 5822 <a href="mailto:andrew.mitchell@edinburgh.gov.uk">andrew.mitchell@edinburgh.gov.uk</a>		February 2025
9	Homelessness – Statutory Returns	Annual Report	Executive Director of Place Lead Officer: Nicky Brown 0131 469 3620 <a href="mailto:nicky.brown@edinburgh.gov.uk">nicky.brown@edinburgh.gov.uk</a>		August 2024

10	Housing Revenue Account Capital Programme	Annual report	Executive Director of Place Lead Officer: Derek McGowan <a href="mailto:Derek.mcgowan@edinburgh.gov.uk">Derek.mcgowan@edinburgh.gov.uk</a>		May 2024
11	Land Strategy to Support Delivery of Affordable Housing and Brownfield Regeneration	Annual Report	Executive Director of Place Lead Officer: David Cooper 0131 529 6233 <a href="mailto:david.cooper@edinburgh.gov.uk">david.cooper@edinburgh.gov.uk</a>		December 2024
12	Rapid Rehousing Transition Plan	Annual report	Executive Director of Place Lead Officer: Nicky Brown 0131 469 3620 <a href="mailto:nicky.brown@edinburgh.gov.uk">nicky.brown@edinburgh.gov.uk</a>		August 2024
13	Strategic Housing Investment Plan (SHIP)	Annual Report	Executive Director of Place Lead Officer: Derek McGowan <a href="mailto:derek.mcgowan@edinburgh.gov.uk">derek.mcgowan@edinburgh.gov.uk</a>		May 2024
14	Strategic Housing Investment Plan (SHIP) – Approvals and Completions	Quarterly Business Bulletin	Executive Director of Place Lead Officer: Derek McGowan <a href="mailto:derek.mcgowan@edinburgh.gov.uk">derek.mcgowan@edinburgh.gov.uk</a>		May 2024
14	Net Increase in Homes and Acquisition	Six-Monthly Business Bulletin	Executive Director of Place Lead Officer: Derek McGowan <a href="mailto:derek.mcgowan@edinburgh.gov.uk">derek.mcgowan@edinburgh.gov.uk</a>		August 2024

15	Support for Rent Collection	Annual Business Bulletin	Executive Director of Place Lead Officer: Derek McGowan <a href="mailto:derek.mcgowan@edinburgh.gov.uk">derek.mcgowan@edinburgh.gov.uk</a>		August 2024
16	Housing Service Improvement plan	Six-Monthly  (Updates from the 'Lift Replacement Programme' and lift asset integration into the new Asset Management System to be appended annually to the to the recurring HSIP report)	Executive Director of Place Lead Officer: Sarah Burns <a href="mailto:sarah.burns@edinburgh.gov.uk">sarah.burns@edinburgh.gov.uk</a>		May 2024  October 2024
17	Family and Household Support Performance Report	Six-Monthly report	Executive Director of Place Lead Officer: Derek McGowan <a href="mailto:derek.mcgowan@edinburgh.gov.uk">derek.mcgowan@edinburgh.gov.uk</a>		May 2024  October 2024
18	Housing Emergency Action Plan	Annual	Executive Director of Place Lead Officer: Derek McGowan <a href="mailto:derek.mcgowan@edinburgh.gov.uk">derek.mcgowan@edinburgh.gov.uk</a>		December 2024

Report Title	Directorate
<b>May 2024</b>	
Homelessness Services' Performance Dashboard	Place
Place and Homelessness – Financial Monitoring	Place
EDI Group	Place
Capital City Partnership	Place
Family and Household Support Performance Report	Place
Strategic Housing Investment Plan (SHP) 2024-29	Place
Housing Emergency Action Plan	Place
2024/25 HRA Capital Programme	Place
Edinburgh Living	Place
Local Housing Strategy 2025-30 Update	Place

Place Based Investment Programme - 2025/26 Provisional Allocations	Place
Housing Service Improvement plan	Place
<b>August 2024</b>	
Appointments to Working Groups	Corporate Services
City of Edinburgh Council Assurance Schedule on Housing Services	Place
Homelessness – Statutory Returns	Place
Rapid Rehousing Transition Plan	Place



# Rolling Actions Log

## Housing, Homelessness and Fair Work Committee

27 February 2024

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
1	29.09.22	<a href="#">HRA Budget Strategy</a>	1) To agree a report in two cycles on the financial strategy setting out the current position with allocation of Transfer of the Management of Development Funding (TMDF), and an analysis of Strategic Housing Investment Framework (SHIF) funding allocations.	Executive Director of Place	March 2023		<b>Closed March 2023</b> Report on agenda for March 2023.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			2) To agree the Convener would write to the COSLA President and the Cabinet Secretary to set out the significant challenges that Edinburgh faces in relation to EESSH2 delivery, and request that serious consideration was given to applying a funding formula based on need to the Social Housing Net Zero Heat Fund (SHNZHF) as well as request an increase to the overall fund and to ask for RPAs for 5 years and a further review of the increase in benchmarks.	Convener	October 2022	December 2022	<b>Closed December 2022</b> Letters issued on 11.11.22 and 15.11.22.  Letters and response issued to members.

			<p>3) To agree to ask the Council Leader to make the case for, and vote for, a funding formula based on need when the SHNZHF report is in front of COSLA Leaders</p>	<p>Convener / Council Leader</p>	<p>Ongoing</p>	<p><b><u>Update Dec 2023</u></b> This review is still ongoing.</p> <p><b><u>Update October 2023</u></b> The review of EESSH2 is not yet complete. This action will be progressed once the review is completed.</p> <p><b><u>Update May 2023</u></b> Scottish Government to conclude EESSH2 review and report to go to COSLA leaders first.</p> <p><b><u>Update December 2022</u></b> Scottish Government will set out its intentions on funding for EESSH2 in 2023. A report can then be submitted and discussions at COSLA leaders</p>
--	--	--	--	----------------------------------	----------------	---

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
							meeting would provide the opportunity for the case to be made.
			4) To request a briefing note providing more detail on the TMDF/SHIF.	Executive Director of Place	March 2023		<p><b>Closed March 2023</b> Briefing session held on 25.01.23.</p> <p><b><u>Update December 2022</u></b> Details of this are covered in the SHIP 23-28 report to Committee in December 2022.</p> <p>A detailed report on TMDF/SHIF will be brought to Committee in March 2023 in response to Councillor Campbell's motion.</p>

2	09.03.23	<a href="#">Response to motion by Councillor Dalglish – Energy Efficiency Task Force</a>	<p>1) To agree that the information and signposting of the services outlined in this report would be updated on the 'Home Energy' webpage, and request that Corporate Services initiate an ambitious new campaign directing residents to it.</p> <p>2) To ask the Executive Director of Place to negotiate with the Head of Communications about how this kind of information should be included. This would include notifications of the new/refreshed page to all library managers and</p>	Executive Director of Place			<p><b>Recommended for closure</b></p> <p>Contact information for both the Energy Advice Service for Council tenants, provided by the environmental charity Changeworks with support from the Council, and Home Energy Scotland for private tenants is available on the Home Energy webpage. Links to Cost of Living support pages were also promoted through the Tenants Courier in Spring 2023 and contact details for the Energy Advice Service were also included in the Autumn 2023 Tenants Courier.</p>
---	----------	--	--	-----------------------------	--	--	--

			school headteachers.				Changeworks provided two staff briefings in 2023 and a further briefing is planned for Spring 2024. These events included colleagues from across the Housing Service and provided advice on guidance on the services and support available to tenants and how staff could support them through the referral process. In addition to this Changeworks colleagues regularly attended community events across all four localities between February 2023 and January 2024 which resulted in over 790 referalls, included in these were 9 <i>Discover</i> school holiday events run by the
--	--	--	----------------------	--	--	--	---

							<p>Council for low income families. These community events to highlight the services available remain a key part of the Energy Advice Service. Services were also highlighted to staff through two staff <i>Newsbeat Articles</i> across the winter.</p> <p><b><u>Update October 2023</u></b></p> <p>An update was included in the Business Bulletin for Committee on 03.10.2023.</p> <p><b><u>Update May 2023</u></b></p> <p>Work on these actions is now underway but have not yet completed. Progress will be</p>
--	--	--	--	--	--	--	--

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
							updated in the Rolling Actions Log.
3	09.03.23	<a href="#">Gig Economy Task Force – progress update</a>	1) To request an updated report and proposed programme of work to HHFW committee in 2 cycles in August 2023.	Executive Director of Place	August 2023		<b>Closed 8 August 2023</b> Report on the agenda for August 2023.
			2) To request an additional briefing note to all elected members setting out progress on the Council's support for the Get Me Home Safely campaign and associated actions, and how these are being integrated with the actions set out in this report.	Executive Director of Place	Ongoing	27 February 2024	<b>Recommended for closure</b> A Business Bulletin update on this is included in the meeting papers for Committee on 27.02.2024.



No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
4	09.05.23	<a href="#">Business Bulletin</a>	<p>To request feedback from the Inch Park Levelling Up fund bid was provided to relevant community groups and that officers continue to assist them to explore alternative funding streams and options.</p> <p>To request that feedback from the Scottish Government on Inchpark Living to be circulated to members.</p>	Executive Director of Place	December 2023		<p><b>Recommended for closure</b></p> <p>This information was shared with the Inch Park Working Group and other stakeholders in January 2024.</p>
5	09.05.23	<a href="#">Damp, mould and condensation in Council homes update</a>	1) To note that the Heat Map requested at the March Committee meeting was still outstanding.	Executive Director of Place	October 2023		<p><b>Closed at meeting 03/10/2023</b></p> <p>Heat map now included in the report for Committee in October 2023 and will be included in future updates.</p>

			<p>2) To agree that the Damp, Mould and Condensation process:</p> <ul style="list-style-type: none"> <li>• will ensure that Tenants will receive a copy of the survey report</li> <li>• will establish a team of nominated officers in each locality who will be responsible to ensure that council tenants living in an environment that is hazardous to their health are removed to a decant as a priority.</li> </ul>	Executive Director of Place	Implementation from January 2024	<p><b>Update – February 2024</b></p> <p>The additional Housing Officers and Preservation Surveyors are now in place in the dampness team with a dedicated team in each Locality. The Housing Officers support tenants who report damp issues and organise decants where required. As part of the establishment of this team, the roll out of the full process is well underway and all tenants will receive a copy of the survey report with effect from 19 February 2024.</p> <p><b>Update December 2023</b></p> <p>Recruitment to the new Housing Officer</p>
--	--	--	--	-----------------------------	----------------------------------	---

						<p>posts for this area is now complete and the team will be in place from January 2024. This additional capacity will enable the full process of sharing survey reports with tenants and establishing local contacts to be implemented.</p> <p><b>Update October 2023</b></p> <p>This action is in progress but not fully complete.</p> <p>Due to the technical and commercial information contained within the survey reports officers are converting the surveys into plain English and writing to the tenant to advise what has been found, what</p>
--	--	--	--	--	--	---

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
							work is required, who is doing the work and a rough plan of when the work will start.  Further information is included in the update report on the agenda for Committee on 3 October 2023.
			3) To agree that the next HSIP will include an analysis of the practicalities of offering Tenants who receive a decant the option to remain in the decant on a permanent basis.	Executive Director of Place	October 2023		<b>Closed at meeting 03/10/2023</b>  This is included in the report for Committee in October 2023

			<p>4) To agree the updated HSIP must include analysis and benchmarking of spinal column pay against other local authorities and the private sector workforce in Edinburgh and a review of the level required to enable recruitment, noting increased workforce capacity, both of trades and surveyors in house, will be crucial for Edinburgh to meet our significant obligations on tenant safety. To request that officers provide a briefing note with expected timeline for this move to in sourcing all survey work, and for progress towards this aim to be</p>	<p>Executive Director of Place</p>	<p>October 2023</p>	<p><b>Closed at meeting 03/10/2023</b> A report on Benchmarking is included on the agenda for Committee on 3 October 2023.</p>
--	--	--	---	------------------------------------	---------------------	--

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			included in all future reports on this topic.				
6	09.05.23	<a href="#">Capital Funding Opportunities for Council Housing</a>	1) To request a report in two cycles which includes: <ul style="list-style-type: none"> <li>• Analysis and benchmarking of spinal column pay against other local authorities and the private sector workforce in Edinburgh and a review of the level required to enable recruitment and retention of an increased void team.</li> </ul>	Executive Director of Place	31 October 2023		<b>Closed at meeting 03/10/2023</b> A report on Benchmarking is included on the agenda for Committee on 3 October 2023.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			<ul style="list-style-type: none"><li>• A detailed plan for voids which sets out timescales for reducing to 'normal turnover'.</li><li>• Details of average void length per property and details of how many properties have been void for over 6 months, over a year, over 2 years and 3 years and longer.</li></ul>				

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			2) To request that the Convener writes to the relevant Scottish Government ministers, setting out the housing needs of all refugee communities in the city and requesting details from the Scottish Government of their long-term plan to support the Council to address this.	Convener			<b>Closed 8 August 2023</b>



No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			3) To further request that the Convener writes to COSLA to request an update on their work to review guidance for local authorities around no recourse to public funds.	Convener			<p><b>Closed 5 December 2023</b></p> <p>Letter has been issued – response will be circulated when received.</p> <p><b><u>Update October 2023</u></b></p> <p>A letter is currently being drafted</p>
			4) To agree that these letters and their responses will be shared with committee.	Convener			<p><b>Recommended for closure</b></p> <p>COSLA response circulated 6 December 2023.</p>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			5) To request an update on the national approach to visas and long term planning for Ukrainian people in Scotland once available.	Executive Director of Place	Ongoing		<p><b>Update – February 2024</b></p> <p>Discussions on this are on-going.</p> <p><b>Update October 2023</b></p> <p>This is ongoing and has been raised with both the Scottish Government Cabinet Secretary Shirley-Ann Sommerville and UK Government Housing Minister Felicity Buchan. A full member briefing will be prepared when an update is received.</p>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			6) To agree the relevant IIAs would be circulated to members.	Executive Director of Place	May 2023		<p><b>Closed at meeting 03/10/2023</b></p> <p>The Integrated Impact Assessment has now been <a href="#">published</a> on the Council website.</p>

7	08.08.23	<a href="#">Rapid Rehousing Transition Plan – Annual Update on Progress</a>	<p>1) To note the high proportion of individuals assessed as homeless reporting mental health challenges and welcome the developing link of social work into the Multi-Disciplinary Team (MDT) as well as the ‘Psychology for Hostels’ pilot. To request exploration of embedding of a social work officer and/or psychologist into the MDT expansion to RSL (once possible as per 2.8.6 in the report), Homelessness to Home, and PRS teams respectively, to the service’s discretion.</p>	Executive Director of Place	27 February 2024		<p><b>Recommended for closure</b></p> <p>Having explored this request, officers do not believe that additional social work or psychological support is required at present. However, this will continue to be monitored and Committee provided with an update in the RRTP Annual Update on Progress report.</p> <p><b>Update October 2023</b></p> <p>Officers are currently investigating this request. If the decision is to proceed there will be financial implications. An update will be provided to</p>
---	----------	---	---	-----------------------------	------------------	--	---

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
							Committee once the process is complete.
			2) To note the impact that homelessness has on potentially vulnerable individuals with potentially limited agency such as young people under 17, care-experienced people, and individuals with disabilities outlined in the Equality Act; together with parents, guardians, and carers, and as such requests that additional data is collected under 'Support Needs' for next year's update to include 'Responsible for Dependant'.	Executive Director of Place	August 2024		<b><u>Update – December 2023</u></b> This will be included in the next report to Committee in August 2024.

			<p>3) To agree the statutory return report due to Committee in October would contain information on reasons and trends behind the increase in homelessness resulting from RSL tenancy loss and supported accommodation.</p>	<p>Executive Director of Place</p>	<p>December 2023</p>	<p><b>Recommended for closure</b></p> <p>Officers have reviewed a sample of the cases where the cause of homelessness resulted from RSL tenancy loss and supported accommodation. The review found that in the majority of cases the reason for the loss of supported accommodation was people presenting as homeless following receipt of a positive decision on their asylum case and therefore moving on from Home Office provided accommodation or accommodation provided as part of a resettlement scheme.</p>
--	--	--	---	------------------------------------	----------------------	---

						<p>For RSL tenancy loss, the review found that in a number of cases this should have been recorded as loss of PRS property. Additional training will be offered to officers to remedy this. In addition, the reasons behind RSL tenancy loss included rent arrears, antisocial behaviour and the accommodation no longer meeting the households needs.</p> <p><b>Update – December 2023</b></p> <p>An update is currently being prepared.</p> <p><b>Update October 2023</b></p> <p>Officers are continuing to</p>
--	--	--	--	--	--	---

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
							investigate this and an update will be provided to Committee in a business bulletin.
			4) To circulate the link to Scottish Government guidance on suitable accommodation.	Executive Director of Place			<b>Closed at meeting 03/10/2023</b> Link to Scottish Government guidance on the Unsuitable Accommodation Order can be found <a href="#">here</a> .



No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			5) To send information on the suitability assessments made on PSL properties by the Council before occupation.	Executive Director of Place	October 2023		<p><b>Closed 5 December 2023</b></p> <p>A briefing note on this was circulated on 2 October 2023.</p> <p><b>Update October 2023</b></p> <p>This briefing note will be circulated in advance of Committee on 03.10.2023.</p>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
8	08.08.23	<a href="#">Place Based Investment Programme allocations</a>	To agree that a call for projects to be funded in 2025/26 be issued to all councillors, supplemented by engagement on a locality basis, with the outcome brought back to Committee for a decision on 2025/26 funding	Executive Director of Place	Summer 2024		<b>Update – December 2023</b> The call for projects has gone out to ward councillors and a closing date for proposals has been set as 31 March 2024. A report to committee will follow as soon as possible thereafter
9	08.08.23	<a href="#">Fair Work, Gig Economy, and Living Hours City – progress update</a>	1) To note the initial work underway to assess the impact of living hours accreditation on Council services, and that a further report on the findings of this assessment will be available for consideration by Committee in October 2023.	Executive Director of Place	August 2024		<b>Update – December 2023</b> This work will be carried out in conjunction with actions outlined in the Edinburgh Fair Work Charter programme and reported to Committee accordingly.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			2) To note the progress towards other actions recommended by the short-life Gig Economy Task Force and that a further update on progress will be available for consideration by Committee in December 2023.	Executive Director of Place	August 2024		<p><b>Update – December 2023</b></p> <p>This work will be carried out in conjunction with actions outlined in the Edinburgh Fair Work Charter programme and reported to Committee accordingly.</p>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
10	08.08.23	Motion by Councillor Caldwell – Geographic spread of Council Housing in SHIP, Acquisitions & Disposals  (see <a href="#">Agenda</a> of 8 August 2023)	1) To request an Acquisition and Disposals update on the business bulletin, within 3 cycles which includes an updated figure of the disposals and acquisitions since the scheme's inception, broken down by ward, and how disposals in these two localities are being offset by Acquisitions in the same localities.	Executive Director of Place	27 February 2024		<b>Recommended for closure</b>  This is included in the Business Bulletin on 27 February 2024.
			2) To request an update to efforts being made to build new Council Housing in the Northeast and Southeast localities to be included in the next Strategic Housing Investment Plan Report.	Executive Director of Place	December 2023		<b>Closed 5 December 2023</b>  Update provided as part of the SHIP 24-29 report on the agenda.

11	31.08.23	<p>City of Edinburgh Council</p> <p><b>Motion by Councillor Mattos-Coelho – Employment Support for Refugees</b></p> <p>(See <a href="#">Agenda</a> of 31 August 2023)</p>	<p>1) To agree that the Housing, Homelessness and Fair Work Committee will receive a report in 3 cycles outlining the direct Council support open to asylum seekers and refugees to access employment and what scope there is for respective Council teams to identify and support refugees and asylum seekers overcome some of the likely barriers faced.</p> <p>2) To request that the report also provides a brief progress and monitoring update on the specific priority activities that were outlined on the framework to reduce digital exclusion for vulnerable</p>	Executive Director of Place	27 February 2024		<p><b>Recommended for closure</b></p> <p>A report is included in the meeting papers for Committee on 27 February 2024.</p>
----	----------	---	---	-----------------------------	------------------	--	--

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			individuals including refugees.				
12	28.09.23	City of Edinburgh Council <b>Annual Performance Report 2022/23 - referral from the Policy and Sustainability Committee</b>	Council requests that a review is undertaken of the Council apprenticeship scheme with actions being taken to meet or exceed target being reported to the Housing, Homelessness and Fair Work Committee within two cycles.	Executive Director of Place	27 February 2024		<b>Recommended for closure</b>  A report is included in the meeting papers for Committee on 27 February 2024.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
13	03.10.23	<a href="#">Retrofitting strategy – response to motion by Councillor Watt</a>	To note that a People Strategy and Strategic Workforce Plan is being developed to support recruitment, retention and development of staff and requests that - once this Plan has been completed - a note on how this interacts with the specific challenges outlined in this report is circulated to members of the Housing, Homelessness and Fair Work Committee and the Finance and Resources Committee.	Executive Director Place	Ongoing		<p><b><u>Update – December 2023</u></b></p> <p>The Council's People Strategy and Strategic Workforce Plan are currently being developed. The information requested will be prepared following completion of these plans.</p>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
14	03.10.23	<a href="#">Damp, mould and condensation in Council homes update</a>	To request that the Convener write to the UK Department of Levelling Up, Housing and Communities, as well as the Scottish Government's Local Government and Housing Directorate, to express the committee's support for a national programme for home insulation, which may assist with sustainability of the improvement plan and EESSH(2) targets going forward.	Convener			<p><b>Recommended for closure</b></p> <p>Letter issued 21 February 2023. Response will be shared on receipt.</p> <p><b>Update – December 2023</b></p> <p>This letter is currently being drafted.</p>



15	03.10.23	<a href="#">Capital City Partnership: Progress Update</a>	1) To request that the updated SLA includes an increased and renewed focus on green skills and the green economy so that the work of CCP complements the Council's climate strategy and helps to answer the workforce needs / skill gaps identified in that strategy. Additionally requests that consideration is given as to how CCP could include a workstream / programme focused on retraining workers in carbon intensive industries to transition into green jobs, in line with a just transition approach, and as a preventative	Executive Director Place	27 February 2024		<b>Recommended for closure</b> A report is included in the meeting papers for Committee on 27 February 2024.
----	----------	---	---	--------------------------	------------------	--	---

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			action against unemployment. 2) To request that these points are captured in the new SLA objectives and that officers engage with groups in the development of these ahead of the report to committee in January 2024.				

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
16	03.10.23	<a href="#">Housing Service Improvement Plan – Six-monthly Update</a>	1) To note the work ongoing relating to voids and repairs and request information about how circular economy principles are embedded in this work, either through future, routine updates / reporting in the HSIP (and the performance dashboard) or initially via a separate briefing / discussion.	Executive Director of Place	May 2024		<b>Recommended for closure</b> A meeting was arranged for Friday 9 February 2024.
	05.12.23	Rolling Actions Log	2) To request that this be followed up with Councillor Parker to be arrange a meeting in January.				<b>Update – December 2023</b> A meeting is being arranged to discuss this in January 2024.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
17	03.10.23	By Councillor Flannery - Student Homelessness Response (see <a href="#">Agenda</a> of 3 October 2023)	1) To request that the Convener write to stakeholders from the recent meeting on Student Homelessness and Housing at the City Chambers between representatives from Council, Student Union, Housing Co-Op, Slurp and the four Edinburgh Universities to agree a partnership-direction and timeframe to support communication, data access, and early interventions to mitigate homelessness potential in the student population.	Convener			<b>Closed 5 December 2023</b> Letter has been issued – response will be circulated when received.

			<p>2) To request that Officers review edinburgh.gov.uk and particularly the 'Report It' page journey to ensure adequate signposting is available to report homelessness or concerns with an HMO property.</p>	<p>Executive Director Place</p>		<p><b>Recommended for closure</b></p> <p>The Council website has been updated to link the Homelessness webpages on the 'report it' page. These pages contain <a href="#">advice on how to seek help if you are homeless or at risk of homelessness</a> and information which allows members of the public to <a href="#">get in touch with the Streetwork (Simon Community) street team</a> if they are worried about someone sleeping rough.</p> <p>An online checker for members of the public who are homeless or at risk of homelessness will be available in April</p>
--	--	--	---	---------------------------------	--	---

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
							<p>and will be accessed via the EdIndex Pages. This will allow members of the public to gain initial advice on their situation and direct them to the services who can support them. A business bulletin update on this will be provided to Committee once implemented.</p> <p>Regulatory Services are currently looking at the reporting of issues with licensed premises and will report the outcome of this to Regulatory Committee as appropriate.</p>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
18	03.10.23	By Councillor Parker - Temporary accommodation for asylum seekers and 'hotel maximisation' policy change (see <a href="#">Agenda</a> of 3 October 2023)	1) To request that the Convener and Council Leader write to the UK Government outlining opposition to the "hotel maximisation policy" and set out the challenges the local authority will face when implementing it.	Convener / Council Leader			<b>1) and 2) Closed 5 December 2023</b> Letters have been issued – responses will be circulated when received.
			2) To request that the Convener and Council Leader write to the relevant Scottish Government ministers seeking funding to mitigate the impact of the changes and raise through the appropriate channels at CoSLA.	Convener / Council Leader			

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			3) To request that the Convener takes appropriate steps to liaise with both the two hotels and relevant Council departments and seek assurance on how safeguarding and health standards are being met in asylum accommodation in light of the June 2023 UK Government policy update, and that any assurances are reported via a business bulletin update no later than 3 cycles.	Convener / Executive Director of Place	May 2024		<b>Recommended for closure</b> Letter issued 21 February 2023. Response will be shared on receipt.



No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
20	05.12.23	<a href="#">Business Bulletin</a>	To note that officers were preparing a response to the Scottish Government's consultation on Housing for Varying Needs and that this would be submitted or circulated to committee.	Executive Director of Place	27 February 2024		<b>Recommended for closure</b> This was circulated to Committee on 19.01.2024.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
21	05.12.23	<a href="#">UK Shared Prosperity Fund Update</a>	<p>1) To note that a report will be submitted to Committee in February 2024, further detailing recommendations for the spend of the reallocated funds.</p> <p>2) To agree that this additional update report will clearly outline how the projects selected for this spending deliver against the various workplans / strategies which fall under the remit of the Net Zero Edinburgh Leadership Board.</p>	Executive Director of Place	27 February 2024		<p><b>Recommended for closure</b></p> <p>A report is included in the meeting papers for Committee on 27 February 2024.</p>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			3) Officers to discuss a potential future report on the Cruise Management Strategy to the Policy and Sustainability Committee, and the issue of Gaelic signage with the Forth Bridges Partnership.				<p><b>Update – February 2024</b></p> <p>Commissioning of a Cruise Management Strategy is underway and the issue of signage will be raised with the Forth Bridges Partnership. An update on the timescale will be provided once the commission is underway.</p>

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
22	05.12.23	<a href="#">Edinburgh Fair Work Charter</a>	To request that the 'scoping and engagement' phase of the timescale includes engagement with third sector and voluntary organisations working on employment and employability for women, disabled people, Black and minority ethnic people, care leavers, unpaid carers and other marginalised groups	Executive Director of Corporate Services			<b>AC to update</b>
23	05.12.23	<a href="#">Strategic Housing Investment Plan (SHIP) 2024-29</a>	1) To call for a report within one cycle exploring the benefits and costs of increasing the size of the Empty Homes Team eg. in Glasgow there are 4 Empty Homes Officers as opposed to 1 in Edinburgh.	Executive Director of Place	27 February 2024		<b>Recommended for closure</b>  A report is included in the meeting papers for Committee on 27 February 2024, within the Empty Homes report.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			2) To request quarterly pipeline approvals and completions in table format (similar to the table in 4.1.4 Table 2 of this report) on the Business Bulletin, to allow committee to track realistic progress.		May 2024		
			3) To note the estimations on Item 2.9 of the SHIP report and requests committee receives updated impact going forward after the induction of the Short Term Let Control Area.		November / December 2024		

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			4) Officers to circulate the committee report from March 2023 which provided details of the formula for calculating the allocation of the Transfer of Management Development Fund.	Executive Director of Place		February 2024	<b>Recommended for closure</b> A link to this report was circulated to Committee members on 21.02.2024.
			5) Officers to provide a map of land available for built to rents, council housing, housing association for land that is Council-owned.		Autumn 2024		

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
24	05.12.23	<a href="#">Housing Emergency Action Plan</a>	1) To agree that the action plan should form the basis of a programme plan that will be developed and presented to the Housing, Homelessness and Fair Work Committee on the 27 February 2024.	Executive Director of Place	27 February 2024		<b>Recommended for closure</b>  A report is included in the meeting papers for Committee on 27 February 2024.

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			2) Requests the Service Director, Housing and Homelessness, continues to explore all further options to resolve the housing emergency and requests the 'cyclical updates' are present on May 2024 and August 2024 Business Bulletins respectively and the Homelessness Action Plan is annually scheduled as routine for scrutiny.		August 2024/February 2025		



No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			3) Requests the May 2024 Business Bulletin update (as above) or a 'Void Turnaround Improvement Strategy' report (as determined suitable) includes the feasibility of 're-decoration vouchers' for properties where repairs / re-decoration are the primary barrier to allowing Lets of Void properties (supporting Action Area 1.).		May 2024		

			<p>4) Requests the following action areas are appended to the draft final Housing Emergency Action Plan;</p> <ul style="list-style-type: none"> <li>• Adds Action Area 26. “Ensure there is dedicated resource to liaise across Lothian council areas, when appropriate, to develop a strategic housing partnership across the City of Edinburgh Council, Midlothian Council, East Lothian Council, and West Lothian Council.”</li> <li>• Adds Action Area 27. “Ensure parity, where legislatively possible, between Planning and Housing departments and committees, and increase opportunities for departments and</li> </ul>	Executive Director of Place	27 February 2024		<p><b>Recommended for closure</b></p> <p>A report is included in the meeting papers for Committee on 27 February 2024.</p>
--	--	--	---	-----------------------------	------------------	--	--

			<p>committees to co-ordinate to meet Housing Supply Targets in LDP 2016 and City Plan 2030 respectively.”</p> <ul style="list-style-type: none"><li>• Adds Action Area 28. “Guarantee action areas 1., 14., 16., 17. and 18. prioritise the dignity and wellbeing of residents above all quotas, targets and figures, and recognises the critical work officers currently do to ensure these values are upheld in all transactions.”</li></ul> <p>5) Requests the final action plan is broken down by practical steps that can be taken now and aspirational actions that require substantial additional capital.</p>				
--	--	--	---	--	--	--	--

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			6) Looks forward to engaging with officers and relevant stakeholders, including those with lived experience of the impact of the housing emergency, to develop the plan	Executive Director of Place	27 February 2024		<b>Recommended for closure</b>  A report is included in the meeting papers for Committee on 27 February 2024.
25	05.12.23	<a href="#">Strategy for purchasing land and homes to meet affordable housing need</a>	To agree to receive an update report within three cycles on the feasibility of using CPO powers to bring long-term empty homes back into use and retaining those which align with the council's asset management strategy and disposing of those which do not.	Executive Director of Place	August 2024		
26	05.12.23	<a href="#">Waste and Cleansing Services on Housing Land</a>	Officers to circulate more details in relation to the CoPLAR zoning map, with an explanation of the colour key.	Executive Director of Place			

27	05.12.23	<a href="#">Tenant Participation and Community Engagement 2024/27</a>	<p>1) To recognise that funding to support tenant participation and community engagement is of vital importance.</p> <p>2) To note that Councillors have been asked to agree spending of over £550k of public money without:</p> <p>a) oversight of the SLA which governs the contract;</p> <p>b) a RAG status update (or similar) against the KPIs contained within the SLA;</p> <p>c) explanation of how the proposed spend delivers value for money in the context of other local authorities delivering a similar service differently and at lower cost.</p> <p>3) To consider that for Councillors to approve spending without this</p>	Executive Director of Place	April 2024		
----	----------	---	--	-----------------------------	------------	--	--

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			<p>information falls short of the level of scrutiny the public expect from Elected Members and is poor governance.</p> <p>4)To request that officers engage with political groups to share the above in advance of the next tranche of funding being awarded to ETF.</p>				
28	05.12.23	<a href="#">Affordable Housing Commuted Sums – referral from the Planning Committee</a>	Given the Housing Emergency and need to develop an Emergency Action Plan, agrees that this Committee will receive a briefing note on this subject as soon as possible.	Executive Director of Place	Summer 2024		

29	05.12.23	<p><b>Motion by Councillor Caldwell - EdIndex during the Housing Emergency</b></p> <p>(See <a href="#">Agenda</a> of 5 December 2023)</p>	<p>Requests:</p> <ol style="list-style-type: none"> <li>1. A report in three cycles which outlines:             <ol style="list-style-type: none"> <li>a) Key statistics from EdIndex over FY 23/24, including:                 <ol style="list-style-type: none"> <li>a. number of applicants registered on EdIndex.</li> <li>b. total number of successful and unsuccessful bids in the FY.</li> <li>c. average number of days applicants on different priority tiers.</li> </ol> </li> <li>b) A full list of partner organisations who are associated with EdIndex and the benefits that EdIndex partners, including the Council, receive.</li> <li>c) What alternative systems</li> </ol> </li> </ol>	Executive Director of Place	August 2024		
----	----------	---	---	-----------------------------	-------------	--	--

			<p>comparable local authorities use.</p> <p>d) A general summation of feedback from applicants over the last year and any relevant mechanisms/proposals to collect feedback from unsuccessful and successful applicants and third sector partners, as well as any proposals to maximise social equity in the system in the context of the Housing Emergency.</p> <p>2. The information requested in 4. a, b, and c is appended to the annual 'Edinburgh in Numbers' report to ensure transparent public monitoring during</p>				
--	--	--	---	--	--	--	--



			<p>the Housing Emergency.</p> <p>3. Prior to the publication of the above report, a meeting between any elected members, relevant Place Directorate officers and EdIndex Board members (who wish to participate) is arranged to better understand the successes and challenges around EdIndex in the context of Edinburgh's wider Housing Emergency declaration.</p> <p>4. To request that this report also covers detail on what resourcing could be put in place to trial a programme of application support – for example, via scheduled drop in sessions in</p>				
--	--	--	---	--	--	--	--

No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			<p>libraries, community centres, or over the phone – with oversight of this programme given to the HART team, who already work closely with disabled applicants or those with additional support needs, to ensure consistency in support for applicants from the point of application through to offer and post-offer support / tenancy sustainment, recognising that this is an important tenet of trauma informed working.</p>				

30	05.12.23	<p><b>Motion by Councillor Hyslop - Discretionary Housing Payments</b> (See <a href="#">Agenda</a> of 5 December 2023)</p>	<ol style="list-style-type: none"> <li>1) Requests a report to HHFW Committee within 2 cycles with an update to committee which outlines the potential for an increase in homelessness and associated costs to the council if DHP's are withdrawn as set out in the briefing note.</li> <li>2) Requests this report seeks input from the Accessible Housing Sounding Board.</li> <li>3) Request that this report also includes an outline of funds in addition to DHP whose general objectives are to prevent homelessness / support tenancy sustainment, outline the</li> </ol>		14 May 2024		
----	----------	--	--	--	-------------	--	--


No	Date	Report Title	Action	Action Owner	Expected completion date	Actual completion date	Comments
			<p>nuances of the policy intentions behind each of these funds, the different criteria attached to them (for example, which funds are eligible for benefit recipients vs non benefit recipients) and the funding streams for them, all with a view to setting out if there are additional considerations which ought to be made when reviewing funding needs for DHP going forward.</p>				

# Business Bulletin

## Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

# Housing, Homelessness and Fair Work Committee

Convener:	Members:	Contact:
<p>Convener: Councillor Jane Meagher</p> 	<p>Councillor Graeme Bruce Councillor Jack Caldwell Councillor Stuart Dobbin Councillor Pauline Flannery Councillor Euan Hyslop Councillor David Key Councillor Ben Parker Councillor Tim Pogson Councillor Susan Rae Councillor Iain Whyte</p>	<p>Jamie Macrae Committee Officer 0131 553 8242</p>

**Accessible Housing Update**

The Council submitted a response to the Scottish Government consultation on enhancing the accessibility, adaptability and usability of Scotland's homes (response circulated to Committee members). The consultation focused on proposed changes to Part 1 of Housing for Varying Needs guidance, which will inform Scottish Government proposals for a new accessible housing standard across tenures (which could be introduced from 2025/26). The aim is to mainstream a higher standard of accessibility and adaptability across new homes through changes to building standards and guidance. The response submitted supports the increase in the accessibility measures proposed but noted that some of the proposals will increase the cost of the delivery of affordable housing in a time where viability is already exceptionally challenging. Work done to inform the response suggests that the additional cost to implement the proposals could be £5,955 for a General Needs two-bedroom, four-person flat and £13,543 for a Wheelchair home of this size.

At the last meeting of the Accessible Housing Sounding Board there was further discussion on the draft section on Mixed Communities in the Edinburgh Design Guidance update. The purpose of the guidance is to interpret policies of the development plan. It is currently under review to take account of National Planning Framework 4 (NPF4) which was published in February 2023. Key principles in the guidance focus on provision of a mix of homes for a range of household sizes and needs including those of families, older people and people with particular needs and inclusive, accessible and adaptable homes.

It was also agreed that a meeting would be set up between Registered Social Landlord partners and Health and Social Care colleagues to provide an opportunity to share information on key areas of work.

**Contact:** [Gillian Donohoe](#),  
Senior Housing Development  
Officer

**Acquisitions and Disposals Update**

Since the implementation of the Acquisitions and Disposals programme, and to the end of December 2023, 315 homes have been purchased and 170 homes have been sold. This has led to 79 blocks becoming fully Council owned, 231 blocks where the Council has consolidated its majority ownership and 127 blocks in which the Council has fully divested its interest.

89 homes have been purchased in the Dumbryden/Murrayburn/Hailesland area which has supported the delivery of the Mixed Tenure Improvement Service pilot. Additionally, 172 owners who were planning to sell their home on the open market have chosen to sell to the Council directly. This has enabled block consolidation to progress more quickly.

The final quarter of 2023 saw Edinburgh house prices declining by 4% year-on-year with the average property achieving 102% of home report value. This has had a negative effect of Council sales with lower and sometimes under home report value offers being made. But on the flip side, purchases have been secured at a similar level. The Council also benefits from a lot of direct purchases from owners which means not having to compete on the market.

However, some buyers have been forced to pull out of purchases due to the withdrawal of mortgage offers, increased interest rate charges and the general uncertainty in the market. On acquisitions, due to the volatility of the market, sellers have been accepting early offers in order to secure sales. In some instances, this has meant that the Council has missed out on purchases. Although the market is expected to continue in a similar way into 2024, with the freezing and potential fall in interest rates, it should become more stable.

**Contact:** [Lisa Mallon](#), Housing Manager



**Acquisitions and Disposals by year**

Year	Acquisitions	Disposals	Net increase
2015-2016	10	6	4
2016-2017	16	10	6
2017-2018	19	10	9
2018-2019	17	13	4
2019-2020	38	17	21
2020-2021	32	18	14
2021-2022	42	33	9
2022-2023	75	28	47
2023-2024	66	35	31
<b>Total</b>	<b>315</b>	<b>170</b>	<b>145</b>

**Acquisitions and Disposals per locality**

Locality	Acquisitions	Disposals	Net increase
North-East	52	26	26
North-West	46	51	-5
South-East	42	47	-5
South-West	175	46	129

**Acquisitions and Disposals by ward**

Ward	Acquisitions	Disposals	Net increase
Almond	9	2	7
City Centre	8	19	-11
Colinton/ Fairmilehead	26	8	18
Corstorphine/ Murrayfield	1	6	-5
Craigtinny/ Duddingston	32	7	25
Drum Brae/Gyle	4	3	1
Forth	28	19	9
Fountainbridge/	1	9	-8

## Recent News

## Background

Craiglockhart			
Inverleith	4	22	-18
Leith	6	9	-3
Leith Walk	0	6	-6
Liberton/Gilmerton	31	11	20
Morningside	0	3	-3
Pentland Hills	118	4	114
Portobello/ Craigmillar	13	4	9
Sighthill/Gorgie	31	24	7
Southside/ Newington	3	14	-11

### Local Housing Strategy for Edinburgh 2025-30

Work is underway to develop an updated Local Housing Strategy (LHS) in 2024/25. It is a statutory requirement for Local Authorities to produce a Local Housing Strategy around every five years, setting out the strategy, priorities and plans for the delivery of housing and related services. The strategy will support and link to other strategic plans including the Strategic Housing Investment Plan (SHIP) and the Housing Emergency Action Plan.

Creating the LHS provides the opportunity to set out the vision for the next five years, to plan for current and future demand, identify priorities and monitor progress, supported by an outcome action plan.

It is essential the LHS is developed in consultation with residents, stakeholders and partner organisations in order to gather a wide range of views to help shape the strategy. A submission will be made to the Consultation Advisory Panel with draft consultation and engagement plans.

Initial research and planning started at the end of 2023. Engagement activities with colleagues, external stakeholder organisations and tenants and residents will take place throughout 2024. Online public surveys are planned for the Spring to gather early views on areas for

**Contact:** [Lisa Mallon](#), Housing Manager

Recent News	Background
<p>prioritisation and in the autumn for review of the draft strategy.</p> <p>Councillors will be invited to feed into and help shape the strategy through Committee workshops/ briefings and will be kept updated through business-bulletins and committee reports.</p>	
<p><b><u>Get Me Home Safely</u></b></p> <p>Regulatory Committee noted the Get Me Home Safely motion and that the Licensing Board was looking at the issue of ‘Get me home safely’ as part of the consultation on the Licensing Board’s statement of policy.</p> <p>This consultation concluded in November 2023 and on 27 November 2023 the Board agreed a new statement of licensing policy.</p> <p>Having considered the consultation responses and advice on the relevant legislation, including the limits of the Board’s powers to regulate matters beyond the sale of alcohol, the Board agreed to add the following paragraph into the policy.</p> <p><i>The Statement of Licensing Policy, at paragraph 17.9 (“Issues to be considered”): <b>whether customers and staff have adequate access to public transport when arriving at and leaving the premises, especially at night – this is something the Board received detailed representations on as part of its consultation.</b></i></p> <p>The Board is therefore encouraging this as good practice whilst recognising that determining a licence based on this is likely to be beyond the Board’s powers to regulate the sale of alcohol.</p>	<p><b>Contact:</b> <a href="#">Andrew Mitchell</a>, Head of Regulatory Services</p>
<p><b>Regeneration Capital Grant Fund/Vacant and Derelict Land Investment Programme</b></p> <p>As advised on 5 December 2023, the Council made six bids to the Regeneration Capital Grant Fund (RCGF) and five bids to the Vacant and Derelict Land Investment Programme (VDLIP) for 2024/25. The RCGF and VDLIP are capital grant funds operated by the Scottish Government. The RCGF provides grants for “locally</p>	<p><b>Contact:</b> <a href="#">Kyle Drummond</a>, Programme Development Officer</p> <p><b>Wards Affected:</b></p> <p>4 – Forth 12 – Leith Walk 17 – Portobello/Craigmillar</p>

developed, place-based regeneration projects that involve local communities, helping to tackle inequalities and deliver inclusive growth in deprived, disadvantaged and fragile remote communities”, while the VDLIP provides grants to “transform long-term vacant and derelict sites”. The Council bids into both funds on an annual basis for support with relevant projects.

In September 2023, the Council was advised that the following bids were successful at stage one:

*Regeneration Capital Grant Fund*

- Granton Lighthouse; and
- Spartans Education and Work Building.

*Vacant and Derelict Land Investment Programme*

- Granton Waterfront Regeneration, Phase 1; and
- Powderhall Housing-Led Regeneration.

The Council subsequently made stage two bids for the above four projects. Final decisions on the bids were expected in early 2024.

In December 2023, the Council was notified by the Scottish Government that the RCGF and VDLIP had been paused. As a result, officers do not anticipate any awards being made for 2024/25.

A watching brief will be maintained on the future of the RCGF and VDLIP, and other funding avenues to support the above projects will be investigated.

**Draft Climate Ready Edinburgh Plan 2024-2030 for consultation**

The Council’s Policy and Sustainability Committee approved the draft Climate Ready Edinburgh Plan for consultation on 15 December 2023. The Plan details how the city must adapt to deal with the shocks and stresses caused by climate change, and includes actions on future proofing Edinburgh’s development, adapting Edinburgh’s social housing stock, tackling flooding and overheating of buildings and surrounding environment and providing greener, better places to live.

The Council declared a Climate Emergency in 2019 and a Nature Emergency in 2023. A key ambition of

**Contact:**

[climatechange@edinburgh.gov.uk](mailto:climatechange@edinburgh.gov.uk)

**Wards Affected:** All

## Recent News

## Background

Edinburgh's 2030 Climate Strategy was the development of the Climate Ready Edinburgh Plan to continue the process of adapting the city to the impacts of climate change. The Edinburgh Adapts Partnership has led this work on behalf of the city.

The draft Plan has 8 priority themes:

- Planning and the built environment
- Water management and resilience
- Coastal adaptation
- Sustainable transport
- Safeguarding and enhancing our natural environment
- Strong, healthy community and economy
- Building understanding of climate risk
- Governance and risk

A 12-week citywide public consultation on the draft Climate Ready Edinburgh Plan 2023-2030 is underway. During this consultation, a number of engagement exercises will be held, including workshops targeting the city's public, private and third sectors and internal partner workshops to ensure that the actions in the plan assigned to them are correct and align with their organisational priorities.

A final version of the plan will be presented to Policy and Sustainability Committee for approval following the consultation period. The consultation launched on 15 January and responses can be submitted using the following link: [www.edinburgh.gov.uk/climateadapt](http://www.edinburgh.gov.uk/climateadapt) or using the below QR code.



### Supporting Tenant Participation

On 5 December 2023, Committee considered a [report](#) on Tenant Participation and Community Engagement 2024/27. Committee requested that officers engage

**Contact:** [George Norval](#),  
Housing Operations Manager

**Wards Affected:** All

## Recent News

## Background

with political groups to share information on tenant participation and engagement activity in advance of the next tranche of funding being awarded to Edinburgh Tenants Federation (ETF).

At the request of Committee, attached to this Business Bulletin are a previous report on Tenant Participation and Engagement, together with the current Service Level Agreement with ETF (including progress update).

In advance of the next tranche of funding being released, officers will continue to engage with Elected Members on this.

# Housing, Homelessness and Fair Work Committee

10.00am, Monday, 20 January 2020

## Tenant Participation and Community Engagement

Executive/routine	Executive
Wards	All
Council Commitments	<a href="#">1,2,41,44</a>

### 1. Recommendations

---

- 1.1 It is recommended that the Housing, Homelessness and Fair Work Committee:
- 1.1.1 approves the new Tenant Participation Strategy 2020/2023; and
  - 1.1.2 agrees to fund Edinburgh Tenants' Federation (ETF) for a further two years, on a maximum standstill budget of £241,083 per annum, subject to ongoing review and progress against the delivery of key outputs, outcomes and improvement actions.

#### Paul Lawrence

Executive Director of Place

Contact: Elaine Scott, Housing Services Manager

E-mail: [elaine.scott@edinburgh.gov.uk](mailto:elaine.scott@edinburgh.gov.uk) | Tel: 0131 529 2277



## Tenant Participation and Community Engagement

### 2. Executive Summary

---

- 2.1 This report seeks approval of an updated Tenant Participation Strategy (TPS) and summarises improvements made by ETF to strengthen the service and participation role they provide, through a Service Level Agreement (SLA) currently funded until 31 March 2020, that supports the delivery of the TPS objectives.
- 2.2 The report seeks agreement for ETF to be funded for a further two years from 1 April 2020 to 31 March 2022, subject to ongoing review and progress against the delivery of key outputs, outcomes and improvement actions. These will be set out in the SLA and will be monitored and reviewed on a six-monthly basis.
- 2.3 The report also notes that work is underway to finalise the continued approach to funding of the Neighbourhood Alliance (NA) to support regeneration and place making in the North East Locality. Any future funding proposal will be reported to Committee for approval.

### 3. Background

---

- 3.1 The [Housing \(Scotland\) Act 2001](#) requires social landlords to 'consult tenants on proposals that affect them and take account of their views'. Tenant groups can register with their landlord to strengthen their rights to information and to take part. All social landlords must also have a TPS which sets out the support and actions to enable tenants to participate.
- 3.2 The [Scottish Social Housing Charter](#) requires social landlords to ensure that 'tenants and other customers find it easy to participate in and influence their landlord's decisions at a level they feel comfortable with'. Participation is distinct from but complements other consultation and engagement with tenants through activities such as focus groups and surveys.
- 3.3 The [Scottish Housing Regulator](#) monitors tenant participation, emphasising the importance of tenants and social landlords scrutinising services together to improve performance and ensure value for money. This now also forms part of the Annual Assurance Statement for the Housing Service. The first statement for the service was agreed by Committee on [31 October 2019](#).



- 3.4 The [Community Empowerment \(Scotland\) Act 2015](#) aims to ensure that all citizens can get involved and help make important decisions; it sets out community planning arrangements and how people can request to participate.
- 3.5 On [30 August 2018](#), the Housing and Economy Committee agreed to extend funding for ETF to 31 March 2020 subject to performance improvement milestones in the revised SLA being met. Since then work has been ongoing to improve monitoring and evaluation processes in respect of both organisations to ensure the delivery of key initiatives, which are measured against progress on short term outputs and longer-term outcomes that support and strengthen tenant participation and community engagement across the city.
- 3.6 The ETF SLA has been jointly developed with ETF and agreed with them. The actions describe expected key outputs and the long-term outcomes sought and make clear ETF's responsibilities and the expected timescales for these to be progressed. Some actions are joint and/or need to be agreed and progressed with the Council.

## 4. Main report

---

- 4.1 All social landlords must have a TPS setting out support and actions to enable tenants to participate in the delivery and development of the Housing Service. The TPS has been updated for the period 2020/23. It has been developed with tenants and builds on previous strategies, achievements and activities. A copy is provided in Appendix 1.
- 4.2 Consultation on the strategy has confirmed that tenants want the Housing Service to continue to ensure that tenants' views are taken on board to help shape and improve housing conditions and services, with increased transparency and accountability to tenants and greater tenant influence. They want to ensure that tenants really know the different ways they can become involved; can take part and influence decisions if they want to; have the support and resources they need to take part and can help to develop quality services. An Integrated Impact Assessment (IIA) is being completed and this will inform the iterative Action Plan.
- 4.3 The draft TPS 2020/23 is recommended for approval by Committee. The actions and outcomes set out in the ETF SLA will assist with meeting the objectives of the TPS. It will also support the delivery of the Housing Service Improvement Plan.

### **Edinburgh Tenants Federation**

- 4.4 ETF plays an important role in representing tenants and supporting local residents and Registered Tenants' Organisations (RTOs) to participate and influence decisions. The ETF SLA 2019/20 focuses on supporting the delivery of the agreed TP Strategy outcomes referred to at 4.2. It sets out specific tenant participation initiatives and measures, key improvement actions to support and strengthen ETF, a timetable and performance dashboard and it also includes the standard Council terms and conditions.

- 4.5 As reported to the Housing and Economy Committee on [30 August 2018](#), the improvement actions were agreed to strengthen ETF's capacity to deliver the defined outputs and outcomes set out in the SLA and to ensure a more constructive working relationship that reflects wider tenants' views. Communication protocols are now in place, including a requirement for ETF to clarify the scope of any representations made to the Council by them on behalf of tenants.
- 4.6 As a voluntary member organisation, ETF have faced some challenges due to gaps in staff support. To address this, ETF proactively put in place some assistance for the organisation through the Tenants' Information Service (TIS) within their existing funding. The work TIS have been involved in includes help with managing some employer/employee matters; looking at approaches to long-term staff management requirements; finalising the move for the organisation from being an unincorporated voluntary body to becoming a Scottish Charitable Incorporated Organisation (SCIO) and ongoing work to review the organisation's governance and learning requirements. This work is supporting areas of improvement that were set out as a requirement of the current SLA.
- 4.7 TIS have initially been assisting ETF with early work to consider a long-term approach for staff management and support within the organisation to reduce the volunteer members direct responsibilities for employing and managing staff. Council officers have been involved as appropriate in these discussions and have emphasised the benefits of increasing capacity for the volunteers on the management committee to focus on delivery of the SLA requirements and to lead the day to day work of the organisation.
- 4.8 With TIS's assistance, the move to a SCIO was finalised at the ETF Annual General Meeting on Friday, 13 September 2019 and ETF are now formally recognised and operating as a SCIO with all the required standards met. Operating as a SCIO provides limited liability and a separate legal identity to organisations that want to become charities but do not want or need the complex structure of company law.
- 4.9 ETF have also arranged for TIS to review their governance and learning requirements with a focus on executive committee recruitment and training for existing and new members to ensure that they understand ETF's core policies and codes of practice, as well as their role/relationship with others, within and outwith the organisation. This will help ETF to affirm their strategic direction and to guide and direct the activities of the organisation as instructed by their wider membership. Capacity building in terms of the whole organisation is also being emphasised.
- 4.10 The Tenant and Resident Services Operations Manager meets with ETF representatives on a regular basis to ensure there is clear communication and joint understanding on the work programme set by the ETF membership, and its relationship to the requirements of the ETF SLA, which has been agreed with the housing service. A joint review of the 2018/19 SLA, as set out in the [30 August 2018](#) report to Housing and Economy Committee, was completed by 31 May 2019; a mid-point review of the 2019/20 SLA has also been completed. The outputs of these reviews, which capture the range of activity carried out by ETF, have been shared with senior managers at the bi-monthly meetings with ETF.

- 4.11 The existing 2019/20 SLA includes specific tenant participation initiatives and measures to ensure the requirements of the SLA are being met; these are being considered as part of the work on the governance and potential areas for development that TIS are providing to the organisation and these will be captured and agreed with ETF as part of the annual SLA for 2020/21 onwards.
- 4.12 Agreeing to fund ETF for a further two years will enable a period of stability for the organisation to continue to deliver on the improvement actions and progress their work with TIS within the context of work ongoing on the Housing Service Improvement Plan, which recognises the importance of ongoing dialogue with tenants to ensure they are involved in shaping improvements and influencing decisions being taken on services. A separate report to this Committee on the 'Housing Service Improvement Plan: Update' provides more information on the programme of improvements.
- 4.13 Work is being progressed on options for alternative professional development support for the operation of ETF, covering staff and management of their governance requirements. Any model would maintain independence for the organisation, which is important for tenant members. This type of model would enable ETF to operate within their existing governance arrangements but provide resources to ensure ongoing access to professional development support and best practice in tenant participation.

### **Neighbourhood Alliance**

- 4.14 The NA provides support for local regeneration and place making in the North East Locality. Similarly, to ETF, this small voluntary organisation has had reduced staff capacity. Work is underway with the organisation to get assurance around continued capacity and the governance arrangements for the management Committee. The SLA objectives are also being refocused to ensure effective support for local regeneration and place making in the North East Locality as this moves forward. Once this work has been completed any proposal for future funding will be reported to this Committee for approval.
- 4.15 On 2 April 2019, the Edinburgh Partnership agreed a new governance framework, which included establishing 13 new Neighbourhood Networks. The Neighbourhood Networks will play a key role in community planning processes and, through their new remit and membership, provide a way of increasing community influence and involvement across the city. Membership includes community councils and other community groups in the area, such as residents' organisations and parent councils, as well as councillors and voluntary groups. Any future support provided to the NA will need to align with the locality-based model as work goes forward.

## **5. Next Steps**

---

- 5.1 The ETF SLA to 31 March 2022 will be finalised in discussion with ETF. Six-monthly monitoring meetings and evaluation of the delivery of key initiatives will continue, assessed jointly by ETF and the Housing Service against agreed short

term outputs and long-term outcome measures. A funding extension is being recommended for a period of up to two years to 31 March 2022. The funding will be transferred in six monthly blocks and subject to delivery against the SLA objectives and the areas of improvement continuing to be taken forward by the organisation. The ETF SLA will also support the delivery of the new TPS 2020-23.

## **6. Financial impact**

---

- 6.1 In 2017/18, the Council spent £ £1,400,063, or £72.64 per property, on resident involvement, inclusive of grant funding for RTOs, ETF and NA spend. This calculation includes the costs for Council staff time on tenant engagement, operational costs and overheads, e.g. ICT, finance and premises.
- 6.2 The cost to the HRA of extending ETF funding from 1 April 2020 to 31 March 2022 would be £482,166. Tenant participation and engagement spend is included within the HRA Business Plan. Payments will be released in six-monthly blocks with ETF required to provide thorough six-monthly reports on spend and annual accounts for review.
- 6.3 This work is contributing to ensuring best value for tenants by ensuring that tenants' views inform the Council's approach to delivering services and investing in homes.

## **7. Stakeholder/Community Impact**

---

- 7.1 This report has been informed by previous discussions with stakeholders and the services involved, as well as consultation on the TPS 2020/23, to ensure that the approach taken by the organisations through these SLAs supports the implementation of the new TPS.
- 7.2 The second stage of the TPS consultation closed on Friday 10 January 2020. Feedback has been analysed and the draft document finalised to take account of feedback received. An IIA is being completed to inform the Action Plan, which will be reviewed regularly, as well as the future ETF work programme, identifying actions required to encourage wider involvement. Previous concerns about under-representation of some residents in tenant participation and engagement processes led to ETF contacting tenants living on the Gypsy/Traveller Site and work to explore support setting up a residents' association on site.
- 7.3 There are no adverse environmental implications arising from this report. Work is ongoing to support more tenants and other residents to engage actively in the development of policies and practices that support sustainable living, e.g., community gardens.

## **8. Background reading/external references**

---

- 8.1 Housing and Economy Committee on [30 August 2018](#), Tenant and Customer Engagement.

**9. Appendices**

---

9.1 Appendix 1 - City of Edinburgh Council Tenant Participation Strategy 2020/23.

# Appendix 1 -Draft Tenant Participation Strategy 2020-2023

## Involving You



## Introduction

Welcome to the draft City of Edinburgh Council Tenant Participation Strategy, which will cover the period 2020-2023. It's been developed with tenants and builds on previous strategies, achievements and activities.

The Strategy is part of our commitment to listening to local people and working together with local communities. It also supports the Edinburgh Partnership's role to improve wellbeing and secure high quality public services for the city; the Tenant Participation Strategy will develop to fit with the city's new local community planning arrangements, including the neighbourhood networks.

## Context

The [Housing \(Scotland\) Act 2001](#) requires social landlords to "consult tenants on proposals that affect them, and take account of their views". Tenants' groups can register with their landlord to strengthen their rights to information and to take part.

The [Scottish Social Housing Charter](#) requires social landlords to ensure that "tenants and other customers find it easy to participate in and influence their landlord's decisions at a level they feel comfortable with".

The [Scottish Housing Regulator](#) checks tenant participation, emphasising the importance of tenants and social landlords scrutinising services together to improve performance and ensure value for money.

The [Community Empowerment \(Scotland\) Act 2015](#) aims to ensure that everyone can get involved and help make important decisions; it sets out community planning arrangements and how people can request to participate.

The new Strategy will meet [equalities legislation](#) and an Impact Assessment will be carried out and findings included before the Strategy is finalised.

The new Strategy will comply with the [General Data Protection Regulation \(GDPR\)](#).

## The results you and we want to achieve

Housing is important to people and their quality of life. It's essential that we understand tenants' views to help to shape and improve housing conditions and services. We want to make sure that tenants really:

- know the different ways they can become involved
- can take part and influence decisions if they want to
- have the support and resources they need to take part
- can help to develop quality services.

Tenants developed these outcomes and a recent survey confirmed that they want us to continue to aim for these results - with increased transparency and accountability to tenants and greater tenant influence.

## Keeping you informed

We will keep you informed and updated in a range of ways, including:

- the Tenants' Courier delivered to every tenant at least twice each year
- the Tenant Handbook provided to all new tenants, on request and online
- a landlord performance report made available to all tenants every year
- providing a copy of the annual Assurance Statement as required by the Scottish Housing Regulator
- a newsletter provided to the Tenant Panel and Registered Tenants' Organisations (RTOs) at least three times each year.

## Gathering your views

We will consult with you on any changes to housing management related policies and procedures, including:

- your rent
- repairs and maintenance
- allocations
- estate and tenancy management
- the Tenant Participation Strategy
- improvements to your homes and environment
- housing strategy, including new build council housing.

We will provide plain language information in a range of formats, at an early stage, to enable tenants to understand any proposals.

We will allow at least six weeks for feedback.

The findings will be reported to tenants on the Tenant Panel and RTOs, as well as senior managers and the relevant Council committee as appropriate.

## Ways you can be involved

You can become involved in different ways, for example:

- Tenant Panel
- tenants' groups
- Edinburgh Tenants' Federation (ETF)
- events and meetings
- surveys and consultations
- online
- community council
- neighbourhood networks



To find out more, please call 0131 529 7805 or email [tenant.panel@edinburgh.gov.uk](mailto:tenant.panel@edinburgh.gov.uk)



## Resources

The Council will provide direct and indirect funding to support tenant participation, ensuring a value for money approach. This will include help from council officers as well as independent support. It will also include financial support for City of Edinburgh Council tenant groups.

## Key areas of work

Key areas of work over the term of this new Tenant Participation Strategy will be:

- making it easier for all tenants to become involved and ensuring that tenants are updated on actions taken because of tenant feedback;
- an increased focus on ways for tenants to become involved locally;
- continuing to develop and strengthen tenant scrutiny of services;
- bringing the benefits of the internet to all tenants while continuing to provide traditional methods of contact for those who are not online;
- developing and delivering the tenant grants programme with tenants;
- clarifying and developing the role of the Tenants' Panel, and
- continuing to work with RTOs, ETF and the Neighbourhood Alliance (NA). (The NA focuses on locality-based place making and regeneration in Craigmillar and Portobello).

## Performance monitoring and evaluation

Progress will be measured by monitoring and evaluating:

- tenants' understanding of the ways they can take part and influence decisions;
- the support and resources provided for tenants to take part, and
- tenant satisfaction with services provided.

An annual report will be produced to show how tenants' views have been taken in to account when decisions are being taken about their homes and services.

## Registering as a Registered Tenants Organisation

Groups representing City of Edinburgh Council tenants will be invited to register. Each registration lasts three years and groups' contact details are publicised in the Register of RTOs. The Register is a public document and available online at [www.edinburgh.gov.uk/tenantpanel](http://www.edinburgh.gov.uk/tenantpanel) The Council will support non-registered groups.

## Edinburgh Tenants Federation

Edinburgh Tenants Federation (ETF) represents tenants and residents across the city. ETF is a membership-based organisation run by and for its members. It can help you to set up a group. Contacts: 0131 475 2509, [info@edinburghtenants.org.uk](mailto:info@edinburghtenants.org.uk),

## Key Actions

	<b>Action</b>	<b>Timescale</b>	<b>Measure</b>
Working locally	A conversation with your Housing Officer (HO)	At least once each year	% of tenants offered the option
	Options to be involved locally promoted by HOs, including in the Neighbourhood Networks.	At least twice yearly	Increased awareness of option
	Locality housing roadshows organised with tenants	At least twice yearly	Post event evaluation
	List of RTOs maintained and HOs made aware of groups active in their areas	Ongoing	Tenant Satisfaction Survey
	HOs provided with information on tenant participation and attending tenant group meetings	Ongoing	Feedback from RTOs
	Tenants and tenant groups encouraged to submit suggestions for the Neighbourhood Environment Programme (NEP)	Variable	Increased awareness and involvement
Scrutinising services	Continued support for tenant led inspections. Findings reported to tenants, councillors, and managers in appropriate formats.	Annual inspection	Completed report
	Continued support for the Housing Revenue Account (HRA) Scrutiny Group	Annual check HRA.	Completed report
	Estate walkabouts organised and promoted locally with feedback provided to participants	Variable	Tenant Satisfaction Survey
	Mystery shopping considered as an approach to checking services	Tbc	Tbc
	Training in place for tenants inspecting and scrutinising services	Annually	Evidence of training
	Tenant Scrutiny Framework updated to align the different approaches.	Year One	Framework
Working digitally	<b>Action</b>	<b>Timescale</b>	<b>Measure</b>
	Resources to help tenants get on line explored	Ongoing	Increased use
	Tenants updated on progress via the Tenants' Courier	Annually	Update produced
Resources	Approach to managing funding for tenants' groups reviewed in discussion with tenants	Year One	Report produced
	Participatory budgeting explored as an approach in discussion with tenants.	Year One	Report produced

Tenant Panel	Role of the Tenant Panel reviewed	Year one	Report produced
	Tenant Panel promoted	Ongoing	Promotion examples
	Tenant Panel provided with regular feedback	Ongoing	Feedback
RTOs	RTO register maintained	Ongoing	List of RTOs
	RTOs encouraged and supported to take part, locally and city wide	Ongoing	Feedback from RTOs
	Continued work with ETF to shape and improve services	Ongoing	SLA
Equalities	Explore ways to better involve and communicate with tenants with disabilities	Year one	Report produced

Involvement is an overall term used to describe citizen engagement at any level

Information is the basis of good communication and strengthening Council-tenant relationships

Consultation is seeking customers' views and ideas, taking account of those views and providing feedback

Participation is when tenants actively engage in decision-making from planning through to implementation



Call ITS on 0131 242 8181 and quote reference **19-5480**

# Supporting Tenant Participation 2023-24

On 20 January 2022, the Housing, Homelessness and Fair Work Committee agreed that funding for Edinburgh Tenants Federation (ETF) would be extended to 31 March 2024 subject to performance improvement milestones continuing to be met.

The City of Edinburgh Council (CEC) provided ETF with £241,083 for the financial year 2022/23 and will provide a further £241,083 in 2023/24 to provide services to support tenant participation citywide. Six monthly progress reviews will be required.

Specific tenant participation initiatives and measures for 2023/24 are set out in **Table A**.

Key actions to continue to support and strengthen ETF to move forward effectively are set out in **Table B**. Accountability for the delivery of the tenant participation initiatives and key actions will be monitored at quarterly meetings between ETF and CEC senior managers. A timetable and performance dashboard will assist with this work See **Table C**.

The Service Level Agreement (SLA) terms and conditions are set out in **Part D** of this document.

This suite of documents set out the services that will be provided by ETF to support the implementation of the CEC Tenant Participation Strategy as well as ongoing initiatives to strengthen ETF effectiveness and governance. CEC recognises ETF's role in representing the views of its members.

ETF will support the delivery of the four key outcomes set out in the Tenant Participation Strategy 2020-2023 to ensure that tenants really:

- i) **Outcome 1** - know the different ways they can become involved
- ii) **Outcome 2** – can take part and influence decisions if they want to
- iii) **Outcome 3** - have the support and resources they need to take part
- iv) **Outcome 4** – can help to develop quality services.

The main recipients of this service will be CEC tenants. ETF's services can also be made available to tenants of other registered social landlords, private tenants and owner occupiers in mixed tenure areas as resources allow.

**Table A** Initiatives and measures to support the delivery of the 2023/24 SLA outcomes and the Tenant Participation Strategy 2020/23

<b>Initiative</b>	<b>Key output measures</b>	<b>Long-term outcome measures</b>
Engage with and support the Council to develop a new Tenant Participation 2024-27, including an Integrated Impact Assessment (IIA).	<ul style="list-style-type: none"> <li>- Input into consultation place and process to gather tenants' views.</li> <li>- Promote consultation with tenants and ETF members.</li> <li>- Evidence that ETF are involved in informing the IIA and supporting any relevant actions identified.</li> </ul>	Tenants are satisfied with the opportunities given to them to take part in their landlord's decision-making processes. (Tenant Survey reported to the Scottish Housing Regulator at minimum every three years).
Develop innovative ways to engage with tenants, including making best use of digital media, including greater use of telephone/video conferencing to enable all tenants to continue to be able to take part.	<ul style="list-style-type: none"> <li>- Work plan includes a range of innovative engagement and digital initiatives.</li> <li>- ETF's digital platform is strengthened.</li> <li>- Traditional measures will be used to continue dialogue with those who are unable to take part digitally (post/phone).</li> </ul>	Evidence of a range of innovative engagement approaches being used indicate that tenants are satisfied with the opportunities given to them to take part in their landlord's decision-making processes. (Tenant Survey).
Tenant Scrutiny Framework to be fully implemented by CEC and ETF jointly to support the delivery of the Tenant Participation Strategy and the Housing Service Improvement Plan	<ul style="list-style-type: none"> <li>- Remits of the Sheltered Housing Scrutiny Group (SHSG) and Housing Repairs Scrutiny Group (HRSB) agreed by 30 June 2023.</li> <li>- Remit and the formation of a new Tenants Scrutiny Group (TSG) by 31 August 2023.</li> <li>- All groups agree standard terms and conditions.</li> </ul>	Tenants are satisfied with the opportunities given to them to take part in their landlord's decision-making processes. (Tenant Survey). Any negative impacts of the TPS have been mitigated.
Quarterly video conferencing meetings with senior managers to assist with prioritising work and preparatory business planning meetings as required.	<ul style="list-style-type: none"> <li>- Meetings have taken place and actions are being progressed.</li> <li>- Tenant Participation Strategy Action Plan regularly reviewed and updated.</li> </ul>	Evidence of a more streamlined and coherent approach to tenant participation and engagement work.
CEC and ETF to jointly review actions agreed following the completion of the rent collection tenant led inspection.	<ul style="list-style-type: none"> <li>- Review report produced by 30 November 2023.</li> </ul>	More tenants will be satisfied with services (Tenant Survey).

Progress a mini tenant led inspection of a service area to be agreed. Develop methods that can be used safely and mitigate any tenant concerns, e.g. telephone surveys.	<ul style="list-style-type: none"> <li>- Approach developed and inspectors recruited by 30 June 2023.</li> <li>- Inspection completed by 30 November 2023.</li> </ul>	Recommendations from the tenant led inspection will be helping to improve the service provided to tenants.
Continue with proactive work in the localities on housing and with other key service areas such as the Contact Centre to inform and improve the front facing customer service that tenants experience. This may be digital/telephone/socially distant contact.	<ul style="list-style-type: none"> <li>- ETF will update on EC member liaison in each of the localities by 30 September 2023.</li> <li>- Joint actions agreed with each locality and updates will continue to be reported to regular ETF meeting with CEC senior Managers</li> </ul>	More tenants will be satisfied with services (Tenant Survey)
Support ongoing tenant participation in a range of policy initiatives, including, rents, allocations and other strategic work such as the Housing service Improvement Plan (HSIP), e.g. repairs, tenant participation, stair-cleaning and work on mixed tenure initiatives (ongoing)	<ul style="list-style-type: none"> <li>- Evidence that ETF is supporting tenants on the Housing Service Improvement Group (HSIG).</li> <li>- Evidence that ETF is supporting a wide range of tenants to take part in ongoing strategic work</li> </ul>	Tenants will be satisfied with their opportunities to take part (Tenants' Survey). Assessed as part of ongoing joint evaluation of initiatives and the annual review and impact assessment
Jointly with the housing service, promote the Neighbourhood Networks to tenants to strengthen the tenant voice in the localities (ongoing)	<ul style="list-style-type: none"> <li>- Promotional material circulated to tenants via CEC and ETF communications, including on ways to become involved and feedback on impact of tenant contribution.</li> </ul>	More tenants will be influencing local work (evidence of tenant input)
Support tenants to form new Registered Tenant Organisation and help groups which may want to re-register as RTOs.	<ul style="list-style-type: none"> <li>- Information is provided to CEC to update the Register of RTOs, evidencing increased number of groups operating and meeting regularly agreed by 30 September 2023</li> </ul>	Tenants will be satisfied with their opportunities to take part (Tenants' Survey).
Complete a joint mid-point review with CEC on progress with delivery of the 2023/24 SLA outputs and outcomes and the IIA (midpoint year 1)	<ul style="list-style-type: none"> <li>- Review completed and evaluation report agreed by 30 November 2023</li> <li>- Actions for improvement added to future SLAs as appropriate</li> </ul>	Future SLAs strengthened.

**Table B: Improvement actions to be delivered by ETF**

Action	Output measure	Outcome measure
<i>Strengthen the ETF Executive Committee (EC)</i>		

Secure the involvement of a range of people with diverse backgrounds , ages and skills	Promotional materials and improved digital communication	Increased membership
Effective induction and ongoing learning and development are essential.	Learning plan and event summaries	Strengthened EC (EC survey, membership and stakeholder views)
<i>Shared understanding of views and data</i>		
Clear understanding from EC members on their representative role for ETF and their personal views/circumstances. This is particularly important in accurately representing the work and priorities for ETF/membership in meetings with external parties, elected members etc	ETF EC demonstrate this understanding through their actions.	
<i>Strategic focus and planning of priorities</i>		
ETF work plan to ensure clear strategic direction and focus on members' priorities	Updated work plan developed and agreed with the membership by 30 September 2023	Member satisfaction with ETF Ongoing review and regular reporting
Value for money to be ensured for the Housing Revenue Account.	ETF to provide six monthly financial reports to CEC: 30 Sept 2023 and 31 March 2024	SLA delivered within budget
<i>Monitoring and review</i>		
Complete a joint mid-point review with CEC on progress with delivering the specific actions set out in this Table B	<ul style="list-style-type: none"> <li>- Review complete and evaluation report agreed by 31 October 2023</li> <li>- Any further improvement actions required to be added future SLAs as appropriate</li> </ul>	Future SLAs are strengthened and delivered effectively

**Table C**

Due date	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Enable tenants to participate safely	Ongoing											

Develop new and innovative ways of engaging with tenants	Ongoing											
Embed the Tenant Scrutiny Framework			30		31							
Online meetings with senior managers			June Service Director meeting				October TRS Manager's Meeting with Convenor of ETF				Feb Service Director Meeting	
Jointly review rent collection TLI actions					Prep	30						
Progress a mini tenant led inspection			30	Fieldwork			31					
Continue proactive work in localities	Ongoing				30	Ongoing						
Support ongoing TP initiatives	Ongoing											
Jointly promote the N'bourhood Networks	Ongoing											
Joint SLA review on (first year progress)						30						
Support new and re-registering RTOs.						30						



ETF work plan agreed by 30 September 2020						30						
ETF six monthly financial reports to CEC						30						31
Joint mid-point review of Table B actions.							31					

Tracking	Status	Comments
Engage and support new TPS		<p>Development of the new TPS is scheduled to begin in January 2024. An IIA will be carried out in partnership with ETF in the new year. Early areas of discussion include:</p> <ul style="list-style-type: none"> <li>• Online platforms for surveys, discussions, and feedback collection, including as an important partner in utilising the Council’s forthcoming CX engagement platform.</li> <li>• Ongoing schedule of clear , modern communication to keep tenants informed, engaged and with ongoing opportunities for input.</li> <li>• Brand relaunch and new comms strategy</li> <li>• Inclusive events, collaborative projects and mobile alerts to gain ideas to improve shared space within HRA land assets.</li> <li>• Multilingual materials to ensure all tenants can understand, engage and contribute.</li> </ul>
Develop new and innovative ways of engaging with tenants		Work underway to shift focus to digital which will continue into future SLAs . Further innovative ways to communicate, e.g. the comic book newsletter, is underway.
Embed the Tenant Scrutiny Framework		Sheltered and Repairs Group meetings have begun and delivery of framework/ rationalisation of groups. The TSP to be created by ETF Q4 23/24. Delayed due to staffing shortages
Online meetings with senior managers		Regular progress and update meetings are conducted with service officers and managers. Service director meetings have been scheduled from Q4 23/24.

Jointly review rent collection TLI actions		Income performance, RentSense operations and Tenant Hardship Fund discussions diarised for Tuesday 23 January 2024.
Progress a mini tenant led inspection		Focus shifted to stair cleaning. Inspections carried out and feedback provided to officers to implement improvements.
Continue proactive work in localities		ETF continue to visit local offices to assess how services are run and make recommendations to improve services.  Attendance and participation for local groups, such Birnies High Rise, working with tenants and officers to address concerns.
Support ongoing TP initiatives		Ongoing engagement on a wide number of other areas e.g. high rise investment programme and engagement sessions.  ETF undertook Participatory Budgeting mainstreaming training in April 2023 to ensure that support was provided to ensure citywide consistency around the process for the Estates Improvement Programme citywide. As work continues to support existing Neighbourhood Networks and new or relaunched community for a, ETF have committed to have a representative from their membership at each meeting.  ETF have feed into and promoted the Rent Consultation. The Executive committee will also provide tenant feedback and respond to the consultation.  Attendance at quarterly meetings with the Repair Call Centre to assess service delivery and discuss emerging issues.  Round table sessions held at City chambers to discuss tenant participation and service delivery priorities with elected members.  In November 2023, ETF executive committee and tenant members attended a Dampness & Mould consultation event at the City Chambers to review existing processes, review improvement milestones and offer feedback on existing documentation used to gather detail and support tenants affected by issues, particularly those vulnerable or with underlying health issues. The event was well received and will contribute to continuing improvements.
Jointly promote the N'bourhood Networks		This work stream has not progressed in 23/24 due to limited staffing resources.
Support new and re-registering RTOs.		Significant work is underway to support groups registering and meeting again e.g. the Calders Sheltered Housing Group, the Craigmillar/Oxcars Regeneration Group and Hailesland Park Neighbourhood Council.

		<p>Initial work to create a number of new groups, e.g. Nisbet/ Lochend Group and Traveller groups, is underway.</p> <p>Additional support and help from TIS has helped to enable support but service delivery has been impacted by shortage of staff. Recruitment has not been possible until longer term funding is agreed.</p>
Joint SLA review on (first year progress)		Progress meetings held and regular quarterly progress reports on work plan provided.
ETF work plan agreed by 30 September 2023		The ETF work programme remains flexible and adapting to changing priorities and limited staff resources.
ETF six monthly financial reports to CEC		Final accounts for 22/23 and April to September 23 reports provided.
Joint mid-point review of Table B actions.		<p>Ongoing work is underway to continue to strengthen ETF governance with the support of TIS.</p> <p>Some successes have been achieved, such as new executive committee members and recruitment in early 2023, however further work to ensure stability for the long term.</p> <p>ETF accumulated substantial unrestricted reserves because of staff changes and savings carried over from the covid- 19 pandemic. In order to achieve VFM it was agreed with ETF that the final 6 monthly instalment of funding for 2023/24 would not be paid to reduce reserves.</p>
Other Actions (Not in SLA)		<p>ETF continue to advocate for tenants through a number of number of forums such as the Poverty Commission, Mental health groups and making representations to the Scottish Govt (e.g. calling for match funding for the Hardship Fund).</p> <p>Regular ongoing dialogue between Convenor, ETF colleagues and Tenant &amp; Resident Services colleagues to discuss local issues and specific casework shared with ETF through numerous communication channels.</p> <p>ETF members continue to offer individual support and advice to tenants, sign posting to other support services and engaging with the Council on their behalf.</p>

## Part D

For the purposes of the Legal Writings (Counterparts and Delivery) (Scotland) Act 2015, this Agreement is delivered on 1 April 2023.

## AGREEMENT

Between

**THE CITY OF EDINBURGH COUNCIL**, a local authority constituted in terms of the Local Government etc. (Scotland) Act 1994 and having a place of business at Waverley Court, 4 East Market Street, Edinburgh, EH8 8BG (the "Customer");

**EDINBURGH TENANTS FEDERATION**, a Scottish Charitable Incorporated Organisation (SCIO), reference number SC048236, regulated by the Scottish Charity Regulator (OSCR) and having its principal offices at Norton Park, 57 Albion Road, Edinburgh. EH7 5QY (the "Supplier"),

each a "Party" and together the "Parties".

**BACKGROUND:**

- A. The Customer wishes to appoint the Supplier to provide the Services set out in Tables A, B and C above.
- B. The Supplier has agreed to provide the Services to the Customer on the terms set out in this Agreement.

The terms of this Agreement are:

**1 Definitions and interpretation**

- 1.1 In this Agreement, unless the context otherwise requires, capitalised words and expressions shall have the meaning set out in Schedule Part 1.
- 1.2 Unless the context requires a different interpretation or this Agreement expressly provides otherwise, the following rules will be used to interpret this Agreement:
  - 1.2.1 except where this Agreement expressly provides otherwise, any reference to a statute or to a provision of a statute includes references to that statute or that provision as amended, extended, applied, consolidated or re-enacted from time to time, whether before, on or after the Commencement Date, and will be interpreted as including reference to any subordinate legislation made under that statute or that provision from time to time;
  - 1.2.2 words used in the singular will be interpreted to include the plural and vice versa;
  - 1.2.3 words which refer to one gender will be interpreted to include other genders;
  - 1.2.4 a reference to a Party to this Agreement includes that Party's permitted successors, transferees and assignees;
  - 1.2.5 a reference to a "person" is to any legal person, including any individual, partnership, company or other body corporate;
  - 1.2.6 the word "including" means "including but not limited to" and "include" and "includes" will be interpreted accordingly;

- 1.2.7 except if and to the extent that this Agreement expressly provides otherwise, any reference to recording or communicating any matter in "writing" will be interpreted as excluding email, and "written" will be interpreted accordingly; and
- 1.2.8 the word "disclose" includes permitting a person to access information in any manner or imparting that information orally or by demonstration and any other tense or part of that verb will be interpreted accordingly.
- 1.3 References to Clauses, Parts and paragraphs are to the relevant Clauses, Parts and paragraphs of this Agreement respectively, unless otherwise specified.
- 1.4 The recitals (or background provisions) and Clause headings in this Agreement do not create legal rights or obligations, nor affect the meaning of this Agreement.
- 2 The Services**
- 2.1 Subject to the due and proper performance by the Customer of its obligations under this Agreement, the Supplier will provide the Services, as may be varied in accordance with Clause 5, to the Customer:
- 2.1.1 in an efficient and effective manner; and
- 2.1.2 in all material aspects in accordance with:
- 2.1.2.1 the Service Levels;
- 2.1.2.2 Good Industry Practice; and
- 2.1.2.3 all legal requirements applying to the provision of the Services.
- 2.2 The Supplier shall be liable to pay to the Customer, on demand, all reasonable costs, charges or losses sustained or incurred by the Customer that arise directly from the Supplier's fraud, negligence, failure to perform or delay in the performance of any of its obligations under this Agreement, subject to the Customer confirming such costs, charges and losses to the Supplier in writing.
- 3 Customer's Obligations**
- 3.1 The Customer shall comply with any requirements imposed on the Customer as set out in Tables A, B & C attached to this Agreement.
- 3.2 If the Supplier's performance of its obligations under this Agreement is prevented or delayed by any act or omission of the Customer, its authorised agents, subcontractors, consultants or employees, the Supplier shall not be liable for any costs, charges or losses sustained or incurred by the Customer that arise directly or indirectly from such prevention or delay, nor shall the Supplier be liable for the consequence of any breach of its obligations which are disrupted and/or delayed as a result of any act or omission of the Customer, its agents, subcontractors, consultants or employees.

3.3 The Customer shall be liable to pay to the Supplier, on demand, all reasonable costs, charges or losses sustained or incurred by the Supplier that arise directly from the Customer's fraud, negligence, failure to perform or delay in the performance of any of its obligations under this Agreement, subject to the Supplier confirming such costs, charges and losses to the Customer in writing and such costs, charges and losses being reasonable in the circumstance and evidenced with appropriate voucher.

#### **4 Fees**

4.1 In consideration of the provision of the Services by the Supplier, the Customer shall pay the Supplier the fees as set out in Schedule Part 3.

4.2 Without prejudice to any of its other rights or remedies under this Agreement or otherwise at law, in the event that the Customer fails to make any payment to the Supplier when due under this Agreement, the Supplier will be entitled to charge interest on any unpaid amount in accordance with the *Late Payment of Commercial Debts (Interest) Act 1998* and may where necessary suspend the performance of the Services until payment has been made in full.

4.3 For the avoidance of doubt, all amounts due under this Agreement shall be paid in full without any set-off, counterclaim, deduction or withholding other than required by law.

4.4 Unless otherwise stated, all amounts referred to in this Agreement are considered to be exclusive of VAT, which the Supplier shall add to its invoices at the appropriate rate.

#### **5 Change Control**

5.1 The Parties agree that if either wishes to change the nature, scope or delivery of the Services, in order to effect such change, the following procedure shall be applied:

5.1.1 The Supplier will provide the Customer with an evaluation report on the proposed change (whether it is proposed by the Customer or by the Supplier) which will cover feasibility, impact on the Services, the Supplier's existing fees and any of the terms of this Agreement. The Supplier and the Customer will then discuss in good faith, the proposed change to reach an agreement on the proposed change. When the Customer and the Supplier have agreed to the scope and impact of the proposed change, they shall document that change in writing which will be signed on behalf of both Parties in accordance with Clause 15. The Customer will not unreasonably withhold or delay its consent to any change requested by the Supplier.

5.1.2 As soon as a document embodying a change has been signed on behalf of both Parties, this Agreement will immediately be deemed to have been varied in accordance with the terms of that document.

5.2 Notwithstanding the terms of clause 5.1, neither Party shall be obliged to consider more than one change request instigated by the other Party in any continuous period of 12 months.

5.3 The Supplier may charge for all reasonable costs and expenses incurred by the Supplier in preparing the evaluation report, where such change is proposed by the Customer.

## **6 TUPE**

6.1 The Parties agree that the provision of Schedule Part 4 shall apply to any Relevant Transfer of staff under this Agreement.

## **7 Data protection**

7.1 The Parties acknowledge that they are Data Controllers in Common for the purposes of the Data Protection Laws and shall share Personal Data for the performance by each party of its obligations under this Agreement. Each party shall comply with all the obligations imposed on a Data Controller under the Data Protection Laws and the terms of Schedule Part 5.

## **8 Freedom of Information (Scotland) Act 2002 (FOISA) and Environmental Information (Scotland) Regulations 2004 (EIR)**

8.1 The Supplier:

8.1.1 acknowledges that the Customer is subject to the requirements of FOISA and EIR and the Customer may disclose any information where required by FOISA and EIR; and

8.1.2 shall assist and co-operate with the Customer to enable the Customer to comply with the Customer's FOISA obligations and EIR obligations.

8.2 The Supplier agrees that the Customer shall be responsible for determining, at the Customer's absolute discretion, whether any commercially sensitive information and any other information:

8.2.1 is exempt from disclosure in accordance with the provisions of FOISA and/or EIR; or

8.2.2 is to be disclosed in response to a request which is subject to FOISA and/or EIR.

8.3 If the Customer determines, in its sole discretion, that it will disclose any of the Supplier's commercially sensitive information, the Customer shall use reasonable efforts to consult with the Supplier and consider any reasonable representations made by the Supplier in relation to such information before any response to a request which is subject to FOISA and/or EIR is made.

## **9 Intellectual property**

9.1 Subject to any agreement in writing by the Parties to the contrary, nothing in this Agreement shall transfer any Intellectual Property of one Party to the other.

## 10 Termination

- 10.1 This Agreement shall continue for the Term, unless terminated earlier in accordance with the provisions of this Clause 10.
- 10.2 Without affecting any other right or remedy available to it, the Supplier may terminate this Agreement with immediate effect by giving written notice to the Customer if:
- 10.2.1 there is an Insolvency Event; or
  - 10.2.2 the Customer commits a Termination Payment Default.
- 10.3 Without affecting any other right or remedy available to it, either Party may terminate this Agreement with immediate effect by giving written notice to the other Party if:
- 10.3.1 the other Party commits a material breach of any term of this Agreement which breach is irremediable or (if such breach is remediable) fails to remedy that breach within the Requested Period, after being notified in writing to do so;
  - 10.3.2 a Force Majeure Event prevents, hinders or delays the performance of a Party's obligations for a continuous period of more than the Agreed Period; or
  - 10.3.3 as permitted in accordance with Clause 1 of Schedule Part 2.
- 10.4 For the purposes of Clause 10.3.1, a material breach of any term of this Agreement will be deemed capable of remedy where the material breach is capable of being performed in all respects other than time of performance, except that a material breach that would otherwise be deemed to be remediable shall be deemed to be incapable of remedy where it is a Persistent Breach.

## 11 Consequences of termination

- 11.1 On termination or expiry of this Agreement:
- 11.1.1 the Supplier will cease to provide the Services and, within a reasonable time, return any of the Customer's material, including Personal Data, used by the Supplier to provide the Services to the Customer; and
  - 11.1.2 the Customer shall immediately pay to the Supplier all of the Supplier's outstanding unpaid invoices under this Agreement and, in respect of the Services supplied but for which no invoice has been submitted, the Supplier may submit an invoice, which shall be payable immediately on receipt. This Clause 11.1.2 is without prejudice to any right to claim for interest in accordance with Clause 4.2.
- 11.2 Any termination of this Agreement pursuant to Clause 10 shall be without prejudice to any other rights or remedies a Party may be entitled to hereunder or at law and shall not affect any accrued rights or liabilities of either Party nor the coming into or continuance in force of any provision hereof which



is expressly or by implication intended to come into or continue in force on or after such termination. Without affecting the foregoing generality, Clauses 3.3, 7, 8, 11 and 13 will survive termination of this Agreement for any reason whatsoever.

## 12 Force majeure

- 12.1 Subject to the remaining provisions of this Clause 12, neither Party to this Agreement shall be liable to the other for any delay or non-performance of its obligations under this Agreement to the extent that such non-performance is due to a Force Majeure Event.
- 12.2 In the event that either Party is delayed or prevented from performing its obligations under this Agreement by a Force Majeure Event, such Party shall:
- 12.2.1 give notice in writing of such delay or prevention to the other Party as soon as reasonably possible, stating the commencement date and extent of such delay or prevention, the cause thereof and its estimated duration;
  - 12.2.2 use all reasonable endeavours to mitigate the effects of such delay or prevention on the performance of its obligations under this Agreement; and
  - 12.2.3 resume performance of its obligations as soon as reasonably possible after the removal of the cause of the delay or prevention.
- 12.3 A Party cannot claim relief if the Force Majeure Event is attributable to that Party's wilful act, neglect or failure to take reasonable precautions against the relevant Force Majeure Event.
- 12.4 As soon as practicable following the affected Party's notification, the Parties shall consult with each other in good faith and use all reasonable endeavours to agree appropriate terms to mitigate the effects of the Force Majeure Event and to facilitate the continued performance of this Agreement.
- 12.5 The affected Party shall notify the other Party as soon as practicable after the Force Majeure Event ceases or no longer causes the affected Party to be unable to comply with its obligations under this Agreement. Following such notification, this Agreement shall continue to be performed on the terms existing immediately before the occurrence of the Force Majeure Event unless agreed otherwise by the Parties.

## 13 Dispute Resolution

- 13.1 If a dispute arises out of or in connection with this Agreement or the performance, validity or enforceability of it (a "**Dispute**") then the Parties shall follow the procedure set out in this Clause:
- 13.1.1 Either Party shall give to the other written notice of the Dispute, setting out its nature and full particulars ("**Dispute Notice**"), together with relevant supporting documents. On service of the Dispute Notice, the Authorised Representatives shall attempt in good faith to resolve the Dispute.
  - 13.1.2 If the Supplier's Authorised Representative and the Customer's Authorised Representative are for any reason unable to resolve the Dispute within 30 days of service of the Dispute Notice, the Parties will attempt to settle it by mediation in accordance with the CEDR Model

Mediation Procedure. Unless otherwise agreed between the Parties, the mediator shall be nominated by CEDR. To initiate the mediation, a Party must serve notice in writing ("**ADR notice**") to the other Party to the Dispute, requesting mediation. A copy of the ADR notice should be sent to CEDR.

- 13.1.3 Where a Party receives an ADR notice, it shall respond within 10 Business Days whether it accepts or rejects such notice. In the event that the Party fails to respond within the required time period or rejects such notice then the mediation shall not be initiated and either Party shall be entitled to commence or continue proceedings in accordance with Clause 23 which shall apply at all times.

## **14 Waiver and remedies**

- 14.1 The failure to exercise, or any delay in exercising, a right or remedy provided by this Agreement or by law does not constitute a waiver of the right or remedy or a waiver of other rights or remedies.
- 14.2 A waiver of a breach of any of the terms of this Agreement or of a default under this Agreement does not constitute a waiver of any other breach or default and shall not affect the other terms of this Agreement. Furthermore, a waiver of a breach of any of the terms of this Agreement or of a default under this Agreement will not prevent a Party from subsequently requiring compliance with the waived obligation.
- 14.3 No waiver in connection with this Agreement shall, in any event, be effective unless it is in writing, refers expressly to this Clause, is duly signed by or on behalf of the Party granting it and is communicated to the other Party in accordance with Clause 20.
- 14.4 The rights and remedies provided under this Agreement are in addition to, and not exclusive of, any rights or remedies provided by law.

## **15 Variation**

No variation of this Agreement shall be valid unless it is in writing and signed by or on behalf of the Parties.

## **16 Severability**

- 16.1 If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this Clause 16 shall not affect the validity and enforceability of the rest of this Agreement.
- 16.2 If any provision or part-provision of this Agreement is invalid, illegal or unenforceable, the Parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.

**17 Assignment**

Neither Party shall assign, transfer, subcontract, or deal in any other manner with any of its rights and obligations under this Agreement without a written consent of the other Party (such consent not to be unreasonably withheld, delayed or conditioned).

**18 Anti-Bribery**

Each Party shall comply with all applicable laws and regulations relating to anti-bribery and anti-corruption including, but not limited to, the Bribery Act 2010.

**19 Partnership or Agency**

19.1 Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between the Parties, constitute one Party the agent of the other Party, or authorise any Party to make or enter into any commitments for or on behalf of the other Party.

19.2 Each Party confirms it is acting on its own behalf and not for the benefit of any other person.

**20 Notices**

20.1 Where any notice is to be given under this Agreement, it must be in writing, signed by a duly authorised signatory of the Party giving it.

20.2 All notices which are required to be given under this Agreement will be sent to the address of the recipient specified in this Agreement or such other address as the recipient may designate by notice from time to time and marked for the attention of the Party's Authorised Representative. Any such notice may be delivered by hand or by first class pre-paid letter or email and will be deemed to have been served, if by hand, when delivered, if by first class post, 48 hours after posting, and if by email, if the email is sent before the close of a Business Day which is 1700 hour.

20.3 Where in any case, the provisions of this Clause would result in a notice being treated as having been received on a day which is not a Business Day, or after 1700 hours on a day which is a Business Day, it will be treated as having been received at 0900 hours on the next Business Day afterwards.

20.4 The provisions of this Clause do not apply to the service of any process in any legal action or proceedings.

**21 Counterparts**

21.1 This Agreement may be executed in any number of counterparts and by each of the Parties on separate counterparts.

21.2 Where executed in counterparts:

21.2.1 this Agreement shall not take effect until all of the counterparts have been delivered; and

21.2.2 each counterpart will be held as undelivered for the purposes of The Legal Writings (Counterparts and Delivery) (Scotland) Act 2015 until the Parties agree a date ("**the agreed date**") on which the counterparts are to be treated as delivered. The agreed date will be inserted on page 1 of this Agreement.

**22 Entire Agreement**

This Agreement and the documents annexed to it or otherwise referred to in it constitutes the entire agreement between the Parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

**23 Governing law**

This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of Scotland.

**24 Jurisdiction**

Each Party irrevocably agrees that the courts of Scotland shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

**IN WITNESS** WHEREOF this Agreement is executed as follows:

**Signed for and on behalf of the CITY OF EDINBURGH COUNCIL**

Proper Officer (Print Name)	
Proper Officer Signature	
Signed at (Address)	
Date:	
Witness Name (Print)	
Witness Signature	

Witness Address	
-----------------	--

**Signed for and on behalf of EDINBURGH TENANTS FEDERATION**

Authorised Signatory (Print Name)	
Authorised Signatory (Signature)	
Signed at (Address)	
Date:	
Witness Name (Print)	
Witness Signature	
Witness Address	

Page 149

**THESE ARE THE SCHEDULES REFERRED TO IN THE FOREGOING AGREEMENT BETWEEN THE CITY OF EDINBURGH COUNCIL AND EDINBURGH TENANTS FEDERATION**

**SCHEDULE PART 1 DEFINITIONS**

**1 Definition**

1.1 In this Agreement the expressions which follow are given these meanings unless the context in which they are used requires a different meaning:

1.1.1 **" ADR notice"** has the meaning ascribed to it in Clause 13;

1.1.2 **"Agreed Period"** has the meaning ascribed to it in Schedule Part 2;

1.1.3 **"Agreement"** means the "Supporting Tenant Participation 2020-23" document comprising Tables A, B, C & D (Table D being the service level agreement together with a Schedule in 4 Parts);

- 1.1.4 **"Asserted Re-Transferring Employee"** means any individual whose contract of employment is transferred from the Supplier or any subcontractor by virtue of the Employment Regulations or any person who asserts that his contract of employment has so transferred (or, in either case, would have transferred but for its termination) on cessation of the provision of the Services or part thereof;
- 1.1.5 **"Asserted Transferring Employee"** means any individual whose contract of employment is transferred from the Customer to the Supplier or any subcontractor by virtue of the Employment Regulations or any person who asserts that his contract of employment has so transferred (or, in either case, would have transferred but for its termination) on commencement of the Services;
- 1.1.6 **"Asserted Transfer Date"** means the date or dates on which the contracts of employment of the Asserted Transferring Employees are asserted to transfer to the Supplier or any subcontractor upon commencement of the provision of Services or part thereof by the Supplier;
- 1.1.7 **"Authorised Representatives"** means the Customer's Authorised Representative and the Supplier's Authorised Representative;
- 1.1.8 **"Good Industry Practice"** means the standard of skill, care, knowledge and foresight which would reasonably and ordinarily be expected for an experienced person engaged in providing services which are the same as, or similar to, the Services;
- 1.1.9 **"Business Day"** means any day which is not a Saturday, a Sunday or a bank or public holiday throughout Scotland;
- 1.1.10 **"CEDR"** means the Centre for Effective Dispute Resolution;
- 1.1.11 **"Commencement Date"** means the date of this Agreement, as specified at the beginning of this Agreement;
- 1.1.12 **"Supplier's Authorised Representative"** has the meaning ascribed to it in Schedule Part 3;
- 1.1.13 **"Data Protection Laws"** means the Data Protection Act 2018 to the extent that it relates to processing of personal data and privacy; and any other applicable Laws relating to the processing of personal data and privacy;
- 1.1.14 **"Dispute"** has the meaning ascribed to it in Clause 13;
- 1.1.15 **"Dispute Notice"** has the meaning ascribed to it in Clause 13;
- 1.1.16 **"EIR"** means the Environmental Information (Scotland) Regulations 2004;
- 1.1.17 **"Employee Liability Information"** means the information that a transferor is obliged to notify to a transferee under Regulation 11(2) of the Employment Regulations:
- (a) the identity and age of the employee; and

- (b) the employee's written statement of employment particulars (as required under section 1 of the Employment Rights Act 1996); and
  - (c) information about any disciplinary action taken against the employee and any grievances raised by the employee, where a Code of Practice issued under Part IV of the Trade Union and Labour Relations (Consolidation) Act 1992 relating exclusively or primarily to the resolution of disputes applied, within the previous two years; and
  - (d) information about any court or tribunal case, claim or action either brought by the employee against the transferor within the previous two years or where the transferor has reasonable grounds to believe that such action may be brought against the Supplier arising out of the employee's employment with the transferor; and
  - (e) information about any collective agreement that will have effect after the Effective Date or the Service Transfer Date, as the case may be, in relation to the employee under regulation 5(a) of the Employment Regulations;
- 1.1.18 **"Employment Liabilities"** means all claims, including claims for redundancy payments, unlawful deduction of wages, unfair, wrongful or constructive dismissal compensation, compensation for sex, race, disability, age, religion or belief, gender reassignment, marriage or civil partnership, pregnancy or maternity, or sexual orientation discrimination, claims for equal pay, protective awards, claims in respect of pension rights, compensation for less favourable treatment of part-time workers, and any claims (whether in delict, contract, statute or otherwise), demands, actions, proceedings and any award, compensation, damages, tribunal awards, fine, loss, order, penalty, disbursement, payment made by way of settlement and costs and expenses reasonably incurred in connection with a claim or investigation (including any investigation by the Equality and Human Rights Commission or other enforcement, regulatory or supervisory body), and of implementing any requirements which may arise from such investigation, and any legal costs and expenses;
- 1.1.19 **"Employment Regulations"** means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended) or any regulations which replace or amend these;
- 1.1.20 **"Force Majeure Event" means:**
- 1.1.20.1 fire, flood, earthquake, unusually severe weather or elements of nature or acts of God;
  - 1.1.20.2 war, embargo, riot, civil disorder, rebellion, revolution; or
  - 1.1.20.3 other causes beyond a Party's control which, for the avoidance of doubt, shall not include any industrial dispute involving the Party affected
- 1.1.21 **"FOISA"** means the Freedom of Information (Scotland) Act 2002
- 1.1.22 **"GDPR"** has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018;

- 1.1.23 **"Intellectual Property"** means any of these rights, namely (a) patents, trademarks, rights and designs, get up, trade, business or domain names, copyrights, including rights in computer software and databases (including database rights and topography rights, in each case whether registered or not and, where these rights can be registered, any applications to register or rights to apply for registration of any of them); (b) rights in inventions, know-how, trade secrets and other confidential information; and (c) any other intellectual property rights which may exist at any time in any part of the world;
- 1.1.24 **"Insolvency Event" means** in respect of the Customer, that such entity has ceased to trade or any steps have been taken to have an administrative receiver, administrator, receiver or manager appointed over the whole or any material part of its assets or undertaking or the Party has become insolvent or gone into liquidation (unless such liquidation is for the purposes of a solvent reconstruction or amalgamation) or compounded with its creditors generally or has been otherwise unable to meet its debts as they fall due;
- 1.1.25 **"Persistent Breach"** has the meaning ascribed to it in Schedule Part 2;
- 1.1.26 **"Personal Data", "Process", "Data Controller" and "Data Processor"** have the meaning given to such terms in the Data Protection Laws;
- 1.1.27 **"Relevant Transfer" means a relevant transfer for the purposes of the Employment Regulations;**
- 1.1.28 **"Replacement Supplier"** means any third party supplier appointed to perform the Services (in whole or in part) by the Customer from time to time;
- 1.1.29 **"Requested Period"** has the meaning ascribed to it in Schedule Part 3;
- 1.1.30 **"Re-Transfer Date"** means the date or dates on which the contracts of employment of the Re-Transferring Employees will transfer to the pursuant to the Employment Regulations upon expiry or termination (including partial) of this Agreement or the earlier cessation of the provision of the Services or part thereof;
- 1.1.31 **"Re-Transferring Employees"** means those Supplier's Staff who are wholly or mainly assigned to the provision of (all or part of) the Services immediately prior to the relevant Re-Transfer Date;
- 1.1.32 **"RPI Index"** means the General Index of Retail Prices (all items) published by the Office for National Statistics (or by any Government Department or successor body upon which duties in connection with such index shall have devolved);
- 1.1.33 **"Service Levels"** means the Service Levels specified in Tables A, B & C;
- 1.1.34 **"Services"** means the services as set out in Tables A, B & C;



- 1.1.35 **“Staffing Information”** means information in relation to all persons detailed on the Supplier’s Provider's Provisional Staff List, in an anonymised format, such information as the Customer may reasonably request including the Employee Liability Information and details of whether the personnel are employees, workers, self-employed, contractors or consultants, agency workers or otherwise, and the amount of time spent on the provision of the Services;
- 1.1.36 **“Supplier’s Authorised Representative”** has the meaning ascribed to it in Schedule Part 3;
- 1.1.37 **“Supplier’s Staff”** means those persons employed or engaged by the Supplier (or any subcontractor if applicable) from time to time in the provision of the Services;
- 1.1.38 **“Supplier’s Provisional Staff List”** means the list prepared and updated by the Supplier of all the Supplier’s and the subcontractor’s personnel (if applicable) employed or engaged in, or wholly or mainly assigned to, the provision of the Services or any part of the Services at the date of the preparation of the list;
- 1.1.39 **“Supplier’s Final Staff List”** means the list of all the Supplier's and subcontractor’s (if applicable) personnel employed or engaged in, or wholly or mainly assigned to, the provision of the Services or any part of the Services at the Re-Transfer Date;
- 1.1.40 **“Term”** has the meaning ascribed in paragraph 1 of Schedule Part2;
- 1.1.41 **“Termination Payment Default”** has the meaning ascribed to it in paragraph 2.4 of Schedule Part 3 and
- 1.1.42 **“VAT”** means value added tax in terms of the Value Added Tax Act 1994.

## SCHEDULE PART 2 SUPPLEMENTAL TERMS

### 1 Term

- 1.1 This Agreement shall continue from 1 April 2023 to 31 March 2024 when it shall terminate automatically without notice.

### 2 Limitation of liability

- 2.1 Notwithstanding any other provision of this Agreement neither Party limits nor excludes its liability for:
- 2.1.1 fraud or fraudulent misrepresentation;
- 2.1.2 death or personal injury caused by its negligence;

- 2.1.3 breach of any obligation as to title implied by statute;
- 2.1.4 any other act or omission, liability for which may not be limited under any applicable law.
- 2.2 Subject to clause 2.1, the Supplier shall not be liable to the Customer, whether in contract, delict (including negligence), for breach of statutory duty, or otherwise, arising under or in connection with this Agreement for:
  - 2.2.1 Loss of profit;
  - 2.2.2 Loss of sales or business;
  - 2.2.3 Loss of agreement or contracts;
  - 2.2.4 Loss of anticipated savings;
  - 2.2.5 Loss or damage to goodwill; or
  - 2.2.6 Any indirect or consequential loss.

#### **Supplier's and Customer's liability cap**

- 2.3 The Supplier's maximum aggregate liability in relation to all claims, losses or damages, whether arising from delict (including negligence), breach of contract or otherwise under or in connection with this Agreement, shall be limited to £241,083.
- 2.4 The Customer's maximum aggregate liability in relation to all claims, losses or damages, whether arising from delict (including negligence), breach of contract or otherwise under or in connection with this Agreement (other than a failure to pay any of the fees that are properly due and payable and for which the Customer shall remain fully liable), shall be limited to £241,083.
- 2.5 Each Party shall at all times take all reasonable steps to minimise and mitigate any loss or damage for which the relevant Party is entitled to bring a claim against the other Party pursuant to this Agreement.
- 2.6 Agreed Period means 4 weeks.
- 2.7 Customer's Authorised Representative means George Norval (Acting Tenant and Resident Services Manager) whose contact details for the purposes of Clause 20 are [george.norval@edinburgh.gov.uk](mailto:george.norval@edinburgh.gov.uk)
- 2.8 Persistent Breach means a material breach of the terms of this Agreement by a Party and such breach is the two or more material breach of any term on this Agreement in any continuous period of three months.

2.9 Requested Period means four weeks.

2.10 Supplier's Authorised Representative means Elizabeth Stone (ETF Convenor) whose contact details for the purposes of Clause 20 are Norton Park, 57 Albion Road, Edinburgh. EH7 5QY.

## SCHEDULE PART 3 PAYMENT AND INVOICING

### 1 Fees

#### Fixed price by instalments

- 1.1 The total contract price payable is £241,083 for the fixed term period.
- 1.2 The Customer shall pay the total contract price to the Supplier in six monthly instalments as set out below:

April 2023	£120,541.50
October 2023	£120,541.50

### 2 Invoicing

- 2.1 The Supplier shall invoice the Customer for payment of fees on the 1 April 2023 and the 1 October 2023. All invoices shall be directed to the Customer's Authorised Representative.
- 2.2 The Customer shall pay the Supplier any sums due under such an invoice no later than a period of 30 days from the date on which the Customer has determined that the invoice is valid and undisputed.
- 2.3 Where the Customer disputes any sum to be paid by it then a payment equal to the sum not in dispute shall be paid and the dispute as to the sum that remains unpaid shall be determined in accordance with Clause 13. Provided that the sum has been disputed in good faith, interest due on any sums in dispute shall not accrue until the earlier of 28 days after resolution of the dispute between the Parties.
- 2.4 In the event that at any time undisputed fees of £120,541.50 have been overdue for payment for a period of 28 days or more, the Customer will have committed a Termination Payment Default.

## SCHEDULE PART 4 TUPE

[Note: this Part assumes that no TUPE provisions apply on entry or exit. This is supported with indemnities by the Customer which reflects the position that no employees will transfer to the Supplier on commencement of the Services (from the Customer or any other employer) and also indemnities by the Supplier which reflect the position that no employees will transfer to the Customer on cessation. Both parties should be comfortable with these provisions before signing. If for any reason they believe that TUPE will apply these provisions should be amended.]

### 1 Provisions on Entry

- 1.1 The Parties do not anticipate that there shall be a transfer pursuant to the Employment Regulations upon the commencement of the provision of the Services or any part of the Services by the Supplier.
- 1.2 Notwithstanding clause 1.1, the Customer will on demand by the Supplier, indemnify the Supplier and as a separate obligation undertakes to pay to the Supplier the amount of, all losses, fines, penalties, awards, liabilities, costs, damages and expenses (including reasonable legal expenses on an indemnity basis) which the Supplier may incur (directly or indirectly):
- 1.2.1 in connection with the employment or termination of employment of any Asserted Transferring Employee at any time up to the Asserted Transfer Date;
  - 1.2.2 as a result of the Customer's failure to comply with Regulation 13 or Regulation 14 of the Employment Regulations in respect of any Asserted Transferring Employee.
- 1.3 Notwithstanding paragraph 1.1, the Supplier shall be liable for and indemnify and keep indemnified the Customer against Employment Liabilities arising from or in connection with any claim by or on behalf of any Asserted Transferring Employee in respect of their actual or claimed employment or engagement, and/or the termination of such employment or engagement, on or after the Asserted Transfer Date, and in respect of:
- 1.3.1 any proposed changes to terms and conditions of employment the Supplier may consider taking on or after the Asserted Transfer Date;
  - 1.3.2 any such person informing the Customer that they object to being employed by the Supplier; and
  - 1.3.3 any change in identity of the Asserted Transferring Employees' employer by virtue of the Employment Regulations or as a result of any proposed measures the Supplier may consider taking on or after the Asserted Transfer Date.

### 2 Provisions on Cessation [Note: These provisions operate on the basis that no staff shall be assigned to particular services, if staff need to be assigned this paragraph, together with the corresponding indemnities will require to be revised]

- 2.1 The Supplier agrees to arrange Supplier's Staff, and, if applicable, procure that any subcontractor arranges the Supplier's Staff in relation to the provision of the Services in such a way that no individual at any time (i) forms part of an organised grouping of employees which has as its principal purpose the provision of all or part of the Services or (ii) is wholly or mainly assigned to the provision of all or part of the Services and consequently

that no contract of employment of any individual will transfer from the Supplier or any subcontractor to the Customer by virtue of the Employment Regulations on the cessation or partial cessation of the provision of the Services or otherwise.

- 2.2 Notwithstanding clause 2.1, the Customer may at any time by notice require the Supplier to disclose such information as the Customer may require to the Customer or at the direction of the Customer to any prospective Replacement Supplier relating to the manner in which the Services are organised including the Supplier's Provisional Staff List.
- 2.3 The Supplier must disclose by notice all such information as is required by the Customer under clause 2.2 within such reasonable period specified by the Customer. The Supplier acknowledges that the Data Protection Laws do not prevent the disclosure of anonymised data that is not Personal Data.
- 2.4 The Supplier warrants for the benefit of the Customer and any Replacement Supplier that all information provided pursuant to clause 2.2 shall be true and accurate in all material respects at the time of providing the information. The Customer may at any time require the Supplier to confirm whether the information provided under this clause remains true and accurate in all material respects or ask it to provide updated information.
- 2.5 The Customer shall be permitted to use and disclose all of the information provided by the Supplier under clause 2.2 for the purpose of retendering the Services and/or inviting bids from any prospective Replacement Supplier.
- 2.6 Without prejudice to clause 2.1, in the event that there will be a transfer pursuant to the Employment Regulations on the cessation or partial cessation of the provision of the Services or otherwise, at least 28 days prior to the Re-Transfer Date, the Supplier shall and shall procure that any subcontractor shall prepare and provide to the Customer and/or, at the direction of the Customer, to the Replacement Supplier, the Supplier's Final Staff List, which shall be complete and accurate in all material respects. The Supplier's Final Staff List shall identify which of the Supplier's and subcontractor's personnel named are Asserted Re-Transferring Employees.
- 2.7 The Customer shall be permitted to use and disclose the Supplier's Final Staff List and the Staffing Information for informing any tenderer or other prospective Replacement Supplier for any services that are substantially the same type of services as (or any part of) the Services.
- 2.8 The Supplier warrants to the Customer and the Replacement Supplier that the Supplier's Final Staff List and the Staffing Information will be true and accurate in all material respects and that no persons are employed or engaged in the provision of the Services other than those included on the Supplier's Final Staff List.
- 2.9 If any person not referred to in the Supplier's Final Staff List claims or alleges that their employment or engagement has transferred to the Customer or any Replacement Supplier by virtue of the Employment Regulations on the cessation or partial cessation of the provision of the Services or otherwise, or would have so transferred had he or she not resigned, then the Customer or Replacement Supplier shall be entitled to terminate such actual or alleged employment or engagement and, provided that such termination takes effect within 2 months of such allegation, the Supplier shall indemnify the Customer and/or the Replacement Supplier (as appropriate) in respect of all Employment Liabilities relating to such person's employment, engagement and/or its termination.

- 2.10 All liabilities in relation to accrued holiday entitlement and holiday pay entitlement shall be apportioned on a time basis so that such part of the relevant liabilities attributable to the period ending on the Re-Transfer Date shall be borne by the Supplier and such part of the liabilities as is attributable to the period commencing at the Re-Transfer shall be borne by the Customer or the Replacement Supplier (as appropriate).
- 2.11 Without prejudice to paragraph 2.1, the Supplier will on demand by the Customer, indemnify the Customer against and as a separate obligation undertakes to pay to the Customer the amount of, all losses, fines, penalties, awards, liabilities, costs, damages and expenses (including reasonable legal expenses on an indemnity basis) which the Customer may incur (directly or indirectly):
- 2.11.1 in connection with the employment or termination of employment of any Asserted Re-Transferring Employee at any time up to the Re-Transfer Date;
  - 2.11.2 in connection with the employment or termination of employment of any Asserted Re-Transferring Employee from and including the Re-Transfer Date provided the Customer terminates the employment of any Asserted Transferring Employee (in so far as it has not already terminated) within 30 Business Days of becoming aware of such transfer or alleged transfer; and
  - 2.11.3 as a result of any failure to comply with Regulation 13 or Regulation 14 of the Employment Regulations in respect of any Asserted Re-Transferring Employee or any award of compensation under regulation 15 of the Employment Regulations, under the Acquired Rights Directive or otherwise and, whether any such claim arises or has its origin before or after the Re-Transfer Date.

## SCHEDULE PART 5: DATA PROTECTION

### 1. DEFINITIONS

1.1 The definitions in this Paragraph apply in this schedule.

**Data Loss Event:** any event that results, or may result, in unauthorised access to Personal Data held by the Data Receiver under the Agreement, and/or actual or potential loss and/or destruction of Personal Data in breach of the Agreement, including any Personal Data Breach;

**Data Protection Impact Assessment:** an assessment by a Data Controller of the impact of the envisaged processing on the protection of Personal Data;

**Parties:** the parties to the Agreement, and "Party" shall be construed appropriately;

**Protective Measures:** appropriate technical and organisational measures which may include: pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the such measures adopted by it, including those outlined in Schedule 2 (Processing, Personal Data and Data Subjects);

**Data Receiver Representatives:** means all directors, officers, employees, agents, consultants and contractors of the Data Receiver [and/or of any relevant sub-contractor engaged in the performance of its obligations under the Contract];

**Sub-processor:** any third Party appointed to process Personal Data on behalf of the Data Receiver related to the Contract.

### 2. DATA PROTECTION

2.1 The Parties acknowledge that for the purposes of the Data Protection Legislation, both Parties are Data Controllers in common, unless otherwise specified.

2.2 The Supplier (Data Receiver) shall notify the Council (Data Discloser) immediately if it considers that any of the Data Discloser's instructions, or acts or omissions in relation to the Agreement, infringe the Data Protection Legislation, or if any changes to the Data Protection Legislation may adversely affect the Data Receiver's performance of any relevant services.

2.3 The Data Receiver shall provide all reasonable assistance to the Data Discloser in the preparation of any Data Protection Impact Assessment prior to commencing any Processing. Such assistance may, at the discretion of the Data Discloser, include:

- (a) a systematic description of the envisaged Processing operations and the purpose of the Processing;
- (b) an assessment of the necessity and proportionality of any Processing operations in relation to the delivery of any relevant services;



- (c) an assessment of the risks to the rights and freedoms of Data Subjects; and
- (d) the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data.

2.4 The Data Receiver shall, in relation to any Personal Data processed in connection with any relevant obligations under the Agreement:

- (a) process that Personal Data only in accordance with this Schedule, unless the Data Receiver is required to do otherwise by any applicable laws. If it is so required, the Data Receiver shall promptly notify the Data Discloser before processing the Personal Data unless prohibited by any applicable laws;
- (b) ensure that it has in place Protective Measures, which are appropriate to protect against a Data Loss Event, which the Data Discloser may reasonably reject (but failure to reject shall not amount to approval by the Data Discloser of the adequacy of the Protective Measures), having taken account of the:
  - i. nature of the data to be protected;
  - ii. harm that might result from a Data Loss Event;
  - iii. state of technological development; and
  - iv. cost of implementing any measures;
- (c) ensure that:
  - i. the Data Receiver Representatives do not process Personal Data except in accordance with **Error! Reference source not found.2**;
  - ii. it takes all reasonable steps to ensure the reliability and integrity of any Data Receiver Representatives who have access to the Personal Data and ensure that they:
    - A. are aware of and comply with the Data Receiver's duties under this clause;
    - B. are subject to appropriate confidentiality undertakings with the Data Receiver or any Sub-processor;
    - C. are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Data Discloser; and
    - D. have undergone adequate training in the use, care, protection and handling of Personal Data; and

- (d) not transfer Personal Data outside of the UK unless the prior written consent of the Data Discloser has been obtained and the following conditions are fulfilled:
  - i. the Data Discloser or the Data Receiver has provided appropriate safeguards in relation to the transfer as determined by the Data Discloser;
  - ii. the Data Subject has enforceable rights and effective legal remedies;
  - iii. the Data Receiver complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Data Discloser in meeting its obligations); and
  - iv. the Data Receiver complies with any reasonable instructions notified to it in advance by the Data Discloser with respect to the processing of the Personal Data;
- (e) at the written direction of the Data Discloser, delete or return Personal Data (and any copies of it) to the Data Discloser on termination of the Contract unless the Data Receiver is required by any Applicable Laws to retain the Personal Data.

2.5 Subject to clause 2.6, the Data Receiver shall notify the Data Discloser immediately if the Data Receiver:

- (a) receives a Data Rights Request (or purported Data Rights Request);
- (b) receives a request to rectify, block or erase any Personal Data;
- (c) receives any other request, complaint or communication relating to either Party's obligations under the Data Protection Legislation;
- (d) receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data processed under the Contract;
- (e) receives a request from any third Party for disclosure of Personal Data where compliance with such request is required or purported to be required by any applicable laws; or
- (f) becomes aware of a Data Loss Event.

2.6 The Data Receiver's obligation to notify under Paragraph 2.5 shall include the provision of further information to the Data Discloser in phases, as details become available.

2.7 Taking into account the nature of the processing, the Data Receiver shall provide the Data Discloser with full assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under Paragraph 2.5 (and insofar as possible within the timescales reasonably required by the Data Discloser) including by promptly providing:

- (a) the Data Discloser with full details and copies of the complaint, communication or request;
- (b) such assistance as is reasonably requested by the Data Discloser to enable the Data Discloser to comply with a Data Rights Request within the relevant timescales set out in the Data Protection Legislation;
- (c) the Data Discloser, at its request, with any Personal Data it holds in relation to a Data Subject;
- (d) assistance as requested by the Data Discloser following any Data Loss Event;
- (e) assistance as requested by the Data Discloser with respect to any request from the Information Commissioner's Office, or any consultation by the Data Discloser with the Information Commissioner's Office.

2.8 The Data Receiver shall maintain complete and accurate records and information regarding any processing of Personal Data it carries out for the Data Discloser, including but not limited to, the access, control and security of the Personal Data, approved Sub-processors and affiliates, the processing purposes, categories of processing, any transfers of personal data to a third country and related safeguards, and a general description of the Protective Measures referred to in Paragraph 2.4(b). The Data Receiver shall provide such records and information to the Data Discloser on request.

2.9 The Data Receiver shall allow for audits of its Data Processing activity by the Data Discloser or the Data Discloser's designated auditor.

2.10 Each Party shall designate its own data protection officer if required by the Data Protection Legislation.

2.11 Before allowing any Sub-processor to process any Personal Data related to the Contract, the Data Receiver must:

- (a) notify the Data Discloser in writing of the intended Sub-processor and processing;
- (b) obtain the written consent of the Data Discloser;
- (c) enter into a written agreement with the Sub-processor which give effect to the terms set out in this **Error! Reference source not found. 2** such that they apply to the Sub-processor, and such written agreement shall terminate automatically on termination of the Contract for any reason; and
- (d) provide the Data Discloser with such information regarding the Sub-processor as the Data Discloser may reasonably require.

2.12 The Data Receiver shall remain fully liable for all acts or omissions of any Sub-processor, and shall indemnify the Data Discloser in respect of any loss, damages or claims incurred by the Data Discloser as a result of any breach of the Data Protection Legislation or this **Error! Reference source not found. 2** by, the Data Receiver and / or any Sub-processor, except and to the extent that such liabilities have resulted directly from the Data Discloser's instructions.

- 2.13 On the Data Discloser's written request, the Data Receiver will audit a Sub-processor's compliance with its obligations under the written agreement referred to at Paragraph 2.11(c) and provide the Data Discloser with the audit results.
- 2.14 The Council may, at any time on not less than 30 Working Days' notice, revise this clause by replacing it with any applicable controller to processor standard clauses or similar terms forming part of an applicable certification scheme (which shall apply when incorporated by attachment to the Contract).
- 2.15 The Parties agree to take account of any guidance issued by the Information Commissioner's Office. The Data Discloser may on not less than 30 Working Days' notice to the Data Receiver amend the Contract to ensure that it complies with any guidance issued by the Information Commissioner's Office.

**Appendix 1 referred to in Schedule Part 5**

- i. The contact details of the Data Discloser's Data Protection Officer are:  
  
 Kevin Wilbraham,  
 Information Governance Unit,  
 City of Edinburgh Council,  
 Waverley Court – Level 2/1,  
 4 East Market Street,  
 Edinburgh  
 EH8 8BG  
 Email: Information.compliance@edinburgh.gov.uk | Tel: 0131 200 2340
- ii. The Data Receiver will provide the Data Controller with the contact details of its data protection officer or other designated individual with responsibility for data protection and privacy to act as the point of contact for the purpose of observing its obligations under the Data Protection Legislation.
- iii. The Data Receiver will comply with any further written instructions provided by the Data Discloser from time to time with respect to processing Personal Data under this Agreement.

Description	Details
Identity of the Controller/s	The Parties acknowledge that for the purposes of the Data Protection Legislation, each Party is a Data Controller.

Description	Details
Subject matter of the Shared Personal Data	The processing is needed in order to ensure that the Data Receiver can effectively deliver the Contract to provide a service to City of Edinburgh Council tenants
Duration of the sharing of Personal Data	Duration of the contract: 1 April 2023 to 31 March 2024
Nature and purposes of the sharing of Personal Data	City of Edinburgh Council tenant information, Council staff information, community or tenant organisation information to support the delivery of the tenant participation strategy and support Council tenants.
Type of Personal Data being shared	Name, address, date of birth, tenancy information, telephone number, email and images
Categories of Data Subject	Staff, City of Edinburgh Council tenants, Community groups or Tenant Organisation information.

This page is intentionally left blank

# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## Capital City Partnership Service Level Agreement

Executive/routine  
Wards

Executive  
All

### 1. Recommendations

---

1. It is recommended that Committee agree:
  - 1.1.1 The updated Service Level Agreement (SLA) with Capital City Partnership (CCP), as summarised in Appendix 1; and
  - 1.1.2 That the SLA will be effective for three years from 1 April 2024, with the option to extend for a further three years (one year at a time) up to a maximum of six years in total. This will be subject to performance and the outcome of the Council budget setting process each year.

**Paul Lawrence**

Executive Director of Place

Contact: Elin Williamson, Head of Business Growth and Inclusion

E-mail: [elin.williamson@edinburgh.gov.uk](mailto:elin.williamson@edinburgh.gov.uk) | Tel: 0751 348 4817

## Capital City Partnership Service Level Agreement

### 2. Executive Summary

---

- 2.1 The Council has a Service Level Agreement (SLA) with Capital City Partnership (CCP) to support the development of an effective employer-led, client centred, outcome focused and collaborative employability service in the city. The current SLA is due to expire on 31 March 2024 and this report seeks Committee approval to conclude an updated SLA (Appendix 1) for a period of three years, with the ability to extend for a further three one-year periods, up to a maximum of six year in total.

### 3. Background

---

- 3.1 A review of employability services in 2010 initiated a new approach to Council funded employability services. This delivered significant efficiency savings and increased outcomes and progression achieved for the investment made.
- 3.2 To align with this, the Council's Arms Length External Organisation (ALEO) CCP was refocused and restructured to support the coordination and active management of employability services in the city, to help ensure a good fit with the labour market and demonstrable value for money.
- 3.3 Since that time, CCP have worked closely with the Council in overseeing and supporting the wider employability efforts in the city.
- 3.4 This arrangement is aimed to provide increased flexibility to bring together funding from different policy areas and translate them into a simpler and more joined up set of services that better match the lives of the people supported.
- 3.5 The current SLA has been in place since 2018 and will expire on 31 March 2024 and therefore requires to be reviewed and renewed.
- 3.6 When the SLA update [report](#) for 2022/23 was presented to Committee in October 2023, it was [agreed](#) that the updated SLA should include an increased and renewed focus on green skills and the green economy so that the work of CCP complemented the Council's climate strategy and helped to address the workforce needs / skill gaps identified in that strategy.



- 3.7 It was also agreed that consideration should be given for how CCP could include a workstream / programme focused on retraining workers in carbon intensive industries to transition into green jobs, in line with a just transition approach, and as a preventative action against unemployment.

## 4. Main report

---

- 4.1 The SLA is the legal agreement between the Council and CCP and has been updated to reflect changes in the legal landscape since 2018.
- 4.2 The SLA contains, in a number of schedules (sch), the strategic goals (sch. 1), a set of agreed services (sch. 2), Key Performance Indicators (KPIs) (sch. 3), and reporting requirements (sch. 4). These are included in Appendix 1 for approval from Committee.
- 4.3 Progress against these is reported to the Council on a quarterly basis and annually to Committee.
- 4.4 The strategic goals have been updated to reflect the Council's current business plan and economy strategy.
- 4.5 These include establishing that, in addition to the core service priorities around employment support, enabling a just transition to a net zero economy through supporting the creation of green jobs and training in green skills is key to the services. CCP have created training via their Vocational Training Framework, which is aimed at green jobs and are in continuous contact with employers to understand what up- and reskilling requirements will be required to support the just transition.
- 4.6 The services remain largely unchanged, and there is still a focus on CCP supporting the Council and the Local Employability Partnership in developing and delivering Edinburgh's Strategic Skills Pipeline and the Edinburgh Guarantee, as well as providing performance management services for those employability services contracted by the Council.
- 4.7 Following feedback from elected members on the SLA Update report for 2022/23, some of the KPIs have been increased. These are:
- 1 e) Number of employers to engage with has increased from 25 to 50;
  - 1 f) Increase of expected agreed outcomes achieved from the Vocational Training Framework from 50% to 70%;
  - 1 h) New KPI, reflecting a key focus on support for green jobs and skills;
  - 2 a) Increase expectation that 100% of active clients are from priority groups, up from 90%;
  - 2 b) Increase expectation that over 95% of agreed volumes should be delivered, up from 90%;

2 c) Increase expectation that 75% of clients should sustain employment for 6 months or longer, up from 50%; and

2 e) Increase expectation of number of clients supported into Real Living Wage jobs – up from 60% to 80%.

4.8 There is an understanding that some of these targets may not be achieved immediately as employability work is by its very nature an iterative process. For example, while the Council, CCP and all employability service providers aim to support all individuals into Real Living Wage paying jobs, there are other circumstances that need factored in with the aim to support them into suitable employment in the first instance (recognising that in some instances this may mean initially a lower wage but better opportunities for the individual).

4.9 The reporting schedule remains the same, but the payment schedule (sch. 5) has been updated to reflect a c. 5% inflationary uplift in 2025/26 and 2026/27, subject to Council's annual budget setting process. The current payment levels have remained constant since 2020, when CCP agreed to a reduction in payments, and are still below what was agreed in 2018.

## **5. Next Steps**

---

5.1 If Committee agree the SLA as appended to this report, officers will arrange for this to be signed and implemented as of 1 April 2024.

5.2 Officers from the Council and CCP will continue to work closely together to ensure that the city's employability provision meets the requirements of the skills pipeline and enables a just transition to a net zero economy.

## **6. Financial impact**

---

6.1 The cost for the SLA with CCP is met through the Council's employability budget, which is dependent on the Council's annual budget setting process.

6.2 The proposed SLA includes a small uplift in 2025/26 and again in 2026/27 to meet inflationary pressures. This will be subject to any decisions as part of the budget setting process for those financial years.

## **7. Equality and Poverty Impact**

---

7.1 There is no equality and poverty impact directly arising from this report.

7.2 As highlighted in the Strategic Goals in the SLA, the funder's Service Priorities lie in five areas:

- 7.2.1 Helping School leavers and Young People make the transition into work or learning, particularly those with significant disadvantages and barriers to work;
  - 7.2.2 Supporting the unemployed, both newly and long-term, who face significant disadvantages to re-enter the workforce and sustain work;
  - 7.2.3 Supporting individuals with significant disadvantages or barriers to progression access and sustain work or learning;
  - 7.2.4 Help those in low pay to progress to higher earnings and more fulfilling employment or self-employment, supporting income maximisation; and
  - 7.2.5 Enabling a Just Transition into a Net Zero economy by 2030 by supporting the creation of green jobs, and retraining workers in carbon intensive industries to transition into these, as well as supporting the provision of other green skills for the future.
- 7.3 More broadly, through the work of CCP and other partners, the Council is able to reach thousands of citizens who are experiencing barriers to employment and provide support for them to reach a positive destination, lifting people out of poverty.

## **8. Climate and Nature Emergency Implications**

---

- 8.1 The impacts of this report have been considered in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties requiring public bodies to contribute to climate change mitigation and to climate change adaptation, and to act sustainably. Relevant Council sustainable development policies have also been considered.
- 8.2 There are no direct negative impacts in the effects of climate change or improving the resilience to the effects of climate change as a result of this report.
- 8.3 There are no direct nature emergency implications as a result of this report.
- 8.4 More broadly, there is an opportunity to utilise CCP and its contact network to promote awareness of environmental issues and carbon impact throughout the city.

## **9. Risk, policy, compliance, governance and community impact**

---

- 9.1 There is no risk, policy, compliance, governance and community impact directly arising from this report.
- 9.2 An assessment of risk is continuously undertaken for all employability and skills activities, and this is monitored on a regular basis.
- 9.3 The requirements within the SLA reflect current agreed practice associated with Council ALEOs

- 9.4 Employability services are always commissioned following coproduction exercises with strong community and service user input as well as from service providers. The Local Employability Partnership, who oversees the coproduction exercises, has representatives from several public sector organisations, as well as third and private sector and education providers.

## **10. Background reading/external references**

---

- 10.1 None

## **11. Appendices**

---

- 11.1 Appendix 1: Capital City Partnership SLA schedules 1-5.

## Appendix 1: Capital City Partnership SLA schedules 1-5

### Schedule 1 Strategic Goals

- 1.1 The Funder's Strategic Goals are reflected in the City of Edinburgh Council's [Economic Strategy \(Stronger, Greener, Fairer\)](#) which sets out the following ambition;

*The strategy aims to ensure that the city's economic priorities continue to meet the needs of citizens and businesses and drive a strong and fair recovery from the economic effects of the Covid 19 pandemic, adapt to the changes driven by the UK's withdrawal from EU, and ensure a just transition to a net zero economy, alongside other economic changes anticipated in the coming few years.*

- 1.2 The Funder's Service Priorities lie in five areas:

- a) Helping School leavers and Young People make the transition into work or learning, particularly those with significant disadvantages and barriers to work
- b) Supporting the unemployed, both newly and long-term, who face significant disadvantages to re-enter the workforce and sustain work
- c) Supporting individuals with significant disadvantages or barriers to progression access and sustain work or learning.
- d) Help those in low pay to progress to higher earnings and more fulfilling employment or self-employment, supporting income maximisation.
- e) Enabling a Just Transition into a Net Zero economy by 2030 by supporting the creation of green jobs, and retraining workers in carbon intensive industries to transition into these, as well as supporting the provision of other green skills for the future.

- 1.3 The Funder's aim is to maximise the added value it achieves through its investment through piloting new innovative approaches, plugging gaps in statutory or private sector provision, or boosting capacity where there is significant labour market inequality.

- 1.4 This will be achieved by using the combined knowledge of our partners and labour market statistics to create a well targeted, integrated and outcome focused service structure (Strategic Skills Pipeline and Pipeline Plus) that meets the current and future needs of our city and communities.

- 1.5 The Recipient will align its decision-making to the following:

- 1.6.1 The Funder's Business Plan for 2023-27;
- 1.6.2 The Funder's commitment to end poverty in the city of Edinburgh by 2030;
- 1.6.3 The Funder's commitment to a net zero climate emissions city by 2030.

## Schedule 2 The Services

The Services comprise the following, together with the associated Key Performance Indicators (“KPIs”):

### 1. **Effective Partnerships, Relationships, and Leverage**

1. The co-ordination of the “Local Employability Partnership” (LEP), a strategic jobs and progression partnership to support the development and delivery of Edinburgh’s Strategic Skills Pipeline and the Edinburgh Guarantee. This includes the provision of a partnership secretariat.
2. Working jointly with the LEP and BGI on evidence-led policy, strategic and operational development including pulling together responses to policy consultations where appropriate.
3. Support employer engagement under the Edinburgh Guarantee banner by building better relationships with key industries, create effective public/private delivery structures, maximise the community benefits realised from developments, and unlock good job opportunities for citizens.
4. Identify and secure financial or in-kind contributions that add value to the Funder’s investment, or enable financial savings to be realised with minimal loss in impact.

### 2. **Performance Management Service**

1. A performance management service (integrated with any cross-partner processes advised by the funder) to oversee projects or services passed to the Recipient by the Funder (or co-funding partners) that drives good progress against targets and delivers excellent value for money
2. Where required, the negotiation and adaptation of projects and services on behalf of the Funder. This includes multi-agency funding packages, undertaking due diligence, target setting, and agreeing financial payment arrangements.
3. Monitoring, auditing, and evaluating projects or services managed on behalf of the Funder to ensure good quality and well targeted services, compliance with any rules and regulations to mitigate any financial risks or reputational damage and, where applicable, the recovery of any overpayments.

### 3. **Quality Assurance & Communications**

1. Putting in place processes and systems to track and verify the impact and quality of services (including feedback from beneficiaries, employers, providers, and other stakeholders) and making this data and any analysis readily available to the Funder.
2. Providing a cross-cutting client management system (“Helix” or any successor system) to support effective performance management and improved joint working across services. Working with BGI to ensuring that data scope and analytical functionality is fit for purpose, there is high level of data accuracy, and measures are put in place to comply with any legal obligations (e.g. GDPR).
3. Developing and implementing, in conjunction with BGI, joint communication, marketing, and quality assurance tools including common branding, Funder acknowledgement boilerplates, the LEP website, service directory and noticeboard, and any customer charter schemes.
4. The provision of information, analysis and support to partners to encourage them to adapt delivery arrangements to better match city need and opportunity.

### Schedule 3 - Key Performance Indicators

The performance of the Services shall be in accordance with the following Key Performance Indicators (“KPI”s)

Indicator	Target	Timeframe	Source
<b>KPI 1: Delivering effective operational partnerships &amp; relationship</b>			
a) Stakeholder and client satisfaction with services provided and effectiveness of the partnership.	90% Very satisfied	Annual	Internal evaluation across networks  External commissioned evaluations
b) Facilitate four LEP meetings, four JUFJ forums, and four Joined up for Business meetings per year. Deliver and source training and information products according to needs.	Average 75% participation by partners and/or funded organisations	Annual	Attendance monitoring / Webinar data
c) External leverage (cash and in-kind) secured by the Recipient to add value to the Funders Investment or help deliver on savings targets.	£2,000,000	Cumulative over 3 years	Progress and performance reports
d) Support capacity of Third Sector to leverage match from CEC funds, including identifying opportunities	£500,000 (10% match target)	Cumulative over 3 years	Financial Reports and Audited Accounts  Progress and performance reports
e) Engagement with employers across Edinburgh to support with recruitment, training, and funding opportunities to enable business growth.	50 employers	Annual	Progress and performance reports
f) Linking Vocational Training Framework opportunities to priority groups and making recruitment more accessible.	Programme of training opportunities sourced and made available under VTF with 70% achieving one of the agreed outcomes.	Annual	Helix and Job Portals
g) Deliver business insight sessions to employability advisors and employers supporting a more diverse and inclusive workforce and reflecting Fair Work practices and deliver community job fairs.	4 sessions	Annual	Progress and performance reports
h) Spearhead a Just Transition by supporting the creation of green jobs and associated skills.	Programme of training opportunities sourced and made available with 70% achieving an agreed outcome	Annual	Helix and Job Portals

<b>KPI 2: An effective employability performance management service</b>			
a) Services are well targeted at agreed priority groups	100% of active clients are from priority groups	Annual	Verified client records and audit trails
b) Cumulative engagement, progression, and outcome targets are achieved. Underperformance is managed and mitigation reported.	Over 95% of agreed volumes delivered	Annual	Progress and performance reports
c) Client supported into work sustain employment for at least 6 months	75% sustain employment for 6 months or more	Annual	Progress and performance reports
d) Providers have insight into local Labour Market Information (LMI), sectoral intelligence	12 Monthly claimant count reports; quarterly LMI digests	Annual	Insight reports
e) Providers adhere to the principles of Fair Work	Monitor fair work indicators (living wage, living hours, effective voice etc.)  80% of clients supported into work earning living wage.  Annual report on fair work measures and monitoring via Customer Charter  Support JUFJ providers to become Living Wage <b>accredited</b>	Annual	Progress and performance reports
f) Projects and services comply with the associated terms, conditions, rules, and regulations.	100% compliance demonstrated	Annual	Progress and performance reports



<b>KPI 3: Quality Assurance &amp; Communications</b>			
a) Employer satisfaction with scope and quality of service received and the positive impact made.	90% Very satisfied	Annually	Customer and Stakeholder feedback survey.
b) High level of data completeness and accuracy maintained on client and other project records	95% of records are accurate and contain all the data required to satisfy funding and operational commitments	Ongoing	Sample checks and audits of client records  Contractual Regulations
c) Employability contracts and grants holders are awarded the Joined up for Job Customer Charter within 6 months of programme start	90% hold charter mark status within 6 months of project start	Annual	Progress and performance reports
d) Support and maintain LEP website and directory. Deliver consistent communication and marketing to network of providers	Comprehensive and up-to-date directory held.  48 weekly bulletins sent to network	Annual	Progress and performance reports

Progress and performance reports to be provided quarterly with Ad hoc reports on red-rated provision

## Schedule 4 Reporting requirements

As part of this Agreement regular reports will be provided to BGI, who will define the format of these reports, in consultation with Recipient, and can be amended at any time.

Report	Frequency
<p><b>Forward Plan</b> (1 April to 31 March) setting out the priorities, planned activities and phasing for the next year covering the following areas;</p> <ul style="list-style-type: none"> <li>• <u>Partnership and Relationship</u> development and support activities including joint communications and brand Development</li> <li>• <u>Performance management and operational development</u> activities including any process changes and the monitoring, audit, and evaluation schedule for all managed projects.</li> <li>• <u>Quality Assurance and Communication</u> covering the development and maintenance of client management and quality verification systems including Caselink, JUFJ Charter Schemes, and Client Survey and feedback.</li> <li>• <u>Financial and In-Kind Leverage</u>: activities to attract external leverage, mitigate any loss or clawback of existing external funds, or help achieve savings future targets for the Funder.</li> <li>• <u>Risks and Dependencies</u> along with details of how any significant risks would be reduced or mitigated.</li> <li>• <u>Support</u> required by the Recipient to deliver the plan</li> </ul>	<p>Annual</p> <p>Draft submitted at start of Q4 in previous year.</p> <p>Agreed at end of Q4 in previous year.</p>
<p><b>Progress reports</b> (quantitative and qualitative) to demonstrate progress against overall service priorities and objectives, the forward plan, and identify obstacles or areas of concern. The report should include:</p> <ul style="list-style-type: none"> <li>• The <u>period</u> covered by the report</li> <li>• <u>Progress</u> against forward plan and Schedule 3 KPI's including general areas of concern, improvement measures proposed or taken, and proposed updates to the forward plan.</li> <li>• <u>Cumulative performance</u> summary for managed projects and services including a breakdown of; <ul style="list-style-type: none"> <li>○ total numbers supported with a breakdown by client type (e.g. Gender, age group, protected characteristic, economic status) and residency (locality and target small areas),</li> <li>○ total progressions and outcomes with a breakdown by client type and residency.</li> <li>○ total sustained progressions and outcomes with a breakdown by client type and residency (inc. Level of unknowns)</li> </ul> </li> <li>• <u>One page synopsis</u> for each managed project or service with; <ul style="list-style-type: none"> <li>○ Description of the Service or Activity and profile of clients supported</li> <li>○ Financial profile including award, leverage and amount paid out to date</li> <li>○ Project review frequency and date of last meeting,</li> <li>○ Cumulative performance against targets and any areas of concern identified along with agreed remedial measures.</li> </ul> </li> <li>• <u>Any Updates to Risk Plan</u></li> <li>• <u>Data Security, PVG, or Health and Safety Issues</u> notified in period along with remedial and preventative actions taken.</li> </ul>	<p>Quarterly</p> <p>(1 Apr to 31 Mar)</p> <p>Q1 submission by end of July</p> <p>Q2 submission by end of October</p> <p>Q3 submission by end of January</p> <p>Q4 submission by end of April</p>

Report	Frequency
<p><b>End of Year Performance and Learning Report</b> (qualitative and quantitative) will be produced giving the verified statement of the achievements in the preceding year, including any completed evaluation work. This will be in a similar format to the quarterly reports detailed above.</p> <p>This is to enable any in-year adjustments to be finalised into an agreed final statement, share any best practice identified, and identify areas for improvement in future.</p>	<p>Annual</p> <p>Draft submitted at start of Q2 (July) in year following period considered.</p> <p>Agreement at end of Q2 (August).</p>
<p><b>Financial Reports and Audited Accounts</b></p> <p>Statement on the use of Funders investment including any financial carry over to cover contractual commitments, restricted funds available for virement (by agreement with BGI) to other related activities or return to the Funder, and financial or in-Kind (monetised) leverage secured by the Recipient.</p> <p>Full year audited accounts.</p> <p>Council Companies Evidence of Assurance Questionnaire</p>	<p>Quarterly progress reports</p> <p>Annual</p> <p>Annual</p>
<p><b>Additional Reporting</b> as required by the Funder to comply with, Freedom of Information requests, service reviews, audit requests or other contract commitments involving the Recipient.</p>	<p>On request by stated deadline</p>

## Schedule 5 Payment Schedule (1 April to 31 March)

The following table sets out the funding that the Funder intends to provide to the Recipient to undertake the services outlined in Schedule 2. Funding for 2025/26 and 2026/27 is subject to approval by the Funder, following the annual budget setting process.

<b>Budget Item</b> (Paid in advance in quarterly payments)	<b>24/25</b> <b>(£,000)</b>	<b>25/26</b> <b>(£,000)</b>	<b>26/27</b> <b>(£,000)</b>	<b>Comment</b>
<b>Core Funding</b>	420	440	465	Staffing, building, and support costs contribution to the Recipient and development costs of Private/Public sector partnership working
<b>Direct Costs</b>  Case Management System and Partnership Websites	80	80	80	Licencing, fees, support, and development costs
<b>Total</b>	<b>500</b>	<b>520</b>	<b>545</b>	
<b>Additional Funding</b>				<p>1. The Funder reserves the right to <b>require the Recipient to deliver OR enter into agreement with a third party for the delivery of</b> Additional Services, in respect of which the Funder will pay to the Recipient the Additional Funding.</p> <p>2. The Recipient will accept instructions from the Funder in respect of Additional Services from the Head of BGI, or their deputy, via email or hard copy <b>headed “Formal Instruction for Additional Services”</b>, setting out the detail of the Additional Services and the relevant Additional Funding.</p>

# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## UK Shared Prosperity Fund Update

Executive/routine  
Wards

Executive  
All

### 1. Recommendations

---

1. It is recommended that Committee agree the recommendations, as set out in Appendices 1 and 2, for the reallocation of UK Shared Prosperity funds from Regional Prosperity Framework delivery.

**Paul Lawrence**

Executive Director of Place

Contact: Elin Williamson, Head of Business Growth and Inclusion

E-mail: [elin.williamson@edinburgh.gov.uk](mailto:elin.williamson@edinburgh.gov.uk) | Tel: 0751 348 4817

## UK Shared Prosperity Fund Update

### 2. Executive Summary

---

- 2.1 This report responds to Committee's request to reallocate funds previously earmarked for delivering projects aligned with the Regional Prosperity Fund (RPF) and makes recommendations of projects to fund.

### 3. Background

---

- 3.1 On 4 August 2022, Committee [agreed](#) the programme of projects delivering the UK Shared Prosperity Fund (UKSPF) in Edinburgh. This included allocating funds for the delivery of projects aligned with the RPF so all unallocated funds in 2024/25 were earmarked for this purpose, awaiting confirmation of projects.
- 3.2 On 8 August 2023, Committee [agreed](#) to fund feasibility studies for a Net Zero Accelerator Hub and a Climate Risk Opportunity Assessment and on 5 December 2023 Committee also [agreed](#) to fund five projects under the Visitor Economy and Culture Delivery Programme.
- 3.3 In December 2023, it was also agreed to reallocate the remaining funding to ensure that it could be utilised before the end of the funding period:
- 3.3.1 Revenue funds which had been earmarked for RPF project delivery would be reallocated to boost existing projects delivering under Edinburgh's UK SPF programme; and
- 3.3.2 Capital funds which had been earmarked for RPF project delivery would be reallocated to deliver Council-led projects which can be completed within the timescales required on projects related to net zero, climate adaptation and nature recovery.
- 3.4 Committee requested that an additional update report be presented in February to make recommendations on the capital projects to be funded and to clearly outline how the projects selected deliver against the various workplans/strategies which fall under the remit of the Net Zero Edinburgh Leadership Board.

## **4. Main report**

---

- 4.1 The Council's Sustainability Team was consulted for recommendations on where the capital investment would be most likely to be effectively implemented and what the sums would be required (Appendix 1).
- 4.2 The projects identified support the objectives of the Council's Emission Reduction Plan, Biodiversity Action Plan, Thriving Green Spaces Strategy and Climate Strategy. They align directly with the objectives of the Net Zero Edinburgh Leadership Board which seeks to tackle both the climate and nature emergencies simultaneously. Feedback from the identified projects will be shared with the Board and Climate Compact members to enable potential additional collaboration opportunities to be unlocked and best practice to be shared.
- 4.3 With regards to the unallocated revenue funding, a review has been performed of the projects currently delivering under UKSPF and where projects are currently performing well and have scope for expansion/extension, recommendations to that effect have been made in Appendix 2.

## **5. Next Steps**

---

- 5.1 If Committee agree the recommendations in this report, the Programme Management Office (PMO) will liaise with projects on the implementation of delivery and making links across projects, including networking and training sessions.
- 5.2 A further update on progress will be provided to Committee following the next report that is submitted to the UK Government.

## **6. Financial impact**

---

- 6.1 All expenditure on this programme is met from the funding received for UK SPF.

## **7. Equality and Poverty Impact**

---

- 7.1 The Shared Prosperity Fund is part of the UK Government's Levelling Up agenda and Edinburgh's Investment Plan was designed specifically to complement the Council's Business Plan priorities of Net Zero, Ending Poverty and Creating Good Places to Live and Work.
- 7.2 The projects delivered in Edinburgh through UK SPF help achieve a just transition in Edinburgh primarily by improving the areas of social justice, economic wellbeing and a sustainable economy. By supporting local employment opportunities in local businesses and helping people into positive destinations there is a positive impact on inclusion, employment and training, and shared prosperity.

## **8. Climate and Nature Emergency Implications**

---

- 8.1 The impacts of this report have been considered in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties requiring public bodies to contribute to climate change mitigation and to climate change adaptation, and to act sustainably. Relevant Council sustainable development policies have also been considered.
- 8.2 There are no direct negative impacts in the effects of climate change or improving the resilience to the effects of climate change as a result of this report.
- 8.3 There are no direct nature emergency implications as a result of this report.
- 8.4 In addition to the carbon impact measures in the programme outputs and outcomes, a carbon impact assessment will be undertaken for each capital project.
- 8.5 More broadly, there is an opportunity through UK SPF to promote awareness of environmental issues and carbon impact throughout the strategic themes. As well as being an important focus for the Council, Net Zero and nature recovery is also a cross-cutting theme in the UK SPF framework.

## **9. Risk, policy, compliance, governance and community impact**

---

- 9.1 To support the development of the investment plan, engagement and promotion activities with stakeholders included online sessions with potential applicants attended by almost 100 participants (the majority of which were from Third Sector or community groups); together with information and engagement sessions with Council elected members, local MPs and MSPs and the Edinburgh Partnership;

## **10. Background reading/external references**

---

- 10.1 None.

## **11. Appendices**

---

Appendix 1: Recommendations for reallocated Capital funding.

Appendix 2: Recommendations for reallocated Revenue funding.



## Appendix 1: Recommendations for reallocated Capital funding

Sector	Proposal	UKSPF Investment Priority	Description	Amount
Parks & Green spaces / Nature	<b>Increase and improve biodiversity of Living Landscapes</b>	Communities and Place	Increase the amount for Living Landscape and altering existing maintenance standards will require a change of machinery types (introduce more flail cutting decks for ride-on machines and tractor spearhead cutters). Also include machinery purchase (electric where possible) for the continuation and expansion of meadow areas.	£180,000
Parks & Green spaces / Nature	<b>Stop Glyphosate use</b>	Communities and Place	As per (Transport and Environment) committee approval, introduce mechanical edging of paths and edges across estate to stop all glyphosate use. Funding required for machinery purchase.	£90,000
Parks & Green spaces / Nature	<b>Electrical utilities (parks)</b>	Communities and Place	Install event electrical utilities to reduce the use of diesel generators in our city and provide clean power for event and community use. Estimated cost is for 2 sites.	£100,000
Transport	<b>Replacement of small equipment with electrical alternatives</b>	Communities and Place	Electric alternatives for small equipment (chainsaws, blowers, lawn mowers etc) have a higher upfront cost (50% increase) but lower running costs. They improve health and safety for operators (noise reduction, no harmful pollutants during use etc). This is a commitment in the CERP: "F9. Commit to replace equipment such as lawnmowers and chainsaws with non-fossil fuel alternatives when appropriate". £15k already allocated from Net Zero community budget but more budget would help replace more equipment	£138,529
Transport	<b>Pool bikes / e-bikes / cargo bikes</b>	Communities and Place	Purchase of 2 four-wheeled cargo bikes (EAV) for use by the parks team in Princes Street Gardens and a potential other service (e.g. street cleansing) + purchase of 1 conventional cargo bike (one for Kindergarten use and one as a shared bike located in a Council building for business travel). Costs include accessories, locks, panniers, branding etc.	£50,000
<b>Total:</b>				<b>£558,529</b>

## Appendix 2: Recommendations for reallocated Revenue funding

Organisation	Project	UKSPF Investment Priority	Description	Amount
Space and Lifecare	<b>Volunteering Vibes</b> <b>New accessible website</b>	Communities and Place	Vintage Vibes is funded through UKSPF to support isolated older people across Edinburgh, pairing them with volunteer befrienders and running engaging activities and events. Additional funding was agreed for Volunteer Vibes, which is a drive to increase the number of volunteers within the project through developing new marketing, enhancing the support infrastructure for volunteers, and creating more varied voluntary roles within the organisation. Both projects have been very successful. Additional funding is now required to develop a new website to support this strategy. It will have a focus on accessibility, signposting and making the volunteering process as barrier free as possible. Funds will support collaborating with an accessible communication charity, creating engaging content and running community-led focus groups to develop the site. Vintage Vibes have already demonstrated significant learning because of the Volunteer Vibes initiative and work in a collaborative manner to ensure this is shared with others in the third sector. This approach would continue in the context of the website development.	£12,000
People Know How	<b>Digital Inclusion Boost</b>	People and Skills	People Know How is funded through UKSPF to deliver digital inclusion support across Edinburgh. They have been continuing to develop partnerships with support services across the city to ensure that digital inclusion is embedded in local communities. Support is tailored to meet varying levels of digital skills and to be able to respond to a variety of needs such as disability or language barriers. Client numbers have consistently been high and there is growing demand both from existing groups and other agencies in the City who would like to partner with People Know How to establish new groups. The additional funding will enable this extra capacity.	£50,000
Chamber of Commerce & Everyone's Edinburgh	<b>BCorp500</b>	Supporting Local Business	UKSPF funds Edinburgh Chamber of Commerce to support small and medium businesses on the journey to Net Zero. Everyone's Edinburgh received a small amount of funding to carry out research to understand how businesses in Edinburgh can be supported to consider and pursue being businesses of purpose who pursue inclusion and sustainability alongside their profit-focussed activities. As a result of these pieces of work, an ambition has developed to support businesses in Edinburgh to become certified B Corporations (B Corps); companies verified by B Lab to meet high standards of social and environmental performance, transparency and accountability. This initial funding would help to lay the groundwork to support 500 Edinburgh businesses to become BCorps. With only 2,350 BCorps in the UK currently, this is an ambitious and long-term goal that could	£65,000

			be transformative for the city, having a significant impact on fair work practices as well as the environment.	
Networking Key Services	<b>One-to-one digital support</b>	People and Skills	Networking Key Services (NKS) are funded by UKSPF to deliver holistic support for those from South-Asian communities. They received additional funding for six months to provide one-to-one digital support. Digital skills are important for access to basic services, but also are supporting many participants to progress into education and work. The digital support very quickly became fully subscribed. The additional funds will allow the digital support to continue for a further 12 months.	£40,000
Capital City Partnership	<b>Macmillan Hub for the Forth Green Freeport</b>	Supporting Local Business	Capital City Partnership is funded to provide the Macmillan Hub, a local corridor of employability support in an area of high deprivation in the north of Edinburgh with a focus on connecting with the Waterfront development regeneration. Since the establishment of the Hub, plans for the Forth Green Freeport have been confirmed, which will lead to new jobs in Leith. Additional funding will create a new strategic arm of the Macmillan Hub, designed specifically to focus on engaging with employers connected to the Freeport development. As part of this initiative, the Hub will also work closely with partners to establish and strengthen education and training pathways that enable local people to benefit from the opportunities emerging as the Freeport grows.	£50,000
Challenges Group	<b>Making Work Work and Development of LEAP programme</b>	People and Skills	The Challenges Group is funded to run Making Work Work, which is an 8-week structured learning programme for women returning to the workplace after a career break. The project received additional funding to pilot the new Learning Employability and Purpose (LEAP) programme, which offers an 8 - 10 week volunteering placement alongside management training. The project has consistently exceeded targets and has been very successful at supporting women into positive destinations, with the majority moving into work. This additional grant will extend capacity to allow for an extra cohort of 15 women to complete the Making Work Work programme in the coming year.	£25,000
<b>TOTAL:</b>				<b>£242,000</b>

This page is intentionally left blank

# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## Affordable Childcare for Working Parents

Executive/routine  
Wards

Executive  
All

### 1. Recommendations

---

- 1.1 It is recommended that Housing, Homelessness and Fair Work Committee:
- 1.1.1 Agree a revised approach to the Affordable Childcare for Working Parents service, including:
    - 1.1.1.1 The procurement of contracts in each locality to support the delivery of subsidised childcare in areas of highest deprivation for children aged 0-12 years; and
    - 1.1.1.2 The direct award of four grants to the currently contracted childcare providers to minimise the risk of business failure and a consequential loss of childcare provision in these four areas; and
  - 1.1.2 Note the planned extension of the current four contracts up to the end of July 2024 to allow for the procurement/grant process to be completed and for the new contracts to fall in line with the academic year.

#### Paul Lawrence

Executive Director of Place

Contact: Elin Williamson, Head of Business Growth and Inclusion

E-mail: [elin.williamson@edinburgh.gov.uk](mailto:elin.williamson@edinburgh.gov.uk) | Tel: 0751 348 4817



## Affordable Childcare for Working Parents

### 2. Executive Summary

---

- 2.1 This report provides an update on the review of the Affordable Childcare for Working Parents service and outlines a recommendation for the future delivery of the service.

### 3. Background

---

- 3.1 The Council currently issues funding to four established registered childcare providers to offer subsidised childcare for working parents on low incomes in Edinburgh, supporting approximately 250 families per annum.
- 3.2 The service was designed to support parents in some of the areas of the city which suffer from the highest levels of unemployment, poverty, and inequality of access, as demonstrated by the Scottish Index of Multiple Deprivation (SIMD). The childcare subsidy was introduced to reduce the cost of childcare for eligible (low income) working parents and the business subsidy was intended to support the organisations due to demand for early years childcare often being lower in these areas and usual business models, which rely on full occupancy, would not be sustainable.
- 3.3 The breadth of financial support towards childcare at a national level has expanded in recent years but the cost of childcare continues to be a significant barrier for parents wishing to start or sustain work. This was outlined in a [report](#) on 1 December 2022 to Committee, which included a report on the findings of independent research undertaken by consultant Ekosgen.
- 3.4 On 8 August 2023, Committee [agreed](#) that officers should progress the procurement process of a future service to better support low income families with the cost of childcare in key areas of deprivation in Edinburgh.

- 3.5 It was also agreed that the future service should continue to target the same four areas of deprivation, providing subsidised childcare to eligible parents to allow them to enter, sustain and progress in work. Targeting areas of deprivation was agreed due to the scale of the budget that does not allow for a city-wide service.
- 3.6 The report highlighted that there might still be a requirement to continue to provide a business subsidy to childcare providers in these areas but that it was anticipated that this would be reduced by around 50%.

## 4. Main report

---

### **Proposal for new Affordable Childcare for Working Parents Service**

- 4.1 Following the independent review by Ekosgen, the ongoing consultation with the current four childcare providers (North Edinburgh Childcare, SmileChildcare, Childcare Connections and Kidzcare), and the continued discussions with officers in Children, Education and Justice Services, the proposal for a future service has been revised.
- 4.2 It is still recommended that the Council continue to commission targeted services in the highest areas of deprivation in the city, defined as SIMD1 and/or 2. This will ensure that there is childcare provision available to support low income working families to access subsidised childcare provision in each of the four localities in Edinburgh. The subsidy will be administered by the Council, as opposed to the childcare providers themselves, reducing administrative burdens on childcare providers and ensuring that the subsidy rate is standardised, as well as offering an opportunity to provide wraparound support to access employability and income maximisation services.
- 4.3 In the future service, the commissioned childcare partners would be contracted to:
- 4.3.1 Be a partner provider for the Affordable Childcare for Working Parents service. This means being a first referral point for childcare for parents being supported by the Council's employability services and who require childcare to start work. If a place is available and it suits the family, they can access this;
  - 4.3.2 Offer childcare at their designated full cost rate and an agreed subsidised rate for eligible families. The subsidised rate will be set by the Council. The provider will be responsible for invoicing the agreed eligible parents at the subsidised rate and invoicing the Council for the remainder of the fees;
  - 4.3.3 Work with the Council to refer any parents who are/may be struggling financially to pay for childcare to the Council's employability team. This team will link them directly to the Council's Advice Shop, who will provide a financial assessment to ensure that these families are accessing all available financial interventions, such as Universal Credit and 1140 hours; and

4.3.3.1 If the cost of childcare would push the family into [poverty](#) (threshold defined by the Scottish Government as 60% of the median household income), the Council will assess if they are eligible for a subsidised place where a vacancy exists.

4.3.4 Provide monitoring information towards agreed key performance indicators using robust contract management processes. This will be managed by Capital City Partnership (CCP) under the current Service Level Agreement.

4.4 Each locality would have contracts available under three sublots, defined as:

4.4.1 Childcare provider offering childcare for 0-3 year olds;

4.4.2 Childcare provider offering childcare for 3-5 year olds; and

4.4.3 Childcare provider offering childcare for school aged children (5-12 year olds).

4.5 Each subplot would have an individual rate of subsidy.

4.6 It is recognised that this service would incur an additional administrative obligation for the childcare provider, as they would require to issue two invoices, and so funding would be provided to support this. This administration fee is projected to be up to 15% of each Provider's management costs, up to a maximum of £20,000 per subplot, but will be negotiated with providers depending on expected volume.

4.7 A Prior Information Notice for these contract opportunities was issued on Public Contract Scotland to gauge market interest of this opportunity. Five providers returned the questionnaire to express interest and so steps are now being planned to complete the procurement process.

#### **Proposal for Direct Grants to current providers**

4.8 As previously reported to Committee, it is recognised that the current four providers have received funding through contracts (and previously through grants) for over 10 years. This funding has been partly to subsidise childcare costs but also to sustain the providers' business models in areas that, historically, did not attract commercial childcare providers. It is accepted that this business subsidy has become integral to the viability of their current business models and to remove this in full and immediately may result in the closure of one or more of these four providers and significantly reduce the availability of childcare in these areas.

4.9 It is therefore proposed that Committee approves direct grants be awarded to the existing four providers to allow time for them to revise their business models acknowledging that:

4.9.1 The level of grant funding would be negotiated with individual providers, but it would be no more than the current business subsidy level and would have to be considered in the context of other funding available;

4.9.2 These grants would be reduced over the space of three years and the four providers would have responsibility to manage the adaptation of their business models within the period of grant funding. Council officers would



support the providers to adapt their business models to become self-sufficient in their operations; and

4.9.3 Direct grants in this capacity would also need to be approved under the UK Subsidy Control scheme.

## **5. Next Steps**

---

- 5.1 If Committee approves the recommendations, officers will undertake the agreed procurement process to commission the outlined contracted services.
- 5.2 Officers will follow the UK Subsidy Control requirements to seek approval for these direct grants. Officers will also develop a grants model to ensure the carefully managed process of business adaptation, working closely with the providers and additional business support. It will be essential to ensure that ongoing support is available for parents who may be affected by this, in particular where fees have to be increased by providers to enable a market-viable business model.
- 5.3 Due to the timescales involved, the Executive Director of Place has agreed to extend the current contracts up to the end of July 2024, as per 9.6.4 of the Contract Standing Orders. This will enable the new programme to align with the academic year.
- 5.4 An update on the outcome of the procurement process will be provided to a future Housing Homelessness and Fair Work Committee as part of the Business Bulletin.

## **6. Financial impact**

---

- 6.1 Currently, there is £913,372 per annum of funding supporting the delivery of this service. The contracted services element would be committed to future delivery for three years, with the option to extend this for three periods of 12 months.
- 6.2 The maximum budget available for the contracted element is £240,000.
- 6.3 Current business subsidy accounts for £497,405 per annum across the four providers (full details can be found in Appendix 1). The value allocated to the proposed direct grant awards will be negotiated with the four providers and an annual reduction will be agreed. It is anticipated that there will be an immediate reduction in the initial grant funding total because the providers will be required to adapt their business model in advance of their current contract ending.
- 6.4 It is therefore anticipated that the total sum of the contacted provision and grants will be no higher than the current business subsidy element of the budget in the first year, and then successively reducing over the next two years.
- 6.5 The remainder of the budget will be allocated as childcare subsidy for eligible parents.

- 6.6 Additional employability activity for parents which will sit alongside this funding will utilise the Scottish Government's Tackling Child Poverty funding allocation (formerly Parental Employability Support funding). This was outlined at the Housing, Homelessness and Fair Work Committee on [19 April 2023](#) and [9 May 2023](#).

## **7. Equality and Poverty Impact**

---

- 7.1 The focus of the current service and the planned future service is on equality of opportunity, aiming to alleviate the disadvantage faced by parents in low incomes who cannot afford the increasing cost of childcare to allow them to enter and sustain employment. It is envisaged that the new service will further enhance the current practices by ensuring every parent has direct access to welfare rights support and parental employability support. This will create a whole life approach to the service and maximise the opportunities to lift families out of poverty.
- 7.2 The limited budget available means that there is not capacity to offer this subsidy support at a city-wide level and so it was agreed to target those in areas of deprivation where, historically, childcare options were more limited.
- 7.3 An [Integrated Impact Assessment](#) has been carried out throughout the process. This continues to be developed and remains a live document while the strategy is in development. As with all strategic decisions, the aim is to ensure no-one is adversely affected by any proposals and programmes and that all services are fully inclusive.
- 7.4 The impact on families that can access a future Affordable Childcare Service is positive, enabling parents to gain and sustain employment. Supporting eligible parents to access Universal Credit and other sources of financial help will also be a priority, as well as ensuring there are strong links and partnership working with employability, welfare and advice services, including income maximisation. All of this will benefit these families in real financial terms.

## **8. Climate and Nature Emergency Implications**

---

- 8.1 The greatest benefit of local childcare settings in areas of deprivation is that it reduces the requirements to travel for childcare and, thus, lowering the carbon footprint for those families.

## **9. Risk, policy, compliance, governance and community impact**

---

- 9.1 Stakeholders and local communities have been involved throughout the process of the review and co-production of these service to ensure that the views of the clients and target groups of these services have been represented. This includes the consultation and research carried out as part of Ekosgen's report which was presented at the Housing, Homelessness and Fair Work committee on [1 December](#)

[2022](#) and the additional work carried out by Council officers. Ongoing engagement continues to take place with the current providers.

- 9.2 Partnership working is at the heart of the development of this proposal, both within the Council and with other partners. The steering group for the review of this service includes key stakeholders who have supported and helped shape the process from the beginning. This includes (but not limited to) Children, Education and Justice colleagues, EVOC and DWP. The Steering Group has been in operation for this review since April 2022 but many of the members were also involved in the Steering Group during previous reviews of this service.
- 9.3 The implications of not providing the business subsidy to the current providers through a negotiated direct grant award could mean business failure and a reduction in childcare available. It would also mean the loss of jobs of the staff who are currently employed within these settings.

## **10. Background reading/external references**

---

- 10.1 [Scottish Government - Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026.](#)
- 10.2 [Affordable Childcare for Working Parents December 2022](#)
- 10.3 [Affordable Childcare for Working Parents August 2023](#)

## **11. Appendices**

---

Appendix 1: Subsidy Rates for Current Providers (2023/24).

### Appendix 1: Subsidy Rates for Current Providers (2023/24)

Provider	Total funding per annum	Childcare funding	Business subsidy per annum	% of allocation for business subsidy
Childcare Connections	£132,240	£68,430	£63,810	48%
Kidzcare	£126,950	£78,101.40	£48,848.60	38%
North Edinburgh Childcare	£395,369	£236,005.5	£159,363.50	40%
Smile Childcare	£258,813	£33,429.68	£225,383.32	87%
<b>TOTAL</b>	<b>£913,372.00</b>	<b>£415,966.58</b>	<b>£497,405</b>	<b>53% (average)</b>

# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## Parental Employability Support

Executive/routine  
Wards

Executive  
All

### 1. Recommendations

---

- 1.1 It is recommended that Housing, Homelessness and Fair Work Committee:
  - 1.1.1 Note the impact of Parental Employability Support (PES) in 2023/24 so far;
  - 1.1.2 Note the continued demand for PES delivery in 2024/25; and
  - 1.1.3 Agree the recommended expenditure of PES funding, subject to the Scottish Government Grant Offer.

**Paul Lawrence**

Executive Director of Place

Contact: Elin Williamson, Head of Business Growth and Inclusion

E-mail: [elin.williamson@edinburgh.gov.uk](mailto:elin.williamson@edinburgh.gov.uk) | Tel: 0751 348 4817



## Parental Employability Support

### 2. Executive Summary

---

- 2.1 This report provides an update on the Parental Employability Support (PES) activity in Edinburgh during 2023/24 and requests approval to continue to fund grants in 2024/25, based on the review of demand for services, subject to funding being offered by the Scottish Government.

### 3. Background

---

- 3.1 PES funding is provided by the Scottish Government under the [Tackling Child Poverty strategy](#) and is intended to complement the [No One Left Behind strategy](#) (NOLB) by specifically delivering services to support parents into, and to progress in, employment. It is anticipated that this funding will continue to be provided annually, with the allocation provided changing on a yearly basis.
- 3.2 The client groups who are eligible to benefit from PES are:
- 3.2.1 Lone Parents who are unemployed or experiencing in work poverty;
  - 3.2.2 Parents with a disability or families who are unemployed or experiencing in work poverty and have a disabled child;
  - 3.2.3 Parents who are unemployed or experiencing in work poverty and have three or more children;
  - 3.2.4 Parents from a minority ethnic background who are unemployed or experiencing in work poverty;
  - 3.2.5 Parents who are unemployed or experiencing in work poverty and have a youngest child under the age of one; and
  - 3.2.6 Parents who are aged under 25 who are unemployed or experiencing in work poverty.
- 3.3 Delivery in Edinburgh has taken place since 2021 through grant-funded and internal Council projects, with full consultation and recommendations from the Local Employability Partnership (LEP). There are currently 25 external grant-funded projects supporting parents and an internal Council PES team of Key Workers and a Coordinator.

- 3.4 Appendix 1 summarises the timeline of Committee decisions for PES delivery to date.

## 4. Main report

---

### **PES Activity in 2023/24**

- 4.1 Delivery in 2023/24 has taken place through various projects, including:
- 4.1.1 25 grant-funded projects;
  - 4.1.2 A transition fund to support parents in their employment journey;
  - 4.1.3 A parent-specific Employer Recruitment Incentive; and
  - 4.1.4 Investigating the opportunities for a Childcare Information website. Work is underway in partnership with Children, Education and Justice Services to update and enhance the existing provision of childcare information on the Council's website.
- 4.2 A childminder recruitment pilot to recruit 30 new childminders in Edinburgh has also been delivered. However, this pilot is part of the funding allocated in June 2022 but did not utilise the funding allocated for 2022/23 due to the original pilot requiring a longer period for delivery than anticipated.
- 4.3 A full breakdown of activity can be found in Appendix 2.

### **PES Internal Staffing 2024/25**

- 4.4 As part of the commitment to staffing under the Tackling Child Poverty funding, the Council will receive £662,000 through a redetermination of the General Revenue Grant at the end of this financial year to cover staffing costs under PES and a PES Coordinator from 2023-2025.
- 4.5 In November 2023, a PES specialist worker team was introduced, with the aim of offering a citywide service to support parents on their employability journey. This includes a holistic service to connect parents to the wide range of services available, ensuring a whole life approach which lifts families out of poverty.
- 4.6 The Coordinator started in September and will have specific responsibility for strengthening the integration and alignment of services at a local level that support the reduction of child poverty around the employability agenda.

### **PES Grant Funded Activity 2024/25**

- 4.7 The Scottish Government's budget on 19 December 2023 outlined an indicative budget for employability which now merges the NOLB and Tackling Child Poverty/PES allocation.
- 4.8 The overall employability budget allocated to Local Employability Partnerships (LEPs) is expected to reduce to £75m in 2024/25 (from £82.5m in 2023/24). An allocation methodology to establish the funding amount that Edinburgh will receive from the Scottish Government is still to be confirmed.

- 4.9 Consequently, the LEP have conducted a full review of all projects (performance and demand) under PES and Appendix 3 lists where continuation is recommended beyond 31 March 2024.
- 4.10 As the funding for PES is anticipated to end after 31 March 2025, the priority is to continue/add capacity to existing services rather than create new services that cannot be sustained after March 2025. The identified projects are already successfully delivering employability services for parents and can continue/add capacity.
- 4.11 All grant recommendations are still subject to final outcomes being logged on the Client Management System (Helix) by April, and confirmation that providers at that point are meeting the agreed levels.

#### **Additional PES Funded Activity for 2024/25**

- 4.12 The Scottish Government announced in Programme for Government 2024/25 that it would recruit 1000 new childminders in Scotland. This model involves a similar financial investment to that already undertaken by the Council as part of the successful Childminder Recruitment Pilot. Officers are liaising with the Scottish Government and the Scottish Childminding Association about future delivery. This may require to be delivered using the PES allocation going forward but clarity is still being sought on this.
- 4.13 Additional PES activity will be dependent on final Scottish Government funding allocations and recommendations will be made to Committee once this has been confirmed.

## **5. Next Steps**

---

- 5.1 If Committee agrees, officers will proceed with the continuation of agreed grant-funded projects as outlined in Appendix 3 subject to confirmation of Scottish Government funding.
- 5.2 Once Scottish Government confirm the final allocation of PES funding, the LEP and officers will prepare an additional recommended programme of PES activity for 2024/25 to present at a future committee.

## **6. Financial impact**

---

- 6.1 If Scottish Government PES funding allocation is confirmed as anticipated, there is no financial impact to the Council as all delivery costs for the proposals are contained within the funding awarded.
- 6.2 The ongoing projects will be contract managed by Capital City Partnership (CCP), under the existing SLA. In addition, the Council will retain funding for staffing as outlined in the main report.



## **7. Equality and Poverty Impact**

---

- 7.1 The focus of the current services and the planned future services is on equality of opportunity, aiming to alleviate the disadvantage faced by parents in low incomes and from the Scottish Government's identified six priority family groups.
- 7.2 An [Integrated Impact Assessment](#) has been carried out for activity in 2023/24 and an updated Assessment is in process for future delivery. As with all strategic decisions, the aim is to ensure no-one is adversely affected by any proposal and/or programme and that all services are fully inclusive.
- 7.3 The gender impact of PES services delivered in the first three quarters of 2023/24 was analysed, with 82.6% of participants being female and 17.4% of participants being male. 49% of parents participating are in a couple and 51% of participants are lone parents. It is anticipated that this ratio of participation in services will be replicated in delivery of services in 2024/25.
- 7.4 The impact on parents who can access PES is positive, enabling them to gain and sustain employment. Supporting eligible parents to access Universal Credit and other sources of financial help is a priority, as well as ensuring there are strong links and partnership working with welfare and advice services, including income maximisation. All of this will benefit these families in real financial terms.

## **8. Climate and Nature Emergency Implications**

---

- 8.1 There are no Climate and Nature Emergency implications arising because of this report.

## **9. Risk, policy, compliance, governance and community impact**

---

- 9.1 Stakeholders and local communities have been involved throughout the process of PES planning and delivery. A strong network of family and parental projects has been created through the Joined Up for Families network and this remains a primary source of information on network need and demand.
- 9.2 Partnership working is at the heart of the development of all PES activities, both between Council departments and other partners and has been designed to complement the current strategic skills pipeline.
- 9.3 Intensive work is underway to form a strong network of services, internally and externally, to ensure that parents can be supported to access all services that will help them to address their barriers. This is being managed by the internal PES Coordinator and their team to have maximum impact. Learning and adapting to the changing needs of parents and gaining feedback from other services in relation to the support needs of parents is at the centre of what the PES team aim to achieve.

## **10. Background reading/external references**

---

- 10.1 [Council Commitments – Delivering an Economy for All](#)
- 10.2 [Scottish Government’s Parental Employment Support Fund](#)
- 10.3 [Scottish Government - Tackling Child Poverty Delivery Plan 2022-26](#)
- 10.4 [Scottish Government’s No-one Left Behind policy](#)

## **11. Appendices**

---

Appendix 1: Timeline of Committee approval for PES delivery to date.

Appendix 2: PES Activity in 2023/24.

Appendix 3: Recommended funding for PES grants for 2024/25.

## Appendix 1: Timeline of Committee approval for PES delivery to date

Timeline of Committee approval for PES delivery	
In <a href="#">June 2022</a>	<p>Committee agreed to extend PES grants, until 31 March 2025, subject to Scottish Government funding being made available and satisfactory outcome performance against annual targets.</p> <p>Committee also agreed to commission specialist services specifically to support disabled parents under a one-off Disabled Parental Employability (DPES) stream and to develop a childminder recruitment pilot for individuals, especially parents, to set up as childminders.</p>
In <a href="#">March 2023</a>	<p>Committee also agreed to allocate up to £300,000 of 2023/24 funding on a one-off basis to continue the DPES programme and to call a one-off emergency meeting to consider and consult on grant funding awards of up to £250,000 to expand the existing PES programme.</p>
In <a href="#">April 2023</a>	<p>Committee agreed to the programme of Parental Employability activity, utilising the funding received from the Scottish Government for 2023/24 under the Tackling Child Poverty strategy. This included the continuation of existing PES grants and a range of new activities.</p>
In <a href="#">May 2023</a>	<p>Committee also agreed to the award of additional third party grants services supporting parents across the city with funding totally approx. £450,000 for 2023/24.</p>

## Appendix 2: PES Activity in 2023/24

PES Activity in 2023/24	
Activity	Description
<b>Transition Fund</b>	<p>Transition funding for parents moving into employment including initial childcare, clothing, travel, living costs, training costs or driving lessons.</p> <p>This funding is being utilised by the external grant funded projects and the Council PES Key Worker team to maximise the reach of the fund.</p>
<b>Employer Recruitment Incentive programme for parents</b>	Targeted additional funding to support employers to recruit parents that are job ready and encourage the creation of flexible job opportunities
<b>Childminder Start Up Training Programme</b>	Extension of PES funded childminder training programme and start up grants. The allocation for 2023/24 is not being utilised due to the extended length of time required to complete the original pilot.
<b>Childcare information website</b>	Enhancement to existing childcare information in Edinburgh, including an investigation into the feasibility of a flexible childcare booking system.
<b>PES Grant Funded projects</b>	25 grant funded projects delivering employability-related support to parents in Edinburgh.

### Appendix 3: Recommended funding for PES grants for 2024/25

Full PES Grants List – 2024/25				
Organisation	Project	2023/24 allocation	Recommended 2024/25 allocation	Rationale for allocation
<b>Original PES</b>				
Access to Industry	Access: Data	£40,000.00	£40,000.00	On track
Access to Industry	Access: Progress	£72,250.00	£18,062.50	One quarter to wind up provision. Outcomes all lower than 50%
The Broomhouse Centre (SPACE)	WorkSpace – Planning Futures for Parents	£75,000.00	£75,000.00	On track
The Datakirk	BAMELYTICS	£42,000.00	£10,500.00	One quarter to wind up provision. Outcomes all lower than 50%
<b>SUB TOTAL</b>		£229,250.00	<b>£143,562.50</b>	

DPES / Family Support				
One Parent Families Scotland	Childcare Connector Project (childcare advice)	£58,609.00	£58,609.00	on track
Into Work	Income maximisation support for disabled parents	£30,000.00	£30,000.00	on track
Lift	First response family support and steps to employability	£29,560.00	£29,560.00	on track

Home Start	First response family support and steps to employability	£34,000.00	£8,500.00	Low engagements and outcomes. One quarter to wind up provision.
Stepping Stones	First response family support and steps to employability	£12,000.00	£12,000.00	on track
Saheliya	Access 2 Safety and First Aid in Mental Health courses	£44,626.00	£44,626.00	on track
Project Esperanza	First response family support and steps to employability	£15,000.00	£15,000.00	on track
<b>SUB TOTAL</b>		£223,795.00	<b>£198,295.00</b>	

<b>Lot A - Services for Migrant Parents</b>				
Programme of support for refugee/migrant parents to be commissioned to meet demand that is struggling to be met by existing employability services				
Survivors of Human Trafficking in Scotland	SOHTIS Project Integrate	£53,193.00	£13,298.25	Engagements low. One quarter to wind up provision.
The Welcoming Association	Get Ready for Opportunities and Work - GROW	£55,710.00	£55,710.00	on track
Barnardo's	Bright Family Futures	£75,000.00	£75,000.00	on track
Equate Scotland	Ukrainian Parents (women) STEM	£30,000.00	£0.00	likely to have no ongoing activity
Volunteering Matters	Project Scotland Parental Support	£51,849.60	£51,849.00	on track

Space @ The Broomhouse Hub	Living and Working in Scotland	£18,676.00	£18,676.00	on track
----------------------------	--------------------------------	------------	------------	----------

**Lot B – Money Advice and Whole Family Support**

Whole Families Support: and Money Advice and Family Support Worker. High current demand for this as demonstrated by existing externally funded projects.

Passion4Fusion	UBUNTU CONNECTIONS	£41,520.00	£41,250.00	on track
CHAI	Whole Family Quality Project Advice Worker	£36,774.00	£36,774.00	on track
Volunteering Matters	Volunteers Supporting Parents (VSP)	£49,643.00	£49,643.00	on track

**LOT C - Pilot service to support parents/carers who have recently experienced removal of child/ren**

Pilot employability service to support parents/carers who have recently experienced removal of child/ren

Dean and Cauvin	Connected Care and Transition project	£50,000.00	£50,000.00	on track
<b>SUB TOTAL</b>		<b>£462,365.60</b>	<b>£392,200.25</b>	

**Activity Agreement – Family Progress Worker**

Canongate Youth	Family Progression worker	£50,000.00	£0.00	project has ended
Citadel Youth Centre/Cluster 7	Family Progression worker	£50,000.00	£50,000.00	existing project worker
Barnardos - East and NW/Cluster 2	Family Progression worker	£50,000.00	£50,000.00	existing project worker

Wheatley Group - South /Cluster 5	Family Progression worker	£50,000.00	£50,000.00	existing project worker
Access to Industry Cluster 1 and 3	Family Progression worker x 2	£0.00	£100,000.00	New projects - 2 workers for two clusters
Cyrenians Cluster 6	Family Progression worker	£0.00	£50,000.00	New project
Triage Cluster 4	Family Progression worker	£0.00	£50,000.00	New project
<b>SUB TOTAL</b>		<b>£250,000.00</b>	<b>£350,000.00</b>	
<b>OVERALL TOTAL</b>		<b>£1,165,410.60</b>	<b>£1,084,057.75</b>	



# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## Increasing Affordable Homes Delivery

Executive/routine  
Wards

Executive  
All

### 1. Recommendations

---

- 1.1 Housing Homelessness and Fair Work Committee is asked to:
  - 1.1.1 Note the ongoing challenges to the delivery of new affordable homes in the city including the increasing cost of construction, borrowing and delivery of services to existing tenants at a time when rents have been frozen or have been increased less than overall inflation, as well as inadequate amounts of grant funding; and
  - 1.1.2 Agree to discharge the action from the Council on 14 December 2023 to provide an update report at the next Housing Homelessness and Fair Work Committee on the deliverability of the target to increase the supply of affordable housing to reach 25,000 affordable homes.

**Paul Lawrence**

Executive Director of Place

Contact: Lisa Mallon, Enabling & Partnerships Manager

E-mail: [Lisa.mallon@edinburgh.gov.uk](mailto:Lisa.mallon@edinburgh.gov.uk) | Tel: 0131 529 6291

## Increasing Affordable Homes Delivery

### 2. Executive Summary

---

- 2.1 Delivery of affordable housing remains a priority for the Council and its partner Housing Associations. However, the cost of construction, borrowing and delivering services to existing tenants have all increased at a time when rents have been frozen or have been increased less than overall inflation. The amount of grant funding available per home has been increased by the Scottish Government but the national budget for delivering affordable homes has reduced by over 35% in the last two years.
- 2.2 In summary, if Edinburgh's grant funding allocation remains at a static level in future years, this restricts the affordable housing grant funding commitments that the Council can make. If costs continue to rise, then the number of homes that can be delivered will decrease. Edinburgh's forward budget is not projected to increase from the current level of £45 million, which is only sufficient to deliver around 500 affordable homes each year.

### 3. Background

---

- 3.1 On 15 December 2022, The City of Edinburgh Council agreed the recommendations of the report [Council Business Plan 2023-27](#). The Business Plan is appended to the report. On page 14 of the Appendix, section 5 sets out:
- “People have decent, energy efficient, climate proofed homes they can afford to live in – we will: A)“ Increase supply of affordable housing with an ambition to reach 25,000 new affordable homes”*
- 3.2 On 14 December 2023, the Council considered the recommendations of the report [Affordable Housing Approvals](#) and approved the following:
- 3.2.1 Notes the Scottish Government relies on Capital funding from the UK Government and therefore agrees the Council Leader will write to the UK Government asking them to increase the capital allowance relevant for housing by at least 56% to reflect the increased inflation-drive cost demand on the affordable home grant needed to build each home.

- 3.2.2 Further agree that the Council Leader should continue to work with Scottish Government to secure any additional funding in year which could help deliver more affordable homes.
- 3.2.3 Agrees the Council Leader will table at the COSLA Leader's meeting no later than 3 months' time, an amendment to the current funding formula to seek a consistent and increasing grant funding commitment to expand Edinburgh's Affordable Housing programme to meet the housing needs of the city to include the following criteria within the formula:
- 3.2.3.1 Number of households in temporary accommodation;
  - 3.2.3.2 Average time each household spends in temporary accommodation before their homelessness is resolved;
  - 3.2.3.3 The number of people on housing waiting lists with priority.
- 3.2.4 Agrees that officers will provide an update report at the next Housing Homelessness and Fair Work Committee on the deliverability of the target on page 14 of the Edinburgh Council Business Plan 2023-2027 to increase the supply of affordable housing to reach 25,000 affordable homes.

3.3 This report seeks to discharge point 3.6 above.

## 4. Main report

---

- 4.1 The Council Business Plan 2023-27 sets out three strategic priorities and 10 outcomes for delivery of these priorities. Outcome five is that "people have decent, energy efficient, climate proofed homes they can afford to live in", with the outcome for delivery being "increase supply of affordable housing with an ambition to reach 25,000 new affordable homes".
- 4.2 Since the 20,000 homes commitment made in 2017 and subsequently revised 25,000 target agreed in March 2023, around 9,000 new affordable homes are expected to be approved by 31 March 2024 and 8,000 completed.
- 4.3 Increasing the supply of affordable housing is dependent on a number of factors, set out in previous reports to Housing, Homelessness and Fair Work Committee, most recently in the ["Strategic Housing Investment Plan 2024-29"](#) (which was approved on 5 December 2023). This identified a potential development programme of around 11,000 new affordable homes over the five-year period, subject to availability of grant funding from Scottish Government.
- 4.4 A Strategic Housing Investment Plan (SHIP) is submitted to Scottish Government annually. It sets out the number of affordable housing approvals and completions that could be achieved over the next five years and the funding required to enable these.
- 4.5 However, current grant funding levels for Edinburgh are insufficient, restricting capacity to less than 500 social rented homes a year for both the Council and other Registered Social Landlords. Without a substantial uplift in grant funding from the

Scottish Government, only around 2,600 affordable homes requiring grant subsidy could be taken forward from that potential pipeline.

- 4.6 Substantial grant funding shortfalls have been reported to Scottish Government through the annual SHIP since 2017. The grant funding shortfall has increased over the same period, from £50 million in 2017 to £667 million in 2024.
- 4.7 The increases to construction costs and borrowing have been well documented in previous reports. In 2019/20, the average affordable home cost £159,000 to build. In 2022/23, the cost exceeded £200,000, a 25% increase. Build costs are being monitored in 2023/24 and costs of around £250,000 per unit are not unusual. The average grant required for an affordable home in 2019/20 was £57,000 per home but in 2022/23 that had increased to £89,000 per home, an increase of 56%. However, increases in construction costs meant that it had a limited impact on affordability, with the benchmark grant representing around 39% of the cost of an affordable home.
- 4.8 Grant funding is only one element of financing an affordable home. The majority of development finance for an affordable home is still through borrowing. The interest on borrowing is repaid by the rents that tenants pay. Affordable rents are set to be significantly lower than market rents. Because of the cost of living crisis, both the Council and Registered Social Landlords have frozen rents or applied rental increases below the rate of inflation over the last three years.
- 4.9 As high inflation has affected the economy, affordable housing providers have seen the cost of both borrowing and delivering services going up, impacting on their capacity to finance or borrow for new homes. The same limited finances are required to bring existing social rented stock up to energy efficiency standards (ESSH2). These competing priorities of providing new build and upgrading existing stock from the same limited finances, the increased costs of development, increased cost providing services to tenants and increased borrowing costs have resulted in some Registered Social Landlords pausing their development programmes.
- 4.10 The Scottish Government published “Resource Planning Assumptions” (RPA) for the period 2021/22 to 2025/26. Edinburgh’s share of the national grant funding programme is largely static from 2022, remaining at £45 million up to 2025. Edinburgh has spent more on affordable homes when slippage from the national funding programme allows, however, ad-hoc increases do not allow for a managed increase in the affordable housing programme in the city.
- 4.11 However, although grant funding per affordable home has been increased, the overall affordable housing grant made available to Edinburgh has not kept pace. The Scottish Government committed a RPA of £42.117m for Edinburgh for 2019/20, yet by 2025/26 the RPA is still £45.960m, an increase of only 9% over six years. The increase to grant funding per affordable home is welcomed and needed, however, without an increase to the overall amount of funding Edinburgh receives, the affordable housing programme cannot be increased.

- 4.12 In December 2023, the Scottish Government draft budget included a reduction in the Affordable Housing Supply Programme funding of £196m (26%) for 2024/25 from the 2023/24 budget figure of £712m. This would be a 37% reduction in the past two years. Edinburgh's RPA is made up of a combination of Transfer of the Management of Development Funding (TMDF) and More Homes Fund. More Homes funding is allocated using the Strategic Housing Investment Framework formula. TMDF remains unaffected in 2024/25 but that only accounts for c.60% of Edinburgh's budget (£27m). The impact of the cut on Edinburgh's final RPA is currently unknown, adding further pressure to the grant funding pot.
- 4.13 The number of available mortgage products halved in October 2022. Mortgage market uncertainty brings additional risk for house builders as homes may go unsold for longer periods. In times of market uncertainty housebuilders may delay new developments, deliver smaller phases, and/or reduce the number of homes which come to market each year. This also delays affordable homes brought forward through the Affordable Housing Policy, as the affordable requirement is triggered by the commencement of market homes.
- 4.14 On 5 December 2023, Housing, Committee considered the recommendations of the report [Strategy for purchasing land and homes to meet affordable housing need](#). The report set out the opportunity to purchase completed homes (also known as 'off the shelf') as market conditions for house builders and the domestic mortgage market become more challenging.
- 4.15 Homes can be purchased for social rent, mid-market rent and temporary accommodation, to meet all areas of housing need, with mid-market homes to be let and managed through Edinburgh Living.

### **Current delivery**

- 4.16 As set out above, these challenging circumstances have a significant impact on approvals that can be taken forward. In December 2023, the SHIP 2024-29 set out a projected outturn of 902 approvals and 1,247 completions in 2024/25.
- 4.17 Approvals for this year are now expected to be 750. Approval figures have been impacted by a number of site delays or deferments. Amongst these is a site of over 150 units that will not come forward for approval until next year. Many house builders and developers are delaying new contracts due to cost inflation, reduced demand, reduced mortgage availability and affordability. In the last 12 months, two affordable development partners have suspended house building programmes due to viability. Compounding this, uncertainty in the wider market due to rises in interest rates and risks to rental income streams has resulted in developers not bringing forward projects previously estimated for approval in this financial year.
- 4.18 Completions in 2023/24 are expected to be 950, which is lower than the revised estimate outlined in the SHIP 2024-29. The reason for this is a large strategic site (226 homes) has been slightly delayed and will now complete in the first quarter of 2024/25. In addition to this, due to limited Scottish Government grant funding in

2023/24 payment of the purchase of ex-council homes through the Council's Acquisitions and Disposals policy into 2024/25 has been deferred.

- 4.19 As set out in 4.14 above, the Council has been able to benefit from 'off the shelf' purchases (c.60 homes) of newly completed homes to supplement the 2023/24 programme. However, each opportunity needs to be assessed on a case-by-case basis against the available resources and is subject to committee approval. While homes will be completed to modern building standards with a high level of sustainability (meeting EESSH2), they will not be completed in line with the Council's current new build specification and therefore future costs to achieve net zero carbon will need to be taken into account.
- 4.20 Delivery of affordable housing remains a priority for the Council. However, the cost of construction, borrowing and delivering services to existing tenants have all increased at a time when rents have been frozen or have been increased less than overall inflation. The amount of grant funding available per home has been increased by Scottish Government but the national budget for delivering affordable homes has reduced by over 35% in the last two years. Edinburgh's forward budget is not projected to increase from the current level of £45 million, which is only sufficient to deliver around 500 affordable homes each year.
- 4.21 In summary, if Edinburgh's grant funding allocation remains at a static level in future years, this restricts the affordable housing grant funding commitments that the Council can make. If costs continue to rise, then the number of homes that can be delivered will decrease.

## **5. Next Steps**

---

- 5.1 The Council continues to press the Scottish Government to increase the amount of funding made available to the city. Council officers continue to seek best value from grant funding and report regularly on the delivery of the grant funding programme and the Council's Affordable Housing Policy.
- 5.2 Edinburgh has engaged with the private sector to deliver as many affordable homes as possible through innovative means, with little or no grant funding. This will continue as part of the development of a new Local Housing Strategy in 2024/25. However, the pressing need for more social rented homes needs to be met with an increase in affordable housing grant funding.
- 5.3 As set out in the 'Strategy for purchasing land and homes to meet affordable housing need' report at Housing, Homelessness and Fair Work Committee on [5 December 2023](#), officers are exploring a variety of mitigations including exploring ways to increase borrowing capacity and generating additional funding to deliver the Council's House Building pipeline.

## **6. Financial impact**

---

- 6.1 Edinburgh has future year commitments from the Scottish Government of around £45 million each year until 2025/26. This would support around 500 affordable homes which require grant subsidy each year.
- 6.2 The SHIP 2024-29 estimated that £665 million in grant funding would be required in addition to the £228 million Scottish Government are expected to commit over the five-year period.
- 6.3 The Housing Revenue Account (HRA) Budget Strategy 2024/25 set out the risk that for the Council's own housebuilding pipeline, if resource planning assumptions remain static, there is currently not enough grant to support the Council Housing Building programme.

## **7. Equality and Poverty Impact**

---

- 7.1 Almost 6,000 affordable homes have been completed in the city over the last five years. These homes are affordable and increase the housing options of people on low to moderate incomes. Affordable homes are built to be more energy efficient and more easily adaptable than private homes and are therefore more affordable to heat and meet the long term needs of tenants.

## **8. Climate and Nature Emergency Implications**

---

- 8.1 The City of Edinburgh Council declared a Climate Emergency in 2019 and committed to work towards a target of net zero emissions by 2030 for both city and corporate emissions and embedded this as a core priority of the Council Business Plan 2023-27. The Council also declared a Nature Emergency in 2023.
- 8.2 Affordable homes are constructed to high standards in terms of energy efficiency and sustainability. There is a lower energy demand to heat the homes, with low or zero emissions heating systems required. This means they will minimise the amount of carbon emissions to aid with the city's ambition to be net zero carbon.
- 8.3 There are no adverse environmental implications arising from this report.

## **9. Risk, policy, compliance, governance and community impact**

---

- 9.1 The SHIP is approved by Housing, Homelessness and Fair Work Committee annually. This sets out progress to date as well as a potential pipeline programme that could be delivered if associated funding is available.
- 9.2 The delivery of affordable homes is reported as part of the Annual Performance Reporting on the Council's Business Plan.
- 9.3 The performance of the Affordable Housing Policy is regularly reported to Planning Committee.
- 9.4 The impact of development is assessed as part of the Planning process.

## 10. Background reading/external references

---

- 10.1 [Scottish Government Housing Statistics for Scotland Quarterly Update: New Housebuilding and Affordable Housing Supply.](#)
- 10.2 Strategic Housing Investment Plan 2024 to 29, Housing Homelessness and Fair Work, [5 December 2023](#).
- 10.3 Strategy for purchasing land and homes to meet affordable housing need, Housing Homelessness and Fair Work, [5 December 2023](#).
- 10.4 Housing Revenue Account (HRA) Budget Strategy 2024/25, Finance & Resources Committee, [6 February 2024](#).

## 11. Appendices

---

- 11.1 None.



# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## Cyclical assurance on service performance

Executive/routine  
Wards

Executive  
All

### 1. Recommendations

---

- 1.1 It is recommended that Committee:
- 1.1.1 Agrees to receive a cyclical performance report on housing and homelessness performance;
  - 1.1.2 Notes that this report will contain key indicators representing a range of services delivered across the Housing and Homelessness services, as outlined in paragraph 4.2;
  - 1.1.3 Notes that on a cyclical basis a drill down will be presented on a specific data set; and
  - 1.1.4 Notes the work being undertaken on improving the data literacy, service improvement and prevention culture within the Housing and Homelessness Service.

#### Paul Lawrence

Executive Director of Place

Contact: Derek McGowan, Service Director – Housing and Homelessness

E-mail: [derek.mcgowan@edinburgh.gov.uk](mailto:derek.mcgowan@edinburgh.gov.uk)

## Cyclical assurance on service performance

### 2. Executive Summary

---

- 2.1 This report proposes the introduction of a cyclical performance report on key performance indicators to allow more effective performance and progress reporting to Committee, enabling a more appropriate level of oversight and assurance over how the Housing and Homelessness service is operating.
- 2.2 Key indicators proposed for this new assurance model will include homelessness; void properties; rental income; new build completion, antisocial behaviour and whole house retrofit.
- 2.3 To support this, a deliberate approach is being taken to develop the data and service improvement culture within the Housing and Homelessness service.

### 3. Background

---

- 3.1 A strong Corporate Governance system ensures accountability, performance, and improved stewardship; and is fundamental in driving service improvement and culture to ensure delivery of objectives. Through this, appropriate assurance can be provided that risks, issues and communities are understood and targeted.
- 3.2 An effective system of oversight and assurance of service performance is vital to ensuring service improvement and best value. The Council achieves this through the agreed governance structure of Committees, and scheme of delegation to Council Officers.
- 3.3 The Housing and Homelessness Service was formed in February 2022, when a redesign of Council operating structures led to housing services within the Place Directorate being combined with Homelessness and Housing Support that had been within the Children and Families Directorate. The service as currently formed has c1,000 posts. The 2023/24 net General Fund budget is £62.2m and the Housing Revenue Account (HRA) has budgeted income of £106.5m with corresponding expenditure budgets delivering a net zero budget.
- 3.4 The current Housing and Homelessness service is responsible broadly for Housing Management including repairs, Homelessness, Housing Support and Advice Services, Strategic Housing Development, Shared Repairs and Whole House

Retrofit projects. Traditionally, performance has been reported through annual or bi-annual scorecards, when a committee (or the Council) has requested a specific report, and when budget and expenditure decisions are required. Appendix 1 to this report sets out the annual reporting cycle in detail.

- 3.5 The range of services historically reported through Committee does not currently represent the scale and complexity of the work undertaken across the whole service as it currently stands and focusses more on strategic reporting than performance reporting.
- 3.6 It is proposed to improve the reporting of performance in order to ensure Committee can have appropriate oversight and assurance of service performance, influence service improvement, or ensure that the appropriate and relevant risk, issues and communities are being targeted.

## 4. Main report

---

- 4.1 This report proposes the adoption of a cyclical performance reporting model, based on a set of key indicators drawn from across the service. Within each cyclical report, a drill down will be provided for a specific area of performance outlined below to allow for more detailed oversight of performance, risks and issues.
- 4.2 Key datasets proposed for this cyclical performance model are trend analysis for:
  - 4.2.1 Void property management, including reasons for voids;
  - 4.2.2 Antisocial behaviour;
  - 4.2.3 Whole house retrofit progress;
  - 4.2.4 Number of homeless households in temporary accommodation;
  - 4.2.5 Number of homeless people, including by demography and characteristic (where available);
  - 4.2.6 Number of and reason for homeless presentations;
  - 4.2.7 Prevention activities and cost avoidance;
  - 4.2.8 Damp and mould;
  - 4.2.9 Money and debt advice; and
  - 4.3.10 Completions and approvals of new build property.
- 4.3 The introduction of this approach to performance reporting, if approved by Committee, will complement service actions to develop the data culture through accessible performance reporting, improved analysis of data to drive service strategy and improvements, and training on data literacy. It is expected that as the data culture improves, the detail and visual representation of reporting will also improve.

- 4.4 A focus of this work is a more deliberate approach to preventing harm to people and the organisation. The service is working with the University of Edinburgh's Futures Institute on developing and embedding prevention practice, developing systems thinking capability, and bespoke training for staff on managing, handling and using data to target improvements and interventions. 32 colleagues (representing the range of services delivered) commenced this training on 29 January 2024.

## **5 Next Steps**

---

- 5.1 If approved by Committee, the first cyclical performance report will be submitted for consideration at the next Housing, Homelessness and Fair Work Committee in May 2024. It is proposed that the first drill down analysis will be on void Council properties.

## **6 Financial impact**

---

- 6.1 This report will have no direct financial impact, but the identification of service improvements through enhanced oversight of performance will result in financial benefits that will be monitored and factored in to financial reporting as appropriate.

## **7 Equality and Poverty Impact**

---

- 7.1 This report will have no direct impact on equality and poverty, but the identification of service improvements through enhanced oversight of performance will complement existing approaches and be enhanced by the development of data and prevention culture. It is acknowledged that one in five children in the city live in poverty, and that there is a clear link between homelessness, housing and poverty across Edinburgh.
- 7.2 Where specific approaches are identified to improving performance in key areas, those initiatives will be subject to Integrated Impact Assessments as required.

## **8 Climate and Nature Emergency Implications**

---

- 8.1 This report will have no direct impact on climate and nature emergency, but the identification of service improvements through enhanced oversight of performance will complement existing approaches and be enhanced by the development of data and prevention culture.

## **9 Risk, policy, compliance, governance and community impact**

---

- 9.1 This report will enable a more appropriate level of assurance through the Housing, Homelessness and Fair Work Committee.

9.2 Where issues are presented or requested that highlight risk, or the need for a new policy, this will be progressed and assessed as appropriate at the relevant time.

## **10 Background reading/external references**

---

10.1 None.

## **11 Appendices**

---

Appendix 1 - Annual service reporting schedule

## Appendix 1

### Performance/Policy Reporting – Housing, Homelessness and Fair Work

Item	Frequency	Next Update Due
Annual Assurance Statement on Housing Services	Annual	August 2024
Rapid Rehousing Transition Plan	Annual	August 2024
Strategic Housing Investment Plan	Annual	December 2024
Land Strategy to support delivery of affordable housing and brownfield regeneration	Annual	December 2024
Homelessness Statutory Returns	Annual	October 2024 *
Affordable Housing Policy Update	Annual	August 2024 **
Empty Homes	Annual	February/March 2025
HRA Capital Programme	Annual	May 2024
Edinburgh Living Annual Update	Annual	March 2024?
Housing Land Audit and Completions	Annual	Last update December 2022 **
Acquisitions and Disposals (Business Bulletin)	Annual	February/March 2025
Homelessness Performance Dashboard	Six monthly	May 2024
Housing Service Improvement Plan	Six monthly	May 2024
Damp, Mould and Condensation	Six monthly	May 2024
Mixed Tenure Improvement Service		Last report – March 2023
Financial Monitoring <ul style="list-style-type: none"> <li>• Month Three</li> <li>• Month Five</li> <li>• Month Eight</li> </ul>	As noted	September 2024

\* - timing is data publication dependent

\*\* - referral from Planning Committee

#### **Other Updates**

- Internal Audit reports, including Open and Overdue Audit Actions

# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## Responding to the Housing Emergency Declaration

Executive/routine  
Wards

Executive  
All

### 1. Recommendations

---

- 1.1 It is recommended that Committee:
  - 1.1.1 Notes the stakeholders involved in the development of this plan (Appendix 2);
  - 1.1.2 Approves the actions identified in seeking to resolve the housing emergency (Appendix 1);
  - 1.1.3 Notes the project register (Appendix 3) and associated programme tracking and monitoring documentation (Appendix 4); and
  - 1.1.4 Agrees to cyclical exception reporting on progress in delivering the action plan.

#### Paul Lawrence

Executive Director of Place

Contact: Derek McGowan, Service Director – Housing and Homelessness

E-mail: [derek.mcgowan@edinburgh.gov.uk](mailto:derek.mcgowan@edinburgh.gov.uk)

## Responding to the Housing Emergency Declaration

### 2. Executive Summary

---

- 2.1 On 2 November 2023, the City of Edinburgh Council [declared](#) a Housing Emergency.
- 2.2 On 5 December 2023, Housing, Homelessness and Fair Work Committee approved a [report](#) that contained key actions deemed necessary to respond to the housing emergency.
- 2.3 In approving this report, the Committee agreed that further work was required to engage with stakeholders to ensure the final action plan was wide reaching and tackled all identified concerns about and barriers to housing.
- 2.4 Following the meeting on 5 December 2023, 14 workshops and briefings have been undertaken with stakeholders across various sectors and professions to gauge views on the actions and priorities needed to respond to the housing emergency.
- 2.5 The Action Plan attached here as Appendix 1 identifies the proposed actions that have resulted from those workshops.

### 3. Background

---

- 3.1 On 19 February 2024, there were 4,957 households in temporary accommodation in Edinburgh. Of these, 1,329 were deemed to be in unsuitable accommodation as defined under the Unsuitable Accommodation Order. Since the 2019/20 budget was set, the Council has increased the homelessness budget from £28m to £64.5m in 2023/24.
- 3.2 Across the Council's housing stock, 1,279 properties were void, requiring repair to bring them back to lettable standard. For available properties, the Council receives around 200 bids for each property through the EdIndex system.
- 3.3 Private rental rates in the city are experiencing the highest inflation in the UK, at above 13%, and the average rental price for accommodation is around £300 more expensive than the Scottish average, at £1,477 per month for a three bed property in the city. The average cost of building a new Council property in the city is now almost £300,000 per unit.



- 3.4 In the face of these pressures, the Council unanimously agreed to declare a Housing Emergency on 2 November 2023. On 5 December 2023, Committee approved a report on key actions deemed necessary to respond to the housing emergency.

## 4. Main report

---

- 4.1 Following Committee on 5 December 2023, a series of engagement workshops have been held with relevant local and national stakeholders to explore these issues and identify key actions required to resolve the key pressures identified, and to provide more suitable, affordable, quality accommodation in the city.
- 4.2 The Action Plan identifies six main categories of action:
- 4.2.1 Customer Experience;
  - 4.2.2 Data and Partnerships;
  - 4.2.3 Finance and Funding;
  - 4.2.4 Quality Housing;
  - 4.2.5 Simplifying access to housing; and
  - 4.2.6 Specialised support.
- 4.3 The 75 actions identified have been categorised into high, moderate and low priority, using the following weighted assessment criteria:

Category	Weighting
Success Probability	10%
Prevention	20%
Reduced use of Unsuitable Accommodation	20%
Tenant Satisfaction	10%
Increase Funding / Inventory	20%
Care and Support	10%
Cost Benefit	10%

Impact	Impact Score
No Impact	0
Very Low	1
Low	2
Moderate	3
High	4
Very High	5

- 4.4 In assessing how harm can be prevented, the definitions adopted are:
- **Prevention** – taking action to prevent the occurrence of harm through universal measures; and
  - **Harm** – a negative impact on humans, the organisation or resources available.
- 4.5 The full action plan is attached as Appendix 1 for approval. To support on-going monitoring of progress, it is proposed to introduce cyclical exception reporting on progress against the actions identified. This means that Committee will be notified of actions that are not being delivered in the timescale identified, and the projected impact of that slippage.
- 4.6 Details of the workshops and briefings held with stakeholders in the development of this action plan are detailed in Appendix 2.
- 4.7 For reference, Committee is also asked to note the project register detailing all identified actions (Appendix 3) and associated programme tracking and monitoring documentation (Appendix 4).

## 5. Next Steps

---

- 5.1 If approved by Committee, work will begin immediately on delivering the action plan. Cyclical updates will be provided to Housing, Homelessness and Fair Work Committee on an exception basis (as outlined in paragraph 4.5).

## 6. Financial impact

---

- 6.1 The financial impact cannot be quantified at time of publication, as the Council's budget for 2024/25 has not been set. Detailed financial planning has been undertaken ahead of the budget process, and that financial consequences of delivering this plan (including the offsetting of costs between Housing Revenue and General Fund accounts) have been factored in to the budget reports that will be considered for approval on 22 February 2024. Once the budget has been agreed, including the level of rent to be charged for Council homes, an update on the financial impact will be circulated to Committee.

## 7. Equality and Poverty Impact

---

- 7.1 A draft Integrated Impact Assessment (IIA) (Appendix 5) has been undertaken during the preparatory work for this action plan. This is currently in draft form at date of publication and will be updated following Committee to allow for any relevant points of discussion to be incorporated in the final version.
- 7.2 While this IIA relates to the overall Housing Emergency Action Plan, projects that are initiated in the delivery phase will also be subject to ongoing IIAs to ensure that operational and strategic assessment informs the outcomes achieved. This will

include where it is appropriate to ask Committee for agreement to implement new policies, strategies or operational changes.

## **8. Climate and Nature Emergency Implications**

---

- 8.1 In developing this report, it is understood that there may be significant climate and nature emergency implications arising from the actions identified. These will largely relate to housebuilding and retrofitting of existing homes, and the detailed impacts of these will be set out in Committee reports and scheme specific reports as required.
- 8.2 It is also understood that there can be degrees of intersectionality between equality, poverty, climate and nature emergency impacts, and that groups with protected characteristics can be disadvantaged in more than one of these areas. This will be factored into further IIAs as individual projects are initiated to ensure a full understanding of the impacts and remediation options available.

## **9. Risk, policy, compliance, governance and community impact**

---

- 9.1 The risks to delivery of this action plan remain economic, social, legal and reputational. The previous report advised a full risk assessment would be provided to committee with this report. At the time of publication, the Council's budget has not been set and so it is not possible to be exact on economic risks, however the principles of economic risk remain in that despite its affluence, Edinburgh is a polarised city in terms of income and poverty. There is a risk that the delivery of new houses does not keep pace with the projections set out in the Strategic Housing Investment Plan 2024/29. This is impacted by the level of funding available for new housebuilding through the Transfer of the Management of Development Funding (TMDF) formula adopted by COSLA.
- 9.2 Failure to meet new housing targets will affect the number of people being hosted in temporary accommodation, including unsuitable accommodation and, despite the best efforts of the Council and its partners in the Affordable Housing Partnership and the EdIndex Board to move people out of unsuitable accommodation and into settled accommodation, this ambition may not be fully realised. This strengthens the risks around economic factors for households and housebuilders and increases risk around social factors for those without suitable, settled accommodation.
- 9.3 The ongoing use of unsuitable accommodation for hosting around 1,300 people each night is a clear compliance risk. The action plan and Council budget aim to sustainably reduce this risk, including through increasing the return of empty Council homes to use. There is increasing risk to delivery of these targets through UK and Scottish Government asylum and refugee policy. This may mean that while the Council in its capacity as a landlord is performing and delivering against the targets identified, the anticipated reductions in risk exposure and General Fund expenditure expected are not realised due to the need to house increasing numbers of homeless presentations that the Council is unable to prevent.
- 9.4 These factors, consolidated, amount to high reputational risk in failing to deliver the actions identified in this plan. In declaring a housing emergency, the Council has

been unequivocal in its desire to reduce the levels of homelessness in the city. The actions identified will help achieve that, however risks to delivery of the outcomes of reduced homelessness and reduced expenditure are real and require ongoing monitoring.

- 9.5 A Risk, Assumption, Issue and Dependency (RAID) Log has been created for the action plan and will be developed and enhanced as projects are initiated and implemented.

## **10. Background reading/external references**

---

10.1 [Housing Emergency Declaration](#)

10.2 [Housing Emergency Action Plan](#) report, 5 December 2023

## **11. Appendices**

---

Appendix 1 Housing Emergency Action Plan

Appendix 2 List of stakeholders, workshops and briefing sessions December 2023 – February 2024

Appendix 3 Project register detailing all identified actions

Appendix 4 Programme tracking and monitoring documentation

Appendix 5 Integrated Impact Assessment

# HOUSING EMERGENCY ACTION PLAN 2024 – 2029 FEBRUARY 2024



## Contents

- [Overview](#)
- [1. Introduction](#)
- [2. Background](#)
- [3. Priorities](#)
  - [3.1 Simplifying access to housing](#)
  - [3.2 Quality housing](#)
  - [3.3 Data and partnerships](#)
  - [3.4 Customer experience](#)
  - [3.5 Specialised support](#)
  - [3.6 Finance and funding](#)
- [4. Assessment and prioritisation criteria](#)
- [5. Priority categorisation](#)
- [6. Project commencement and completion timelines](#)
- [7. Other supporting activities and monitoring](#)

## Overview

The City of Edinburgh Council declared a Housing Emergency on the 2<sup>nd</sup> November 2023, citing significant pressures to the city's housing market, including homelessness rates and housing costs.

There are currently around 5,000 homeless households in Edinburgh, being supported in temporary accommodation. These households account for around 7,000 individuals, with around 13,00 of the overall homeless population living in accommodation that is classed as unsuitable. The Strategic Housing Investment Plan identifies the need for 9,500 new houses to be built by 2029 to keep up with projected population increases.

The actions set out in this plan are based on wide engagement with stakeholders in the city, and are intended to mitigate the impact of these extreme pressures, and reduce the number of households in Edinburgh without settled accommodation.

The plan itself is the first step in responding to the housing emergency declaration, with 76 projects and actions identified for completion over the next five years. These projects focus on reducing homelessness, improving access to housing and housing advice, improving the supply and quality of housing across the city, preventing harm and improving the experience of tenants in Council housing.

## 1. Introduction

INSERT TEXT ONCE THE PLAN IS APPROVED

**Cllr Jane Meagher**

Convener – Housing, Homelessness and Fair Work Committee

## 2. Background

The City of Edinburgh Council owns around 20,500 Council homes, with around 20,250 of those available for letting to the public. When empty Council properties become available, they are allocated through the choice based letting system EdIndex. In 2022/23, 2018 houses were allocated to new tenants through this system, with over 200 bids on average being made for each Council property.

Across the city's affordable housing partnership, there are ambitious plans to build 9,500 new affordable homes over the next five years.

Despite this, homelessness presentations are rising, with around 3500 received in 2022/23, and a similar level expected in 2023/24. In Edinburgh there are around 5000 households in temporary accommodation each night, accounting for around 7000 individuals including children and young people. Around 1300 of these households are in unsuitable accommodation. To support these households, the Council has more than doubled its budget for homelessness services from £28m in 2018/19 to £64.5m in 2023/24.

Recent research showed that the average house price in Edinburgh is 78% higher than the Scottish average. In the private rented sector, the average 3 bed rental price is around £1,450 per month, £300 higher than the Scottish average.

The Scottish Housing Regulator has stated that the housing system in Edinburgh is in systemic failure, and there are further projected pressures related to asylum and refugee arrivals in the city over the coming years.

In developing this action plan 14 engagement workshops have been held with stakeholders. From these workshops, six key priorities have been identified.





### 3. Priorities

Through the engagement stage with tenant representatives and stakeholders, six key priority areas have been identified.

#### 3.1 Simplifying access to housing

A range of actions were developed out of the engagement sessions that relate to how easy it is for people to access housing. These include:

- Reviewing the Allocation Policy for Council Homes to ensure it continues to enable fair access to housing, including consideration of protected characteristics
- Reviewing all current housing policies and strategies to maximise the availability of housing across Edinburgh
- Continue the delivery of the Housing 1<sup>st</sup> model across Edinburgh
- Work with partners to map the homeless support available across Edinburgh to remove duplication and improve access
- Utilising modern technology to reduce the time taken to bring properties to lettable standard and allocate them
- Work with partners to enable more independent living and reduce delayed discharge rates
- Reduce the number of void Council homes
- Reduce the use of unsuitable accommodation for homeless households
- Work with the Edinburgh Affordable Housing Partnership, EdIndex Board and 3<sup>rd</sup> sector partners to reduce number of homeless households in Edinburgh



### 3.2 Quality housing

The quality of housing in Edinburgh was an issue that came up regularly in the engagement sessions. This related to the quality of housing across all tenures including new build and existing Council homes and the Private Rented Sector, and is linked to housing accessibility. Actions include:

- Review the suitability and accessibility of housing for households with multiple disabilities
- Improve the standard of repairs and repairs response for Council housing
- Continue to resolve damp and mould issues in Council housing
- Review the lettable standard of Council housing!
- Improve tenancy management in Council housing to reduce the level of repairs required once a tenancy is terminated
- Work with partners to deliver the level of quality homes projected in the Strategic Housing Investment Plan agreed in December 2023



### 3.3 Data and partnerships

The availability and use of data to develop a targeted response to the Housing Emergency was a key discussion point throughout the engagement sessions, and how this can strengthen citywide partnerships is an important outcome. Actions include:

- Ensure all relevant and appropriate partners are included and supported to resolve the housing emergency
- Improve data analysis and insight in homelessness and housing
- Prepare and publish in accessible formats annualised data on housing allocations, completions and homelessness rates including demographics of those accessing housing
- Investigate how many households are currently living in under-occupied tenancies to explore potential for freeing up larger homes
- Investigate system wide adoption of a default consent model for data sharing
- Investigate how the Edinburgh Partnership model can be used to enhance data sharing to reduce homelessness
- Promote a systems thinking culture across all providers and stakeholders involved in tackling and preventing homelessness
- Investigate how we partner most effectively with external support such as the Data Foundry, Prevention Hub and SSEN to identify demands and prevention activities
- Ensure we are sharing sufficient information between health services and homelessness / housing services to support rapid transition into new tenancies

### 3.4 Customer experience

It is recognised that the relationship between tenant and a Housing Officer is fundamental to customer satisfaction, and how this is supported and developed is a key area of focus in this plan. Actions include:

- Improve the relationship between housing officer and tenant, ensuring local housing staff are visible in their localities and available to meet tenants where and when this is required
- Improve engagement between housing officers and tenants through annual visits- and local area inspections
- Ensure the range of supports that are available to tenants are publicised and accessible
- Ensure online and digital interfaces are customer friendly and efficient
- Ensure asylum seekers and refugees have appropriate support to access housing and ensure the system is easy to use for whom English is a second language
- Investigate digitalisation of Housing & Homelessness systems and customer access, identifying a priority list to improve performance and tenant satisfaction



### 3.5 Specialised support

Current and potential customers whose housing needs require additional consideration, including Care Experienced Young People, those living with disabilities, and those with multiple vulnerabilities, should be able to access housing with the right level of support for them to live independently. Actions include:

- Reassess what criteria is used to define vulnerability when assessing housing needs
- Ensure future plans include an assessment of housing need for marginalised groups
- Work with partners to enhance occupational therapy assessments to enable allocation of suitable housing more quickly
- Use data and insights to project future housing requirements for the city
- Develop a plan to reduce the number of families with children living in temporary accommodation, including targeted approach to prioritise permanent housing for those in unsuitable accommodation
- Identify a dedicated resource to work across housing and children and justice services to prevent homelessness and ensure the principles of The Promise are incorporated into the emergency response
- Recognise the discreet needs of families, individual adults and young people, including access to the exceptional housing award for Care Leavers
- Work to improve quality of support provided to presenters coping with addiction
- Explore intermediate care options for those living with addictions, for example Milestone House, LEAP



### 3.6 Finance and funding

Maximising funding of new homes and ensuring best value for revenue and capital budgets is a key enabling outcome. Actions include:

- Work with partners to identify to deliver accommodation funded by social investment
- Investigate models of housing co-operatives, including for different characteristics; the funding models and advantages available and the possibility of introducing these in Edinburgh
- Increase the return rate of void Council property to lettable standard and allocate them, bringing a significant number of Council homes back in to use
- Ensure Key Performance Indicators for void property work are reviewed, enabling assessment of the end to end process of reletting to identify any blockages in the system
- Increase accessibility of money, benefit and debt advice services to support households across the city
- Increase the number of empty homes brought into use and allocated to homeless people through the Empty Homes Partnership
- Work with partners to develop innovative finance models to finance housing delivery, utilising all powers available to the Council
- Investigate innovative rent models for Council housing
- Investigate how we prevent demand on services and partners
- Ensure a robust commissioning model is introduced to invest in preventative services and ensure commissioning is aligned with these principles
- Ensure a sustainable reduction in General Fund expenditure is achieved, with a corresponding increase in HRA rental income



## 4. Assessment and prioritisation criteria

In developing this action plan, key assessment criteria and weighting for suggested projects were identified. These are:

Criteria	Weighting
Success Probability	10%
Prevention	20%
Reduced use of unsuitable accommodation	20%
Tenant Satisfaction	10%
Increase Funding / Housing supply	20%
Care and Support	10%
Cost Benefit	10%

Impact	Impact Score
No Impact	0
Very Low	1
Low	2
Moderate	3
High	4
Very High	5

### Prevention:

There is a strong understanding of the need to prevent harm in the actions presented here. This is primarily focused on harm to individuals – those presenting as homeless, those at risk of homelessness, those whose specific characteristics and life experience may mean they are more vulnerable to negative outcomes.

Prevention is also important in considering how the Council acting as a Landlord operates and the financial, compliance and reputational risks faced across the services provided.

In assessing how harm can be prevented, the definitions adopted are:

**Prevention** - Taking action to prevent the occurrence of harm through universal measures

**Harm** - A negative impact on humans, the organisation or resources available

## 5. Priority categorisation

The projects identified in this plan have been categorised into high, moderate and low priority through the criteria identified, as shown below:

Priority categorisation	Number of projects
High	28
Moderate	21
Low	27

## 6. Project commencement and completion timeline

The initial projects identified have varied start dates, as set out below:

Priority categorisation	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
High	28	0	0	0	0	0
Moderate	15	5	0	0	0	0
Low	12	16	0	0	0	0

The initial projected completion dates are set out below:

<b>Priority categorisation</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>
High	3	18	3	0	0	4
Moderate	1	15	3	0	0	1
Low	4	23	1	0	0	0

## **7. Other supporting activities and monitoring**

An Integrated Impact Assessment (IIA) is available for this action plan.

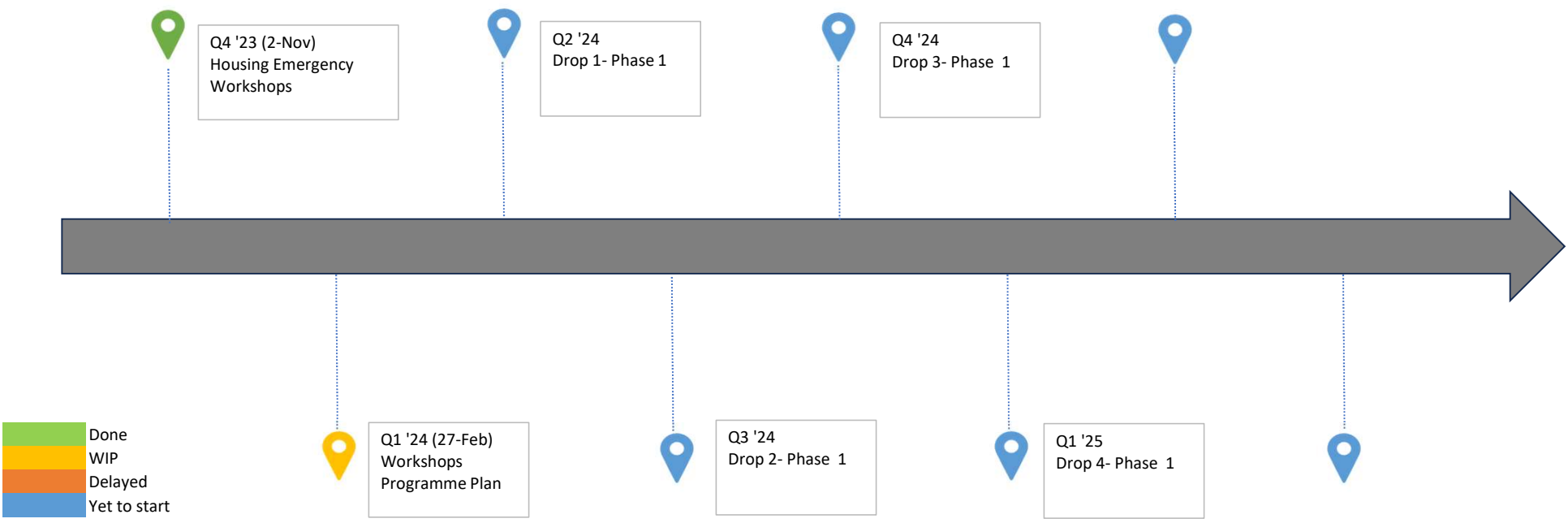
Monitoring of this action plan will be through the City of Edinburgh Council's Housing, Homelessness and Fair Work on a cyclical exception reporting basis.



## Workshop Engagements for Housing Emergency

We have conducted or planned 17 engagement workshops with our partner organizations to establish what the council's priorities should be with respect to our Housing Emergency Action Plan. Below are the details of the workshop engagements.

Workshop Engagement	Date	Organisations Represented
1	15-Dec-23	City of Edinburgh Council Housing, Homelessness and Fair Work Committee
2	15-Dec-23	City of Edinburgh Council Housing, Homelessness and Fair Work Committee
3	21-Dec-23	3rd Sector
4	09-Jan-24	City of Edinburgh Council Edinburgh Education, Children and Families Committee
5	09-Jan-24	City of Edinburgh Integration Joint Board
6	16-Jan-24	Labour Party Councillor Group
7	23-Jan-24	SNP Party Councillor Group
8	31-Jan-24	Liberal Democrats Party Councillor Group
9	07-Feb-24	City of Edinburgh Council Housing, Homelessness and Fair Work Committee
10	08-Feb-24	Tenants' Rights Groups (Living Rent, ETF, Scottish Refugee, Scottish Human Rights Commission, End Poverty, Disability Advisory Group)
11	08-Feb-24	Homelessness Charities, SHAPE
12	12-Feb-24	Human Rights (Royal Edinburgh Patients Panel, NHS, EVOC, ADP, LGBT, Gypsy Travellers, ELREC)
13	13-Feb-24	City of Edinburgh Housing Associations
14	20-Feb-24	City of Edinburgh Integration Joint Board
15	23-Feb-24	City of Edinburgh Council Edinburgh Education, Children and Families Committee
16	26-Feb-24	City of Edinburgh Council Housing, Homelessness and Fair Work Committee
17	26-Feb-24	Green Party Councillor Group










Key Findings (Reason for taking up this Action)


Impact 

Financials 

Social 

Collaboration 

Tenant Experience 

POSSIBLE OUTCOME 

Action Taken

Final Assessment

Priority: Quick Win: Status:

Timeline: Additional HC –

Risk:

Dependency:

Support Needed:

# Integrated Impact Assessment – Summary Report

---

Please state if the IIA is interim or final – **INTERIM**

## 1. Title of proposal

Responding to the Housing Emergency declaration

## 2. What will change as a result of this proposal?

On the 2<sup>nd</sup> November 2023 the City of Edinburgh Council declared a Housing Emergency. The Housing, Homelessness and Fair Work Committee Agreed a high level action plan on the 5<sup>th</sup> December 2023. Asking for further work to be undertaken with partners to agree more detailed actions required, including ensuring a human rights based approach is adopted in the response.

Many of the actions set out in the Committee report and action plan are already underway, for example reducing the number of empty Council homes; increasing the allocation rate of all social housing in the city to homeless households, and exploring ways to increase the financing available to provide new housing of all tenures in the city.

Through this proposal, there will be an increase in settled accommodation available in the city, a decrease in homeless households in the city, a decrease in the use of unsuitable accommodation for homeless households in the city, a simplified model for accessing homeless accommodation should it be required, an increase in homelessness prevention activities.

## 3. Briefly describe public involvement in this proposal to date and planned

There have been 14 workshops held to inform the content of the Housing Emergency Action Plan. This has included Councillors, third sector partners, tenants' representatives and community planning partners. The full list of workshops and attendees is included as Appendix A to the impact assessment.

## 4. Is the proposal considered strategic under the Fairer Scotland Duty?

Yes. The committee report proposals subject to this impact assessment will significantly affect how social housing is accessed in the city.

## 5. Date of IIA

21st February 2024

**6. Who was present at the IIA? Identify facilitator, lead officer, report writer and any employee representative present and main stakeholder (e.g. Council, NHS)**

Name	Job Title	Date of IIA training
Derek McGowan	Service Director – Housing and Homelessness	

**7. Evidence available at the time of the IIA**

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal																																
Data on populations in need	Edindex Housing Register	<p>Total number of applicants on Edindex 24,610 (Jan 2024)</p> <p>Total number awarded gold priority 474 (Jan 2024)</p> <p>Total number with Silver – Homeless priority 6,472 (Jan 2024)</p> <p>Total number with Demo and Officer Panel priority 231 (Jan 2024)</p> <p>Total number with Overcrowding priority 1,020 (Jan 2024)</p> <p>Total number with Under-occupation priority 148 (Jan 2024)</p> <p>Total number of applicants with waiting time points only 16,265 (Jan 2024)</p> <table border="1" data-bbox="517 1361 1430 1704"> <thead> <tr> <th></th> <th>Active</th> <th>Not active</th> <th>Sum:</th> </tr> </thead> <tbody> <tr> <td><b>1. Gold</b></td> <td>358</td> <td>116</td> <td><b>474</b></td> </tr> <tr> <td><b>2a. Silver - Homeless</b></td> <td>4260</td> <td>2212</td> <td><b>6472</b></td> </tr> <tr> <td><b>2b. Demo &amp; Officer Panel</b></td> <td>178</td> <td>53</td> <td><b>231</b></td> </tr> <tr> <td><b>2c. Overcrowding</b></td> <td>619</td> <td>401</td> <td><b>1020</b></td> </tr> <tr> <td><b>2d. Underoccupation</b></td> <td>68</td> <td>80</td> <td><b>148</b></td> </tr> <tr> <td><b>3. Waiting Time</b></td> <td>6747</td> <td>9518</td> <td><b>16265</b></td> </tr> <tr> <td><b>Sum:</b></td> <td><b>12230</b></td> <td><b>12380</b></td> <td><b>24,610</b></td> </tr> </tbody> </table> <p>Average number of bids for social rented homes advertised for let on Edindex is 218 (CEC), All landlords 243 (Jan 2024).</p> <p>Homelessness Projected to be 3500 for 23/24</p>		Active	Not active	Sum:	<b>1. Gold</b>	358	116	<b>474</b>	<b>2a. Silver - Homeless</b>	4260	2212	<b>6472</b>	<b>2b. Demo &amp; Officer Panel</b>	178	53	<b>231</b>	<b>2c. Overcrowding</b>	619	401	<b>1020</b>	<b>2d. Underoccupation</b>	68	80	<b>148</b>	<b>3. Waiting Time</b>	6747	9518	<b>16265</b>	<b>Sum:</b>	<b>12230</b>	<b>12380</b>	<b>24,610</b>
	Active	Not active	Sum:																															
<b>1. Gold</b>	358	116	<b>474</b>																															
<b>2a. Silver - Homeless</b>	4260	2212	<b>6472</b>																															
<b>2b. Demo &amp; Officer Panel</b>	178	53	<b>231</b>																															
<b>2c. Overcrowding</b>	619	401	<b>1020</b>																															
<b>2d. Underoccupation</b>	68	80	<b>148</b>																															
<b>3. Waiting Time</b>	6747	9518	<b>16265</b>																															
<b>Sum:</b>	<b>12230</b>	<b>12380</b>	<b>24,610</b>																															

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal
	<p>presentations</p> <p>Homelessness journey times</p>	<p>Homelessness case length currently average 651 days</p> <p>4,950 households / 9,500 people in temporary accommodation, most of who required social housing</p> <p>Homelessness case length currently average 651 days</p>
Data on service uptake/access	<p>Cause of homelessness</p> <p>Homelessness demographics</p>	<p>Household dispute (non violent) 49%</p> <p>Landlord Termination 18%</p> <p>Household dispute (violent/abusive) 11%</p> <p>45 % of households have one or more support needs.</p> <p>The support needs of households presenting as homeless includes:</p> <ul style="list-style-type: none"> <li>• Mental health – 36.9%</li> <li>• Learning Disability – 4.3%</li> <li>• Physical Disability – 4.8%</li> <li>• Medical Condition – 9.9%</li> <li>• Drug or Alcohol Dependency – 7.2%</li> <li>• Basic Housing Management / Independent Living Skills 5.3%</li> </ul>
Data on socio-economic disadvantage e.g. low income, low wealth, material deprivation, area deprivation.	Cause of homelessness / Homelessness demographics	<p>As above</p> <p>7,000 open homeless cases with statutory rights to temporary accommodation and settled housing</p> <p>1 in 5 children in Edinburgh experience poverty, with a clear, established link between areas identified as multiply deprived through Scottish Indices of Multiple Deprivation, social housing and poverty.</p> <p>The following types of family are identified by Scottish Government as being more likely to be living in poverty: lone parent families; minority ethnic families; families with a disabled adult or child; families with a younger mother; families with a child under one; families with three or more children (Ref: <a href="https://www.gov.scot/publications/tackling-child-poverty-priority-families-overview/pages/introduction/">https://www.gov.scot/publications/tackling-child-poverty-priority-families-overview/pages/introduction/</a>)</p>



Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal																																																																																																																														
Data on equality outcomes	Equality data for EdIndex registrations	<table border="1" data-bbox="518 383 1300 1120"> <thead> <tr> <th>Ethnicity</th> <th>Number of applications at 31/01/2024 16:21:30</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>African: Other</td><td>273</td><td>1.11 %</td></tr> <tr><td>Asian: Asian Scottish/British:Bangladesh</td><td>178</td><td>0.72 %</td></tr> <tr><td>Asian: Asian Scottish/British:Chinese</td><td>103</td><td>0.42 %</td></tr> <tr><td>Asian: Asian Scottish/British:Indian</td><td>148</td><td>0.60 %</td></tr> <tr><td>Asian: Asian Scottish/British:Other</td><td>248</td><td>1.01 %</td></tr> <tr><td>Asian: Asian Scottish/British:Pakistani</td><td>397</td><td>1.61 %</td></tr> <tr><td>Black:Black Scottish/British</td><td>93</td><td>0.38 %</td></tr> <tr><td>Black:Black Scottish/British:African</td><td>1090</td><td>4.43 %</td></tr> <tr><td>Black:Black Scottish/British:Caribbean</td><td>78</td><td>0.32 %</td></tr> <tr><td>Gypsy - Traveller</td><td>32</td><td>0.13 %</td></tr> <tr><td>Mixed</td><td>526</td><td>2.14 %</td></tr> <tr><td>Not known</td><td>1018</td><td>4.14 %</td></tr> <tr><td>Other:Arab, Arab Scottish or British</td><td>550</td><td>2.23 %</td></tr> <tr><td>Other Black or Caribbean</td><td>46</td><td>0.19 %</td></tr> <tr><td>Other Ethnic Background</td><td>459</td><td>1.87 %</td></tr> <tr><td>Refused to answer</td><td>59</td><td>0.24 %</td></tr> <tr><td>Ukrainian</td><td>466</td><td>1.89 %</td></tr> <tr><td>White:English</td><td>84</td><td>0.34 %</td></tr> <tr><td>White:Irish</td><td>134</td><td>0.54 %</td></tr> <tr><td>White:Other</td><td>1599</td><td>6.50 %</td></tr> <tr><td>White:Other British</td><td>1229</td><td>4.99 %</td></tr> <tr><td>White:Polish</td><td>1401</td><td>5.69 %</td></tr> <tr><td>White:Roma</td><td>11</td><td>0.04 %</td></tr> <tr><td>White:Scottish</td><td>14384</td><td>58.45 %</td></tr> <tr><td>White:Welsh</td><td>4</td><td>0.02 %</td></tr> <tr><td><b>Sum:</b></td><td><b>24610</b></td><td></td></tr> </tbody> </table> <table border="1" data-bbox="518 1160 1420 1400"> <thead> <tr> <th>Age Band</th> <th>Number of applications at 21/02/2024 09:50:47</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>a. 16-17</td><td>117</td><td>0.47 %</td></tr> <tr><td>b. 18-24</td><td>2325</td><td>9.34 %</td></tr> <tr><td>c. 25-35</td><td>6441</td><td>25.89 %</td></tr> <tr><td>d. 36-59</td><td>11969</td><td>48.10 %</td></tr> <tr><td>e. 60+</td><td>4030</td><td>16.20 %</td></tr> <tr><td><b>Sum:</b></td><td><b>24882</b></td><td></td></tr> </tbody> </table> <table border="1" data-bbox="518 1458 1420 1608"> <thead> <tr> <th>Sex</th> <th>Number of applications at 21/02/2024 09:50:47</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>Female</td><td>13238</td><td>53.20 %</td></tr> <tr><td>Male</td><td>11644</td><td>46.80 %</td></tr> <tr><td><b>Sum:</b></td><td><b>24882</b></td><td></td></tr> </tbody> </table> <table border="1" data-bbox="518 1653 1433 1803"> <thead> <tr> <th>Self-assessed disability</th> <th>Number of applications at 21/02/2024 09:50:47</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>Disabled</td><td>7821</td><td>31.43 %</td></tr> <tr><td>Not disabled</td><td>17061</td><td>68.57 %</td></tr> <tr><td><b>Sum:</b></td><td><b>24882</b></td><td></td></tr> </tbody> </table>	Ethnicity	Number of applications at 31/01/2024 16:21:30	Percentage	African: Other	273	1.11 %	Asian: Asian Scottish/British:Bangladesh	178	0.72 %	Asian: Asian Scottish/British:Chinese	103	0.42 %	Asian: Asian Scottish/British:Indian	148	0.60 %	Asian: Asian Scottish/British:Other	248	1.01 %	Asian: Asian Scottish/British:Pakistani	397	1.61 %	Black:Black Scottish/British	93	0.38 %	Black:Black Scottish/British:African	1090	4.43 %	Black:Black Scottish/British:Caribbean	78	0.32 %	Gypsy - Traveller	32	0.13 %	Mixed	526	2.14 %	Not known	1018	4.14 %	Other:Arab, Arab Scottish or British	550	2.23 %	Other Black or Caribbean	46	0.19 %	Other Ethnic Background	459	1.87 %	Refused to answer	59	0.24 %	Ukrainian	466	1.89 %	White:English	84	0.34 %	White:Irish	134	0.54 %	White:Other	1599	6.50 %	White:Other British	1229	4.99 %	White:Polish	1401	5.69 %	White:Roma	11	0.04 %	White:Scottish	14384	58.45 %	White:Welsh	4	0.02 %	<b>Sum:</b>	<b>24610</b>		Age Band	Number of applications at 21/02/2024 09:50:47	Percentage	a. 16-17	117	0.47 %	b. 18-24	2325	9.34 %	c. 25-35	6441	25.89 %	d. 36-59	11969	48.10 %	e. 60+	4030	16.20 %	<b>Sum:</b>	<b>24882</b>		Sex	Number of applications at 21/02/2024 09:50:47	Percentage	Female	13238	53.20 %	Male	11644	46.80 %	<b>Sum:</b>	<b>24882</b>		Self-assessed disability	Number of applications at 21/02/2024 09:50:47	Percentage	Disabled	7821	31.43 %	Not disabled	17061	68.57 %	<b>Sum:</b>	<b>24882</b>	
Ethnicity	Number of applications at 31/01/2024 16:21:30	Percentage																																																																																																																														
African: Other	273	1.11 %																																																																																																																														
Asian: Asian Scottish/British:Bangladesh	178	0.72 %																																																																																																																														
Asian: Asian Scottish/British:Chinese	103	0.42 %																																																																																																																														
Asian: Asian Scottish/British:Indian	148	0.60 %																																																																																																																														
Asian: Asian Scottish/British:Other	248	1.01 %																																																																																																																														
Asian: Asian Scottish/British:Pakistani	397	1.61 %																																																																																																																														
Black:Black Scottish/British	93	0.38 %																																																																																																																														
Black:Black Scottish/British:African	1090	4.43 %																																																																																																																														
Black:Black Scottish/British:Caribbean	78	0.32 %																																																																																																																														
Gypsy - Traveller	32	0.13 %																																																																																																																														
Mixed	526	2.14 %																																																																																																																														
Not known	1018	4.14 %																																																																																																																														
Other:Arab, Arab Scottish or British	550	2.23 %																																																																																																																														
Other Black or Caribbean	46	0.19 %																																																																																																																														
Other Ethnic Background	459	1.87 %																																																																																																																														
Refused to answer	59	0.24 %																																																																																																																														
Ukrainian	466	1.89 %																																																																																																																														
White:English	84	0.34 %																																																																																																																														
White:Irish	134	0.54 %																																																																																																																														
White:Other	1599	6.50 %																																																																																																																														
White:Other British	1229	4.99 %																																																																																																																														
White:Polish	1401	5.69 %																																																																																																																														
White:Roma	11	0.04 %																																																																																																																														
White:Scottish	14384	58.45 %																																																																																																																														
White:Welsh	4	0.02 %																																																																																																																														
<b>Sum:</b>	<b>24610</b>																																																																																																																															
Age Band	Number of applications at 21/02/2024 09:50:47	Percentage																																																																																																																														
a. 16-17	117	0.47 %																																																																																																																														
b. 18-24	2325	9.34 %																																																																																																																														
c. 25-35	6441	25.89 %																																																																																																																														
d. 36-59	11969	48.10 %																																																																																																																														
e. 60+	4030	16.20 %																																																																																																																														
<b>Sum:</b>	<b>24882</b>																																																																																																																															
Sex	Number of applications at 21/02/2024 09:50:47	Percentage																																																																																																																														
Female	13238	53.20 %																																																																																																																														
Male	11644	46.80 %																																																																																																																														
<b>Sum:</b>	<b>24882</b>																																																																																																																															
Self-assessed disability	Number of applications at 21/02/2024 09:50:47	Percentage																																																																																																																														
Disabled	7821	31.43 %																																																																																																																														
Not disabled	17061	68.57 %																																																																																																																														
<b>Sum:</b>	<b>24882</b>																																																																																																																															

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal																					
		<table border="1" data-bbox="517 360 1147 748"> <thead> <tr> <th colspan="2" data-bbox="517 360 983 434">Accessibility questions</th> <th data-bbox="983 360 1147 434">Y</th> </tr> </thead> <tbody> <tr> <td data-bbox="517 434 676 488">5121</td> <td data-bbox="676 434 983 488">Mental health problems</td> <td data-bbox="983 434 1147 488">6026</td> </tr> <tr> <td data-bbox="517 488 676 542">5122</td> <td data-bbox="676 488 983 542">Physically disabled</td> <td data-bbox="983 488 1147 542">3143</td> </tr> <tr> <td data-bbox="517 542 676 595">5123</td> <td data-bbox="676 542 983 595">Learning disability</td> <td data-bbox="983 542 1147 595">1564</td> </tr> <tr> <td data-bbox="517 595 676 649">5124</td> <td data-bbox="676 595 983 649">Blind / partially sighted</td> <td data-bbox="983 595 1147 649">430</td> </tr> <tr> <td data-bbox="517 649 676 703">5125</td> <td data-bbox="676 649 983 703">Hearing disability</td> <td data-bbox="983 649 1147 703">809</td> </tr> <tr> <td data-bbox="517 703 676 748">5453</td> <td data-bbox="676 703 983 748">Autism</td> <td data-bbox="983 703 1147 748">1098</td> </tr> </tbody> </table>	Accessibility questions		Y	5121	Mental health problems	6026	5122	Physically disabled	3143	5123	Learning disability	1564	5124	Blind / partially sighted	430	5125	Hearing disability	809	5453	Autism	1098
Accessibility questions		Y																					
5121	Mental health problems	6026																					
5122	Physically disabled	3143																					
5123	Learning disability	1564																					
5124	Blind / partially sighted	430																					
5125	Hearing disability	809																					
5453	Autism	1098																					

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal
Research/literature evidence	<u>Rapid Rehousing Transition Plan</u>	<p>Homelessness data shows that 49% of presentations are due to family breakdown.</p> <p>HARSAG recommendations, Scottish Government Ending Homelessness Together Action Plan and CEC's Rapid Rehousing Transition Plan all evidence the need to reduce the number of households in temporary accommodation and prevent homelessness wherever possible. Scottish Government Ending Homelessness Together Action Plan (Nov 2018) – overview of homelessness in Scotland and ambitions of Scottish Government to prevent and end homelessness, including role and duties of local authorities in helping to achieve this.</p> <p>Social Bite/Heriot Watt University report on Temporary Accommodation in Scotland (Nov 2018) highlights pressures on temporary accommodation in Edinburgh.</p> <p>The Preventing Homelessness in Scotland recommendation from the Prevention Review Group and the subsequent joint Scottish Government and CoSLA Prevention Duty consultation paper, identified the ways in which prevention of homelessness as a legal duty may be achieved and defines homelessness prevention as a shared responsibility across public bodies.</p> <p>The Youth homelessness Prevention Pathway published by A Way Home Scotland lays out a pathway to ending youth homelessness and identifies issues that more commonly arise for young people. In Edinburgh there is a Housing Options Protocol in place for young people leaving care. The care leavers housing protocol's aim is to avoid care leavers having to go through the homeless route to secure accommodation, instead they will be supported and awarded Exceptional Housing Need priority, which will give them a reasonable preference when bidding for social rented accommodation.</p> <p>At the end of December 2023 103 young people had the priority.</p>
Public/patient/client experience information	Customer satisfaction with Council landlord function	<p>Percentage of tenants satisfied with the overall service – 76.3%</p> <p>Percentage of tenants who felt their landlord is good at keeping them informed about their services and outcomes – 86.5%</p> <p>Percentage of tenants satisfied with the opportunities to participate in the landlord's decision making – 99%</p>

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal
Evidence of inclusive engagement of people who use the service	Ongoing work with Edinburgh Tenant Federation on Homelessness Services Information	<p>Work is ongoing with Edinburgh Tenants Federation to ensure that communication includes innovative digital ways to engage with tenants.</p> <p>Based on a survey with tenants, it is estimated that c.50-60% of Council tenants have internet access at home, comparing to 93% of the households having access to the internet in Scotland (Scottish Household Survey 2020).</p> <p>All appropriate letters and guidance from homelessness services is provided in the service users' chosen language. Ongoing work on 'Get connected' with Simon Community with a commitment of 40 devices for homeless people who do not have digital devices and require them to assist with their homeless journey.</p>
Evidence of unmet need	Edindex	c5000 households in temporary accommodation, most of whom required social housing.
Good practice guidelines		Council House Allocation Policy Rapid Rehousing Transition Plan
Carbon emissions generated/reduced data		These will be generated for individual housebuilding programmes
Environmental data		These will be generated for individual housebuilding programmes.
Risk from cumulative impacts		<p>The housing emergency action plan contains a series of proposals aimed at improving access to housing, securing best value and ensuring funding levels are appropriate, reducing void property numbers, reducing homelessness, and increasing the number of affordable homes in the city. There are key proposals about improving our repairs service performance and improving the quality of social housing.</p> <p>There is no identified risk to improving in these key areas.</p> <p>It is not believed that this proposal presents a greater risk to any protected characteristic. Those from minority communities represent a proportionately smaller group of the overall registration number, it is not believed these communities are at a proportionately greater risk due to this proposal. Appendix 1</p>

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal
		to this IIA demonstrates that homeless advice presentations to the Council are more likely to be male.
Other (please specify)		
Additional evidence required		

**8. In summary, what impacts were identified and which groups will they affect?**

Equality, Health and Wellbeing and Human Rights	Affected populations
<p><b>Positive</b></p> <p>The proposals aim to improve access to housing, secure best value, ensure funding levels are appropriate, reduce void property numbers, reduce homelessness, and increase the number of affordable homes in the city. There are key proposals about improving our repairs service performance and improving the quality of social housing.</p>	All
<p><b>Negative</b></p>	

Environment and Sustainability including climate change emissions and impacts	Affected populations
<p><b>Positive</b></p> <p>These will be developed for individual housebuilding proposals.</p>	All
<p><b>Negative</b></p>	

Economic	Affected populations
<p><b>Positive</b></p>	All

Economic	Affected populations
<p>The proposals will enhance the economic prospects of those experiencing homelessness by improving access to settled accommodation. Homelessness is understood as a key driver of poorer life outcomes, including employability, physical and mental health, and educational attainment.</p> <p>Improving access to settled accommodation quicker, especially for households including children and young people, will have a positive impact on these factors.</p> <p>Looking at Council finance, the Housing Revenue Account will benefit from increased rental income due to the increased number of tenanted properties, and improvements in the time taken to return property to lettable standard.</p> <p>There will be benefits to the General Fund through the decreased reliance on unsuitable accommodation as temporary accommodation.</p>	
<p><b>Negative</b></p>	

**9. Is any part of this policy/ service to be carried out wholly or partly by contractors and if so how will equality, human rights including children’s rights, environmental and sustainability issues be addressed?**

Any contractors used will be through the agreed Repairs and Maintenance Framework.

**10. Consider how you will communicate information about this policy/ service change to children and young people and those affected by sensory impairment, speech impairment, low level literacy or numeracy, learning difficulties or English as a second language? Please provide a summary of the communications plan.**

This plan, if approved will be circulated through media channels. Individual projects when initiated will have their own communications plan relative to the scale and scope of the work required.

**11. Is the plan, programme, strategy or policy likely to result in significant environmental effects, either positive or negative? If yes, it is likely that a Strategic Environmental Assessment (SEA) will be required and the impacts identified in the IIA should be included in this. See section 2.10 in the Guidance for further information.**

No.

**12. Additional Information and Evidence Required**

None.

**13. Specific to this IIA only, what recommended actions have been, or will be, undertaken and by when? (these should be drawn from 7 – 11 above) Please complete:**

Specific actions (as a result of the IIA which may include financial implications, mitigating actions and risks of cumulative impacts)	Who will take them forward (name and job title)	Deadline for progressing	Review date
If approved, work will continue / commence to deliver the outcomes identified in the plan. Individual actions required will be subject to Integrated Impact Assessment as required.			

**14. Are there any negative impacts in section 8 for which there are no identified mitigating actions?**

No.

**15. How will you monitor how this proposal affects different groups, including people with protected characteristics?**

A programme tracker has been developed to monitor progress. This will be used by officers to track progress, and reported to the Housing, Homelessness and Fair Work Committee on a cyclical basis.

**16. Sign off by Head of Service**

**Name:** Derek McGowan

**Date:** 21<sup>st</sup> February 2024

## 17. **Publication**

Completed and signed IIAs should be sent to:

[integratedimpactassessments@edinburgh.gov.uk](mailto:integratedimpactassessments@edinburgh.gov.uk) to be published on the Council website [www.edinburgh.gov.uk/impactassessments](http://www.edinburgh.gov.uk/impactassessments)

**Edinburgh Integration Joint Board/Health and Social Care**

[sarah.bryson@edinburgh.gov.uk](mailto:sarah.bryson@edinburgh.gov.uk) to be published at [www.edinburghhsc.scot/the-ijb/integrated-impact-assessments/](http://www.edinburghhsc.scot/the-ijb/integrated-impact-assessments/)



**APPENDIX 1 – DEMOGRAPHICS**

		<b>2022-23</b>				
		<b>Apr-Jun</b>	<b>Jul-Sep</b>	<b>Oct-Dec</b>	<b>Jan-Mar</b>	<b>Total/YTD</b>
No of Advice Presentations		1,101	1,195	1,104	1,248	4,648
Age Band & Gender	Female 16-17	11	18	7	15	51
	18-24	89	91	80	97	357
	25-59	330	401	347	389	1,467
	60+	24	22	31	49	126
	Male 16-17	8	14	10	12	44
	18-24	89	93	94	103	379
	25-64	531	537	511	563	2,142
	65+	19	19	24	20	82

This page is intentionally left blank

# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## The City of Edinburgh Council – Apprenticeship Programme

Executive/routine  
Wards

Routine  
All

### 1. Recommendations

---

- 1.1 It is recommended that Housing, Homelessness and Fair Work Committee note:
  - 1.1.1 The continuous improvements to the delivery of the Council's Modern Apprenticeship Programme since the Annual Performance Report 2022/23;
  - 1.1.2 The expectation of the 2024/25 Apprenticeship Contract Award from Skills Development Scotland, with an anticipated 54 new apprentices within the Council in 2024/25; and
  - 1.1.3 The on-going plans to raise the profile of apprenticeships across the Council in 2024/25 to maximise apprenticeship opportunities.

**Paul Lawrence**

Executive Director of Place

Contact: Lucy Pearson, Contracts and Programme Manager

E-mail: [lucy.pearson@edinburgh.gov.uk](mailto:lucy.pearson@edinburgh.gov.uk) | Tel: 07834 619 640

## The City of Edinburgh Council – Apprenticeship Programme

### 2. Executive Summary

---

- 2.1 This report outlines the work undertaken to deliver an effective apprenticeship programme within the Council and the actions taken to mitigate underperformance as outlined in the Annual Performance Report 2022/23.

### 3. Background

---

- 3.1 The City of Edinburgh Council delivers Modern Apprenticeships (MAs) in two different ways:
- 3.1.1 Under a contract with Skills Development Scotland (SDS), which is awarded annually and dictates the volume and types of MAs that can be delivered. Responsibility for managing this contract lies with the Council's Business Growth and Inclusion team who, as part of the delivery offer, provide wrap-around support to managers and apprentices from initial recruitment through to completion of the qualification; and
  - 3.1.2 Departments can also manage their own MAs, working with external companies to deliver the academic component.
- 3.2 Only the MAs under the SDS contract are centrally monitored and reported in the Annual Performance Report.
- 3.3 In the [Annual Performance Report 2022/23](#), reported to Policy and Sustainability on 22 August 2023 and referred to the Council on 28 September 2023, the MA Programme had a red status performance rating due to the number of new apprentices annually between 2020/21 and 2022/23.
- 3.4 The Council, on 28 September 2023, [requested](#) that a review be undertaken of the Council apprenticeship scheme with actions being taken to meet or exceed the target being reported to the Housing, Homelessness and Fair Work Committee within two cycles.

## 4. Main report

---

- 4.1 Officers conducted a review in early 2023 to understand the reasons for the underperformance of the MA contract. This review concluded the following were impacting delivery were:
- 4.1.1 The Covid-19 pandemic rendered it difficult to deliver the practical elements of many apprenticeships due to department priorities changing during the pandemic and working-from-home models still being established;
  - 4.1.2 Due to budget pressures, some service areas were unable to ring-fence the budget to pay for an apprentice, making forward planning difficult;
  - 4.1.3 The inability to amend the contract with SDS meant there has been no flexibility to deliver new apprenticeship frameworks to meet the change in business needs since the pandemic; and
  - 4.1.4 A vast reduction in applications for apprenticeship vacancies. As has been observed in the Council's wider employability programmes, young people did not engage or apply in the same volumes as in previous years due to the impact of the pandemic on their confidence, health and change in ambition.
- 4.2 A hiring manager survey was also issued to gather information about the current perception of the Apprenticeship Programme and highlight areas that the Apprenticeship Team should focus on in the year ahead to ensure the correct support is given to apprentices, hiring managers and service areas.

### **Operational Improvement Plan**

- 4.3 In response to the review and the survey, an Operational Improvement Plan was implemented in 2023/24 to improve performance:

#### **Internal engagement:**

- 4.3.1 A revised internal marketing strategy, including promotion of National Apprenticeship Week and ongoing publication of apprenticeship case studies on Newsbeat for promotion across the wider council workforce; and
- 4.3.2 Online drop-in events for Council services to learn about the benefit of hiring an apprentice in their team and an overview of the support that is provided to both the hiring service and the apprentice.

#### **Engagement of Young People:**

- 4.3.3 Increased regular engagement (online and in person) with all schools, the Department of Work and Pensions and the Joined up for Jobs Network to promote the Council's MA Programme.

#### **Communication and Support:**

- 4.3.4 A dedicated Council Apprenticeship email address, monitored daily, and with a commitment to respond to any queries within one business day.

4.3.5 The publication of a new Managers Guidance Document (available on the Orb) to provide recruiting managers with an easy-to-follow guide on how to recruit an apprentice and what is expected of managers throughout the training.

**Increased collaboration with Human Resources:**

4.3.6 Improved workforce planning processes to ensure MAs are considered as an opportunity to diversify recruitment and a solution to recruitment issues in areas with staffing issues.

**Current Performance Update**

4.4 Introducing these improvement measures over the course of 2023/24 has markedly improved the performance of the MA Programme this year:

4.4.1 31 out of the contracted 54<sup>1</sup> new apprentices had been recruited by 28 November 2023, with the remaining anticipated to be recruited in Q4 of 2023/24, subject to service need; and

4.4.2 There have been over 593 MA applications overall, with 300 of these for trades MAs, have been received to date this year, up from 79 applications in total in 2021/22.

4.5 In addition, thanks to an increased focus on the wraparound support model, up to 95% of those who completed an apprenticeship since 2020 have moved into employment, with up to 60% staying in the Council workforce.

**MA Programme 2024/25**

4.6 Officers have recently submitted an application to SDS to deliver 54 new apprentice starts annually from 2024/25 onwards for the next three years.

4.7 If successful, the contract will allow for new MA frameworks to be delivered (such as Youth Work and Management and Freight Logistics) which will meet new priorities across the Council (as scoped out during the review). Alongside this, the application still includes frameworks that have continuously been in demand (such as Business Administration and Trades).

## 5. Next Steps

---

5.1 In anticipation of being awarded a new contract in 2024/25, there are on-going discussions with services across the Council to ensure vacancies can be advertised as early as possible in the new financial year.

5.2 The MA team will continue to support hiring departments and promote MAs within new areas of the Council, to build on good practice in the years ahead.

---

<sup>1</sup> Since the Annual Performance Report 2022/23 was published, there has been a national reduction of 10% across all awarded contracts due to Scottish Government funding reductions. Therefore, the contract for 2023-24 has 54 starts instead of 60.

## 6. Financial impact

---

- 6.1 Apprenticeship salary costs are to be covered by the hiring department and therefore the financial impact will vary subject to individual department budget priorities.
- 6.2 The majority of MAs are Grade 2 employees for the duration of their apprenticeship and cost the hiring department approximately £ £23,087- £23,388 annually (subject to annual pay review and on costs).
- 6.3 Trade apprentices are classed as Craft Employees and paid differently – the rate for these for 2023/24 is still under review but currently, they are approximately £20,382 - £24,526 annually.
- 6.4 The Council receives approximately £100,000 p.a. to cover the costs of paying training providers to deliver the qualifications for the SDS contracted apprenticeships. Residual funding supplements the Business Growth and Inclusion core costs for managing the contract with SDS, including the 2.5 Full Time Employees (FTE), providing wraparound support to MAs and recruiting managers.

## 7. Equality and Poverty Impact

---

- 7.1 The impact on protected characteristic client groups will be positive as the actions outlined in this report will enable them to apply for apprenticeships and enhance their employability skills to help them secure employment in the future.
- 7.2 The Council is a real living wage employer, and this includes apprentices. Therefore, partaking in the MA programme has a positive financial impact for participants.
- 7.3 Officers will continue building on equality, diversity and Fair Work approaches across the MA programme on the same trajectory as in recent years of delivery. For example:
  - 7.3.1 In 2023/24, 22.2% of the current cohort identified as having a disability, higher than the national average of 16.2%;
  - 7.3.2 In 2023/24, 55.2% of the individuals on the Council's MA programme identify as female, higher than the 33.1% national average; and
  - 7.3.3 7.1% of the 2023/24 cohort identify as ethnically diverse, higher than the 3.9% national average.

## 8. Climate and Nature Emergency Implications

---

- 8.1 The impacts of this report have been considered in relation to the three elements of the Climate Change (Scotland) Act 2009 Public Bodies Duties requiring public bodies to contribute to climate change mitigation and to climate change adaptation,

and to act sustainably. Relevant Council sustainable development policies have also been considered.

- 8.2 The proposals in this report help achieve a sustainable Edinburgh primarily by improving the areas of social justice, economic wellbeing and a just transition to a sustainable economy. By supporting local employment opportunities in local businesses and helping young people into positive destinations there is a positive impact on inclusion, employment and training, and shared prosperity.
- 8.3 There are no direct negative impacts in the effects of climate change or improving the resilience to the effects of climate change as a result of this report.
- 8.4 There are no direct nature emergency implications as a result of this report.

## **9. Risk, policy, compliance, governance and community impact**

---

- 9.1 There is a risk that the Council may not be awarded a contract in 2024/25, however, the likelihood of this is small. Should this happen though, work would continue to support all MAs currently employed within the Council to ensure they are able to complete their apprenticeship and secure employment. If awarded the contract, officers will continue to deliver the programme in line with SDS's compliance and governance policies.
- 9.2 The Scottish Government's response to The James Withers Skills Delivery Landscape: Independent Review could see significant changes to the Apprenticeship Landscape in the future, which officers are monitoring.

## **10. Background reading/external references**

---

- 10.1 [Apprenticeships - Skills Development Scotland](#)
- 10.2 [Apprenticeships - UK Employer Skills Survey 2022 – Scotland Report - gov.scot \(www.gov.scot\)](#)
- 10.3 [Skills delivery landscape: independent review - gov.scot \(www.gov.scot\)](#)
- 10.4 [Skills delivery landscape: call for evidence - gov.scot \(www.gov.scot\)](#)

## **11. Appendices**

---

Appendix 1 The City of Edinburgh Council – Apprenticeship Recruitment across the Council 2023/24



**Appendix 1 – The City of Edinburgh Council – Apprenticeship Recruitment 2023-24 (to date):**

<b>Department and Directorate</b>	<b>Volume of Apprentices</b>
Housing Operations Place	8
Road Operations Place	2
Operational services Place	2
Business Support Corporate Services	2
HR Corporate Services	1
Registration Services Corporate Services	2
Early Years Children, Education and Justice Services	11
Neighbourhood Environmental Services Place	1
Parking Place	2
<b>Total</b>	<b>31</b>

This page is intentionally left blank

# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## Support for Refugees, Asylum Seekers and Displaced People

Executive/routine  
Wards

### 1. Recommendations

---

Committee is asked to:

- 1.1 note the range of support provided to refugees, asylum seekers and displaced people
- 1.2 note Edinburgh's existing commitment to resettling up to one hundred and fifty people per year under UK Government resettlement programmes subject to the availability of appropriate accommodation.

#### **Amanda Hatton**

Executive Director of Children, Education and Justice Services

Contact: Alistair Dinnie, Refugee and Migration Programme Manager; Gavin Sharp, Ukraine, Service Manager, Ukraine Support.

E-mail: [alistair.dinnie@edinburgh.gov.uk](mailto:alistair.dinnie@edinburgh.gov.uk)

[gavin.sharp@edinburgh.gov.uk](mailto:gavin.sharp@edinburgh.gov.uk)

Tel: 0131 469 3855/0131 529 7641

## Support for Refugees, Asylum Seekers and Displaced People

### 2. Executive Summary

---

- 2.1 This report responds to the motion 'Employment Support for Refugees' as amended and agreed at Council on of 31 August 2023 and details the support provided to refugees, asylum seekers and displaced people in Edinburgh.

### 3. Background

---

- 3.1 In May 2015, the City of Edinburgh Council agreed to resettle twenty-five refugees in the first year of involvement in the UK Government's small-scale Syrian Vulnerable Persons' Resettlement scheme. In September 2015, the scheme was expanded to resettle twenty-thousand refugees over five years and the city committed to providing places for five hundred people (100 people per year) over that time.
- 3.2 In February 2022, Council agreed a revised commitment of between one hundred and one hundred and fifty people per year under UK Government resettlement schemes. This work has continued while the city has also responded to the humanitarian crisis resulting from Russia's invasion of Ukraine.
- 3.3 UNHCR identifies 36.4 million worldwide as refugees as of October 2023, less than 1% of whom are resettled every year.

### 4. Main report

---

- 4.1 Edinburgh has supported delivery of UK Government resettlement schemes since 2015 when the Council agreed to engage with the Syrian Vulnerable People's Resettlement scheme. This built on previous city responses to humanitarian crises is Bosnia, Vietnam and stretching back through both world wars.
- 4.2 Since 2015 Edinburgh has:
- resettled 602 people under the Syrian Resettlement and subsequent UK Resettlement schemes (2015 – present)

- supported four community groups to resettle five households under the Community Sponsorship strand of resettlement (2017 – present)
- resettled 234 people under the UK Government’s Afghan relocation schemes (2021 – present)
- supported more than 11,000 Ukrainians to arrive through Edinburgh’s transport hubs of whom some 3,000 continue to live in the city (2022 – present)
- supported c.120 people with a refugee background who have arrived in Edinburgh outwith formal resettlement schemes

and currently:

- has supported 119 adults and 102 children with insecure immigration status and no recourse to public funds (NRPf) to date during this financial year
- supports 61 unaccompanied asylum-seeking children
- hosts 90 single male asylum seekers in two Edinburgh hotels managed by Mears Group (the Home Office’s asylum accommodation provider in Scotland).

#### 4.3 Support is coordinated by:

- the Refugee and Migration team within Children, Education and Justice services which works with households resettled under formal UK Government schemes, adults with no recourse to public funds and households with a refugee background arriving in Edinburgh outwith formal schemes
- the Ukraine Team within Housing, Homelessness and Fair work which works with Ukrainian displaced people
- a specialist Children and Family social work team which works with families with no recourse to public funds
- Children and Families practice teams and Throughcare and Aftercare which hold the remit for working with unaccompanied asylum-seeking children.

4.4 The Council has no direct role with asylum seekers in the two Home Office procured hotels in Edinburgh. Support is coordinated by the Home Office’s accommodation provider in Scotland, Mears Group while people’s claims are being determined. At the point a claim is determined – positively or negatively – Mears refers hotel residents to the Council for support and advice in determining their next steps. Where people choose to remain in Edinburgh, the Refugee and Migration Team supports them as refugees with status or adults with NRPf as appropriate.

4.5 The specifics of support for resettled refugees is outlined in funding instructions issued by the UK Home Office. These instructions offer a framework for support which is consistent with the principles of the Scottish Government’s New Scots strategy and a template to which all support for refugees, asylum seekers and displaced people aspires albeit within different contexts of rights, eligibility and funding dependant on immigration status.

- 4.6 In return for funding provided by the Home Office, outlined in the Financial Impact section of this report, supporting authorities are expected to:
- liaise with the Home Office over arrival travel logistics and meet resettled households at their arrival airport
  - provide furnished accommodation provisioned with a culturally appropriate welcome pack of groceries
  - administer an initial cash allowance covering the period until benefit payments or any other source of income becomes available
  - provide interpreting services
  - provide ongoing casework including support for registration with health providers (GPs, dentists etc), schools, attending DWP appointments
  - support working age adults with access to employment services
  - arrange English for Speakers of Other Languages (ESOL) classes for adult learners including adult literacy classes where needed
  - deliver a programme of cultural integration activities.
- 4.7 Appendices 1 – 6 of this report describe the support provided to refugees, asylum seekers and displaced people in detail.

## **5. Next Steps**

---

- 5.1 Subject to further recommendation by Committee, work will continue as outlined in this report with amendments from time to time in light of changes to Government or Council policy and feedback from the communities we work with.

## **6. Financial impact**

---

- 6.1 Local authorities participating in UK and Afghan resettlement receive funding of £20,520 for each refugee resettled phased over three years for Afghan arrivals and five years for UKRS arrivals. This is supplemented by education funding of £2,250 for children aged 3 – 4 and £4,500 for children aged 5 – 18 on the day of arrival. Education funding is available for the first year following arrival only. These amounts remain the same as when the first Syrian scheme opened in 2015.
- 6.2 Different arrangements apply for people displaced from Ukraine and arriving in the UK under Homes for Ukraine/Scottish Super Sponsor schemes. Councils can claim £5,900 per new arrival (prior to 1 January 2023 this was £10,500) with an additional amount for education calculated centrally the UK Government. Local authorities also administer payments to hosts, currently £350 per month rising to £500 per month for any household hosted for more than twelve months. Local authorities bear the cost of administering these payments although the payments themselves can be reclaimed from the UK Government.

- 6.3 To date, this funding has proven sufficient to cover all core staff, interpretation/ translation, accommodation (including void), equipment and furniture costs as well as the ESOL and cultural integration partnership described at appendix 2.
- 6.4 Edinburgh's resettlement programme is underpinned by a six-year rolling budget which includes a financial exit strategy in case the UK Government were to change policy and cease resettlement or alter the funding arrangements. Any significant financial future changes and their implications will be reported to committee outlining the change and its implications.

## **7. Equality and Poverty Impact**

---

- 7.1 All the groups covered in this report are at risk of socio-economic disadvantage through a range of factors that include unfamiliarity with language and culture, disrupted education and career development and physical or mental trauma associated with their status as a refugee. The goal of resettlement as a process, the specifics of which are outlined in the appendices to this report, is to mitigate these risks to the fullest extent possible and enable people to live full, independent lives.

## **8. Climate and Nature Emergency Implications**

---

- 8.1 Resettlement services seek to mitigate climate impacts arising from its activities in in the following ways:
- encouraging use of public transport through supporting applications for bus passes for all eligible clients
  - providing a bus pass for resettled clients who would not otherwise be eligible lasting one year from their resettlement to Edinburgh
  - encouraging active travel through referrals to Bikes for Refugees and provision of walking tours of Edinburgh organised by colleagues in Lifelong Learning
  - organising ESOL classes in a range of central and community venues across the city
  - retaining options for flexible working to colleagues and virtual appointments to clients developed during the COVID pandemic where appropriate
  - referring newly arrived clients to the Welcoming Association's Climate Change project for home energy advice.

## **9. Risk, policy, compliance, governance and community impact**

---

- 9.1 Refugee resettlement is managed with regard to potential for impacts on good community relations. Refugees resettled have reported a small number of negative community experiences but these have been rare and generally linked to periods of broader community tension (eg international conflict or reported terrorist attacks). In evaluation data returned to the Home Office in December 2023, the overwhelming

majority of adults resettled (95%) report they either definitely agree (71.5%) or tend to agree (23.5%) that their local community is a place where people from different backgrounds get on well together.

- 9.2 The city's current Housing emergency (text of the Council decision at its meeting of 2 November 2023 included at appendix 7) is a material risk in terms of resettlement operations. The risk to Council homelessness duties is particularly highlighted in appendix 5 (Ukraine response) together with current and planned mitigations and Council's. The risk is recorded in the Ukraine Programme's risk register and consistently highlighted to the Scottish Government in programme discussions.
- 9.3 There is currently a lack of strategic coherence between the different humanitarian responses leading to increasing competition between the different programmes for local service capacity and exacerbating key pre-existing pressures. COSLA is progressing work to highlight this lack of coherence to UK and Scottish Governments and seek better coordination. Since the start of this calendar year, two strategic groupings in which the Council participates – one at a pan-Scotland level (the Asylum Partnership Board), one UK-wide (the Afghan Resettlement Local Authority Network) – have amended their remits to cover all humanitarian schemes local authorities are engaging with. Both are helpful first steps toward ensuring demands are considered in the round.
- 9.4 At local level, following a one-day event in November 2023 facilitated by the Council in collaboration with EVOG and Hibernian Community Foundation reflecting on the last seven years' experience of resettlement in the city, work has started on development of an Edinburgh strategy for support to asylum seekers, refugees and displaced people. This development is being taken forward on a partnership basis with the aim of linking to the Scottish Government's New Scots strategy. When complete, the strategy will provide an operational framework for Edinburgh and facilitate services that are better coordinated and more resilient. The work is at an early stage but elected members will be updated as the work progresses.
- 9.5 This strategy development work builds on the existing city-level communication and coordination of the Edinburgh New Scots Steering Group. Facilitated by colleagues working for and with Scottish Faith Action for Refugees, the group is open to all organisations working with refugees, displaced people and asylum seekers in the city.

## **10. Background reading/external references**

---

- 10.1 [Communities and Neighbourhoods Committee, 5 May 2015, Syrian Vulnerable Persons Relocation Scheme](#)
- 10.2 [Communities and Neighbourhoods Committee, 22 September 2015, Syrian Vulnerable Persons Relocation Scheme](#)
- 10.3 [Policy and Sustainability Committee, 25 February 2020, Refugee Resettlement](#)



- 10.4 [Policy and Sustainability Committee, 10 June 2021, Petition for Consideration, Resettle Refugees and Asylum Seekers from the Aegean Camps in Edinburgh](#)
- 10. [City of Edinburgh Council, 26 August 2021, Motion: Welcoming Afghanistan Refugees](#)
- 10.3 [Policy and Sustainability Committee, 22 February 2022, Refugee Resettlement](#)
- 10. [City of Edinburgh Council, 17 March 2022, Motion: Russian Invasion of Ukraine](#)
- 10.4 [New Scots Strategy](#)
- 10.5 [NRPF Guidance for Scottish Local Authorities](#)

## **11. Appendices**

---

- 11.1 Appendix 1: Resettlement Support
- 11.2 Appendix 2: ESOL and Cultural Education support
- 11.3 Appendix 3: Employability Support
- 11.4 Appendix 4: Education/Schools Support
- 11.5 Appendix 5: Ukraine Support
- 11.6 Appendix 6: No Recourse to Public Funds Support
- 11.7 Appendix 7: Motion to the City of Edinburgh Council by Cllr Meagher - Housing Emergency

## Appendix 1 – Resettlement Support

---

1. Each resettled household is allocated a Refugee Integration Co-ordinator (RIC) from within the Refugee and Migration Team (RMT) who will usually work with them throughout their period of support (five years for Syrian/UKRS schemes, three years for Afghan schemes). Over the first few weeks following arrival, the RIC will support family members to apply for benefits, register with a GP, open a bank account, register for school places and get to know their local neighbourhood.
2. Adults arriving under resettlement schemes have full entitlement to work and benefits from the day of arrival. The scheme provides for a resettlement grant of £50 per person per week until benefit or employment income starts. Households needing additional clothing are referred to the Edinburgh Clothing Store and/or Edinburgh City Mission's clothing bank.
3. Initial furnished accommodation is generally provided through the Council's Private Sector Leasing Scheme (PSL) although the MOD has released some surplus service accommodation for up to three years for use by Afghan households. In all cases, households are provisioned with food and household items sufficient to see them through their first week following arrival. The RMT then supports households to register with and bid for permanent housing through EdIndex. Each household receives a furnishing package funded through their resettlement scheme when they move from temporary PSL accommodation to their permanent tenancy.
4. All school age children are allocated places in Council schools where their learning is supported by the Council's English as an Additional Language service.
5. All adults are provided with a Lothian Buses pass for their first year following arrival to facilitate independence and become accustomed to using public transport. All eligible children and young people are supported to apply to the Young Person's Free Bus Travel Scheme.
6. In addition to day-to-day support, the RMT schedules monthly group sessions which offer information and discussion space on topics such as housing, legal rights and responsibilities, health service access, political rights and literacy and benefits.
7. Health issues are generally coordinated through families' GP however where it is identified that additional support is required to access health services or in relation to a particular health condition the RMT works with external partners including NHS Lothian's Minority Ethnic Health Improvement Service (MEHIS), the River's Centre (trauma counselling), BEMAS (disability).
8. Digital connectivity has been facilitated through liaison with external partners including the Edinburgh Remakery, Connecting Scotland, Princes Trust and Re-Act to ensure access for every household to laptops and/or tablets from arrival with computer skills classes offered by the Welcoming Association and the Salvation Army.

9. Additional to the core support offered through the Refugee and Migration Team, resettlement in Edinburgh has benefitted from the contribution of Edinburgh's third sector and wider civic society. Although not an exhaustive list, support has included:
- [Re-Act](#): provision of additional household items to families and particularly rucksacks containing age-appropriate items for all resettled children. Delivery of a men's mental health group in collaboration with Multi-Cultural Family Base
  - [The Edinburgh Clothing Store](#): clothing packs for new arrivals
  - Social events and cultural visits organised through the Edinburgh New Scots Steering Group and [Edinburgh City Mission](#): social events and cultural visits
  - Edinburgh New Scots Steering Group: discussion and coordination space for organisations contributing to refugee resettlement in Edinburgh
  - [The Welcoming Association](#) and Central Methodist Church: befrienders
  - [Multi-Cultural Family Base](#): providing additional support to children and families dealing with trauma through its Safe Haven Project and its men's mental health collaboration with Re-Act
  - [Bikes for Refugees](#): provision of bicycles, cycling equipment and training
  - [Edinburgh Remakery](#): provision of re-furbished laptops to refugee households
  - Big Hearts, Cricket Scotland, Spartans Community Football Academy: provision of sports-based activities
  - [C~urb PSL](#): provision of private sector leasing accommodation for newly arrived refugee households
  - George Heriot's: award of scholarships to children from refugee families

## Appendix 2 – ESOL/Cultural Integration Support

---

1. English language teaching and cultural integration support is delivered through a public and third sector partnership. Council Lifelong Learning manages the programme which includes external activity recently re-procured and provided by the Welcoming Association and Saheliya.
2. In addition to managing the programme overall, Council Lifelong Learning undertakes the initial assessment of resettled people's language level and allocates places in appropriate level classes. Advanced English speakers and continuing learners are referred into Edinburgh College's mainstream provision.
3. To maximise convenience for learners, classes take place weekly in a range of venues. Across Resettlement and Ukrainian cohorts, face-to-face classes are currently held at Southbridge Resource Centre, St Brides, Carrickvale, Grassmarket, Leith Community Centre, Central Library, MacDonald Road Library, Royston/ Wardieburn Centre, Tollcross Community Centre and Oxgangs Library with a group for parents hosted by Tollcross Primary School. An additional six classes are delivered online each week.
4. Further initiatives delivered by Lifelong Learning include:
  - Family Learning: courses and events designed to promote families learning together and help parents find out more about how children learn and how they can support this learning. Courses help parents and children increase their confidence and improve their English through activities and talking supporting them to integrate in the communities and schools.
  - Family Learning Women's Support Group: ongoing weekly support group formed in response to requests for home tuition for prenatal and postnatal mothers. Enables women to come together and build supportive relationships with one another and provides an opportunity for the women to get out of the house and gain confidence on moving about during pregnancy or after their baby is born. Course focuses on everyday lives, providing a platform for learners to find out how the healthcare system works and signposts learners to other resources.
  - Sewing and English: sewing mixed with learning English offered to the Afghan and Syrian women in response to conversations with them around their interests and what they used to do before coming to the UK. Sewing sessions are delivered by Remode Collective and the Council's Family Learning tutor who facilitates the ESOL learning part of the session. Course considers learner needs such as dyslexia, physical disabilities and abilities, previous knowledge of sewing and the extent to which learners speak English. Throughout the sessions, all students are encouraged to talk in English and to help each other.
  - Music: a six-week music program for young people, featuring Ukrainian and Arabic speakers. This targeted program, with input from mainstream youth work teachers, yielded positive results, with three participants transitioning to the mainstream music provision – Totally Sound.

5. Funding to The Welcoming Association enables resettled people to access a further 11 community-based ESOL classes, informal conversation practice sessions and:
  - befriending: a one-to-one befriending service that links New Scots with local volunteers, aiming to boost confidence, enhance English conversation skills, and facilitate a smoother transition into their new lives in Edinburgh.
  - gardening at the Royal Botanic Garden: a weekly gathering to tend to The Welcoming's food-growing plot at the Royal Botanic Garden Edinburgh. Participants maintain the garden, explore local and seasonal food, experiment with plant-based recipes, and enjoy quality outdoor time.
  - Scotland for newcomers: weekly visits to places of interest around Edinburgh, offering insights into Scotland's culture, geography, history, politics, and art.
  - cultural celebrations: regular involvement in or organisation of large-scale events for Nawroz, Eid, St Andrew's Day, and Burns Night as well as community events for climate change and the Refugee Festival.
  
6. Funding to Saheliya enables resettled women to access a further 3 weekly beginners' ESOL classes and integration into Saheliya's mainstream provision for more advanced learners in a women-only environment. Resettled women are also able to access the following Saheliya services:
  - weekly cultural integration workshops on a variety of topics and cultural celebrations under the theme of 'Life and Learning in Scotland' planned and delivered by ESOL Project Co-ordinator (PC) and supported by Language support workers
  - free crèche support for classes and cultural integration workshops
  - trips to places of interest such as historic and cultural sites and to attend community-wide events that promote learning and integration into the wider community
  - employability and well-being workshops
  - in-house complementary therapies and counselling.

## Appendix 3 – Employability Support

---

### Resettled Households

1. Since 2016, the Refugee and Migration team has staged job fairs twice-yearly working with a range of employers and organisations including Fuse, Radisson Hotels, Edinburgh Leisure, Volunteer Edinburgh and Social Bite. Other initiatives have included:
  - Scottish Refugee Council employment schemes with Starbucks and Ikea
  - food hygiene courses in partnership with Cyrenians leading to a successful run of Syrian Supper clubs providing sessional employment and from which two clients have developed their own catering businesses
  - Skills Development Scotland (SDS) – bespoke course on rights of employees/responsibilities of employer developed and delivered to new arrivals
  - Skills Development Scotland Modern Apprentice scheme – bespoke course developed for young adults
  - bespoke workshops for young people with Princes Trust
  - Capital City partnership – job specific courses with guaranteed employer interview on successful course completion.

### Ukraine

2. The Local Employability Partnership (LEP) was instrumental in formulating a collective response to displaced Ukrainians forming a focused Ukrainian Employability group, meeting weekly to co-ordinate efforts. This included supporting arrivals through a triage of benefits advice and fast-tracked claims support from Department of Work and Pensions, wider welfare advice from The Advice Shop, and a warm welcome with the Edinburgh AUGB and supportive third sector services such as Maximise.
3. A dedicated Ukrainian Employability Co-ordinator post was established with weekly drop-in employability support sessions run at the Edinburgh AUGB and on MS Victoria in Leith. Employers from recruiting sectors were engaged with and short-term training programmes with guaranteed interviews put in place. Advice on qualifications conversation and recognition was offered by Skills Development Scotland to encourage access to higher paid sectors equivalent to the jobs many refugees held in the Ukraine.
4. More specific programmes were designed, including a partnership with Natwest and Code First Girls to offer 60 Ukrainian women training to become software engineers; and a skills programme with Balfour Beatty to fast track refugees into the construction industry with the correct tickets and onsite certificates.
5. The Local Employability Partnership (LEP) learnt from the work undertaken and used the allocation of Parental Employability Support funding to commission six family focused projects centred on refugees getting access to the support required. This was approved at the Housing, Homelessness and Fair Work committee on 9 May 2023.

6. Further work is underway to develop more opportunities with wider partners to enable refugees to upskill, including with Mackenzie Wood and the project Talent Beyond Boundaries. Employability groups have also contributed to the national New Scots strategy refresh and the emerging local action plan response.
7. The Edinburgh Guarantee will have a dedicated referral resource to give long term support and referrals to all refugees and has a dedicated webinar to showcase employment opportunities.

### **Asylum seekers and adults with no recourse to public funds**

8. People claiming asylum are not normally permitted to work while their claim is being considered. The Home Office may grant an asylum seeker permission to work where their claim has been outstanding for more than 12 months through no fault of their own. Work in such cases is restricted to employment on the shortage occupation list published by the Home Office and updated from time to time. If an asylum seeker's claim is subsequently refused and they have exhausted all appeal rights, permission to work comes to an end. Labour market access for asylum seekers who are successful in their asylum claim is unrestricted.
9. The position for people with NRPF is more complex with some but not all having the right to work depending on visa and status. Securing employment can therefore be a route out of NRPF-related destitution for some. Where someone with NRPF is identified as not in employment but having a right to work they are linked into one of the initiatives referenced in this appendix.
10. For those who do not have the right to work – asylum seekers or adults with no recourse to public funds – volunteering is open to them as an option and actively promoted through links with partner organisations such as Volunteer Edinburgh, the Welcoming Association and Project Scotland.

## Appendix 4 – Education/Schools Support

---

### Context

1. All children and young people are entitled to education (UNCRC Article 28). For refugee and asylum-seeking children and young people, school plays an important part in enabling children to settle down and have a predictable routine which will gradually help them believe they are now safe.
2. The English as an Additional Language (EAL) Team (part of the Additional Support for Learning Service) provides universal and targeted support in primary and secondary schools and specialist provisions, and training and consultation in Early Years settings. EAL Teachers advise and support with all aspects of meeting the needs of developing bilingual learners, including refugee and asylum-seeking children and young people. The provision covers: transitions (new arrivals, nursery to P1, P7-S1 and post-16); learning, teaching and assessment; partnership with parents; and supporting wellbeing, inclusion and equality.
3. Over the past eight years, the number of refugee and asylum-seeking children and young people has increased: 2015 saw the beginning of the Syrian Resettlement Programme; in September 2021 we welcomed our first Afghan refugees. From April 2022 onwards, we worked with Social Work, the Dnipro Kids Charity and Edinburgh College to support a group of care-experienced children and young people from Ukraine. In August 2022, we set up a specific project to provide additional support for the unprecedented number of Ukrainian displaced children and families (see below). In addition to refugees arriving through UK and Scottish Government programmes, we continue to welcome refugees and asylum seekers who arrive outwith these programmes, including unaccompanied young people. See Table 1 for number of refugee and asylum-seeking children by language spoken 2020-23.

### Universal support

4. Training and guidance: building on generic training on trauma-informed practice, nurture approaches and EAL inclusive practice, the EAL Team offers specific training on working with refugees and asylum seekers. We also signpost to external training and resources by organisations such as the Bell Foundation, Refugee Education UK and the UK Trauma Council. In addition, we have developed specific guidance for Edinburgh schools on working with refugee children and families, covering areas such as enrolment, welcoming refugee new arrivals in class and whole-school approaches.
5. School placement and on-site provision: the EAL Team works with Senior Education Officers and the Refugee and Migration Team to find school places for refugee and asylum-seeking children and young people. In the autumn term 2021, we set up on-site learning in a hotel for a group of Afghan children and young people as it was uncertain how long they would be staying in Edinburgh and the location of the hotel did not allow for attendance at school. This group of families then moved out of Edinburgh, returning in January 2022 to central hotel accommodation in Edinburgh. The EAL



Team worked closely with the Refugee and Migration Team to support enrolment into their catchment schools and later supported further transitions when these families moved into longer-term accommodation.

6. Enrolment, transition and ongoing advice: EAL teachers support school leadership teams and teachers with enhanced enrolment and planning for refugee learners, taking account of individual factors such as previous experience of formal education, literacy in first language and possible trauma. This includes support and guidance for working with parents so that they can be fully involved in their child's education and the life of the school and wider community.

### **Targeted support**

7. Bilingual Support Assistants (BSAs) support learners in the early stages of English language acquisition to access the curriculum, support good home-school communication, support wellbeing and advise on cultural matters. Bilingual support is available in the following languages spoken by refugee learners and families: Arabic, Kurdish, Russian and Ukrainian. Beginner English language learners who start their education in secondary can attend a twice-weekly class in a small group setting. For older learners who have not previously acquired literacy in any language because of limited or interrupted education, we offer an individualised English literacy programme.
8. In addition, EAL Teachers work with Support for Learning Teachers, class teachers and other professionals to identify and plan support for refugee learners who have other Additional Support Needs, including complex needs.

### **Working with partners**

9. EAL Teachers work with a range of partner services to support refugee and asylum-seeking children and young people. Partners within the Council include the Refugee and Migration Team and CLD (Adult and Family Learning). Other partners include e.g. SDS (Skills Development Scotland), Edinburgh College, MCFB (MultiCultural Family Base) and The Welcoming Association.

### **Ukraine**

10. An EAL Teacher (Russian speaker) has been seconded since August 2022 to work alongside a Senior Education Officer to provide specific advice and support for Ukrainian children and families and for schools, especially those welcoming large numbers of Ukrainian children and families. This work has included:
11. Support for school placement:
  - setting up a centralised school placement system to manage the large number of requests for school places and provide a better experience for families

- working with colleagues in other local authorities to support families to find a new school when they moved out of Edinburgh, ensuring that support for vulnerable learners continued
- supporting families with moving school within the authority when they were rehoused
- supporting families to apply for P1 and S1 places, especially where there were difficulties because of their living situation, and working with the Transactions Team to resolve difficulties.

## 12. Pupils with significant Additional Support Needs

- Working with a small number of families, schools, Health and other partners to provide intensive support for children and young people who have significant or complex Additional Support Needs. This has included working on the MS Victoria, primary and secondary schools, in hospital and in alternative provisions such as Forest Schools
- Working with other practitioners to ensure appropriate support in mainstream, alternative or specialist provisions, including attending child planning meetings.

## 13. Family Support

- Supporting families with education-related questions
- Supporting families to understand support options and referral to appropriate services
- Intensive support for more vulnerable families, in collaboration with Barnardo's
- Working with People Know How to set up support for Ukrainian parents-carers to learn basic IT skills to enable them to communicate with schools and other services
- Supporting two-way communication between schools and more vulnerable families
- Visiting families onsite in hotels, providing reassurance, gathering detailed information about children's education needs, experience and possible trauma to help them get the best start possible in school

## 14. Collaboration with Ukraine Welcome Hub (UWH) staff and other Local Authorities

- Regular communication with the UWH team about housing to ensure timely school placement when families are moved to new accommodation
- Training for new staff at Welcome Hub - Working with refugees – a person centred approach
- Providing information to the UWH team on particularly vulnerable families to be prioritised for continuity (ie remaining in Edinburgh) when Ukrainian families were being moved out of the city
- Contact with colleagues in other local authorities to ensure smooth transitions and that learners remain in education
- Responding to requests from Welcome Hub staff for information and support with education-related questions.

## 15. Information and training

- Provided information sessions for Ukrainian families about the Scottish education system, including translated information
- Regular sharing of relevant information with schools and the English as an Additional Language (EAL) Team
- Training sessions for school staff from Ukraine (and other countries) who are new to Scotland
- Regular visits to the MS Victoria, with an open-door surgery
- Support for families' education-related questions during preparation for disembarkation from MS Victoria.

## 16. Attendance

- Information and support for families whose children have low attendance at school.
- Working with schools and families to facilitate attendance at online Ukrainian schools, sometimes involving an adjusted (Edinburgh) school timetable to support attendance at both schools.

## 17. ESOL / Adult Learning / SDS (Skills Development Scotland)

- Working with SDS (Skills Development Scotland) and young people to explore post-school options and help the young people understand and navigate the system
- Working with CLD - Adult & Family Learning to promote opportunities for young people and parents, including setting up an ESOL class for parents-carers in one school with a large number of Ukrainian learners.

## 18. Other

- Worked with George Watsons College to deliver weekly Health and Wellbeing Days for Ukrainian learners who either did not yet have a school placement or were struggling to settle in school (March to June 2023)
- Working with Media Education to select young people who would benefit from taking part in film-making projects
- Working with schools and charities to get donations such as clothes, books, scooters and Christmas presents for families.

**Table 1: Number of refugee and asylum-seeking children and young people, by language spoken, 2020 - 2023**

Language	Nov. 2020	Feb. 2022	Jan. 2023	Dec. 2023
<b>PRIMARY</b>				
Arabic	169	203	222	196
Kurdish	22	30	30	32
English	16	21	25	26
Polish	12	8	7	7
Turkish	5	7	7	9
Bengali	0	6	5	6
Dari	0	3	33	26
Farsi/Iranian/Persian	*	7	7	7
Pashto/Pashtu/Pushtu/Pushto	0	*	20	18
Russian	*	6	65	43
Romanian	*	*	7	5
Ukrainian	0	0	224	139
Yoruba	*	*	6	*
Other (less than 5 speakers, incl.*)	38	21	18	39
<b>Primary total</b>	<b>262</b>	<b>312</b>	<b>676</b>	<b>553</b>
<b>SECONDARY</b>				
Arabic	110	130	145	156
Kurdish	13	15	19	24
English	11	13	20	12
Bengali	6	*	*	*
Polish	5	7	10	13
Turkish	5	6	11	9
Dari	0	0	20	16
Farsi/Iranian/Persian	*	*	*	*
Pashto/Pashtu/Pushtu/Pushto	0	0	28	18
Russian	*	*	64	48
Ukrainian	0	0	167	130
Other (less than 5 speakers, incl.*)	17	16	27	23
<b>Secondary total</b>	<b>167</b>	<b>187</b>	<b>511</b>	<b>449</b>
<b>SPECIAL</b>				
Arabic	*	*	5	*
Other	*	*	6	8
<b>Special total</b>	<b>7</b>	<b>9</b>	<b>11</b>	<b>12</b>
<b>Total all sectors</b>	<b>436</b>	<b>508</b>	<b>1,198</b>	<b>1,014</b>

\*indicates fewer than 5 speakers

## Appendix 5 – Ukraine Support

---

1. In March 2022, the Council established a project team to manage Edinburgh’s response to the humanitarian crisis resulting from the Russian invasion of Ukraine and in early 2023, CLT agreed to formalise this support service for a minimum 18 – month period. The response has encompassed activity at international, national and local levels and involved the deployment of significant resource by the Council and partners across the public, private and third sectors. Action has focussed around:
  - coordination of and contribution to international aid to Ukraine and the displaced Ukrainian diaspora in neighbouring countries
  - support for Ukrainian Displaced People (UDPs) arriving through the Edinburgh Hub and into onward accommodation either in Edinburgh or other local authority areas across Scotland
  - support for UDPs living in Edinburgh in Scottish Government procured temporary accommodation and where in hosted accommodation to them and their hosts.
2. Work has been coordinated through a multi-agency oversight group chaired by the Ukraine Support Service Manager with representation from relevant Council services and partners in the statutory and third sectors.
3. One of the first actions in the city’s response, and at the request of the Scottish Government, was to set up a Welcome Hub for arrivals to Edinburgh. Originally envisaged as one of four equal Welcome Hubs across Scotland, Edinburgh quickly became the main arrival point for Scotland. With the support of RBS/Natwest, the Welcome Hub was established at Gogarburn House opening in early April 2022 before moving to a new facility at the Vega Building in July 2023
4. This welcome operation which is still ongoing fits within the following national and local context. Information correct as of data published November 2023:

National Context (data from UK Government):

  - 46,643 applications for Homes for Ukraine and Super Sponsor visas in Scotland
  - 39,194 visas issued
  - 25,891 arrived in the UK (although not necessarily to Scotland)
  - Over 3,000 people in temporary hotel accommodation across Scotland
  - 13,303 people with visas who could still travel through the Super Sponsor Scheme
  - Unknown numbers could still travel via Homes for Ukraine as this visa scheme remains open

Local Context (data held by the Council January 2024)

  - 11,084 people arrived through the Edinburgh Welcome Hub at Gogarburn.
  - Since the end of September 2022, arrival rates have slowed significantly, averaging around 30 - 40 people per week. We continue to have no advance intelligence, so arrival numbers and timing remain unpredictable.

- An estimated 1000 households known to be living in Edinburgh:
    - 224 households in hosted accommodation
    - 460 households in Scottish Government bridging accommodation
    - 30 households in Council Social Housing
    - Estimated 100 households in friends and family / privately matched accommodation
    - Estimated 100 -150 households in private / mid-market rental
    - 27 households in Council Temporary accommodation.
5. There is no comprehensive or robust data available on the number of Ukrainians now living in Scotland or Edinburgh. We consider the Edinburgh data to be an undercount and estimate the true number is in excess of 3,000 people.
  6. The lack of a clear long term national accommodation strategy present a substantial risk to the Council's homelessness duties if long term settled accommodation options are not identified within the City, City Region and Nationally. The Council have been clear with the Scottish Government, that until such time as a long-term national accommodation strategy is confirmed, the Scottish Government must continue to provide and fund short term accommodation options within the city and nationally. This accommodation would include continuation of hotels and apartments.
  7. In Spring 2023 the Scottish Government announced a Ukraine Long Term Resettlement Fund where Scottish Ministers approved up to £50 million that would be available as a capital grant to Local Authorities (LAs) and Registered Social Landlords (RSLs). Through this Fund, the Scottish Government was to work with LAs and RSLs to increase the number of homes available to support the longer-term resettlement of UDPs.
  8. The Council successfully submitted a £1.72m bid to bring 100 Void properties back into use through this fund, however subsequent bids for off the shelf new build opportunities have been unsuccessful through this fund and a further 44 units were purchased using alternative funding. Work is ongoing with Scottish Government officials to address this. There are 4 main agreed funding sources to support the Council's Ukraine response:
    - Warm Scottish Welcome Funding
    - Homes for Ukraine Local Authority UK Government Tariff Funding
    - UK Government Housing and Homelessness Prevention Fund
    - UK Government Department for Education Tariff Funding.
  9. The Ukraine Support service developed a 3-year budget profile using year 1 funding only as at that stage there was no guarantee of further funding in future years. This subsequently been confirmed at the announcement by the Scottish Government on the 2024/25 budget. Local Authorities were also informed that expected Warm Scottish Welcome Funding for 23/24 was also to be withdrawn.

## Appendix 6 – NRPF Support

---

1. No recourse to public funds (NRPF) is a condition applied under the UK Immigration Rules. People who have NRPF are unable to access a defined list of funds which covers most mainstream social security benefits and are ineligible for an allocation of Council housing.
2. Having NRPF significantly increases the risk of someone falling into destitution. The Council has powers and duties under Social Work and Children’s legislation to support vulnerable people with NRPF; this support forms a vital last resort safety net.
3. Two specialist Council teams support people with NRPF, a family team based within Children’s Services and an adults’ team within Safer and Stronger Communities. To date, during financial year 2023/24, the Council has supported one hundred and nineteen households with NRPF: seventy-three single adults and forty-six adults with a further one hundred and two dependent children. Projected costs to the Council for this financial year are £1.8m.
4. Adults are assessed for support on the basis that:
  - they are taking active steps to regularise their residency status through an asylum or other appropriate visa application
  - they are destitute and have no means of supporting themselves financially
  - they have a community care need or characteristic that makes them additionally vulnerable (eg age, disability, previous victim of domestic or honour-based violence)
  - there is an active barrier to return to their country of origin either rights based (eg a live immigration application or potential for their human rights being compromised) or practical (eg lacking appropriate identification/travel documentation).
5. Support typically comprises a combination of:
  - a weekly allowance for living expenses of up to £65 weekly for single adults and £49.18 (current UK asylum rates) per person for families
  - accommodation: usually temporary bed and breakfast accommodation with associated cost, availability and quality challenges although both family and adults’ services can access a small number of Council/RSL properties with rent paid by the Council under relevant social work or children’s act legislation.
  - support to identify an appropriate route out of destitution including access to services such as legal advice, language learning, volunteering or means of returning voluntarily to country of origin.
6. NRPF cases can generally only be resolved through extensive coordination with the Home Office and a person’s legal representative. Decision-making timescales can be lengthy; current average is two and a half years. Home Office decisions are frequently challenged and the average masks significant outliers. Lack of legal capacity can also delay progression of cases significantly adding to Council support costs.

## Appendix 7 – Motion to the City of Edinburgh Council by Cllr Meagher – Housing Emergency

---

At its meeting on 2 November 2023, the City of Edinburgh Council considered the above motion by Cllr Meagher. In response to the motion ([item 8.4 in the meeting agenda](#)) Council agreed:

- 1) To note the acute nature of Edinburgh’s homelessness crisis, with approximately 5000 households in temporary accommodation, the highest number in Scotland.
- 2) To note the severe shortage of social rented homes, with approximately 200 bids for each property advertised through Edindex and additional pressures for accessible and family homes.
- 3) To also note the impact the lack of accessible homes had on other service areas within the Council, including Health and Social Care.
- 4) To note the increasing pressure within the private rental sector, with the highest rental inflation in the United Kingdom at 13.7%.
- 5) To note additional pressures on the social and private rental sector from the increased demand in accommodating refugees from conflicts around the world, many of these conflicts becoming long term with refugees unable to return home and rightly seeking and being provided with permanent accommodation.
- 6) To note the increased demand from the removal of the local connection rules meaning that anyone in Scotland and, in certain circumstances, people elsewhere in the UK could present themselves as homeless in Edinburgh.
- 7) To note the pressures on the Registered Social Landlord (RSL) sector, with RSLs report finding themselves unable to develop future housing due to the financial constraints of the rent cap and increasing interest rates, meaning that it was impossible for them to set out a rental business plan that would increase future rents in line with costs. This was despite the range of Council efforts to tackle structural pressures including, but not limited to:
  - a) The Rapid Rehousing Transition Plan
  - b) Development of an Affordable Housing Policy
  - c) Development of the Strategic Housing Investment Plan
  - d) Lobbying Scottish government for additional, and targeted, funding
- 8) To note the importance of collaborative working, and further note the importance of engaging with tenants’ organisations and third sector groups involved with homelessness support in order to take a human rights-based approach to future work.
- 9) To therefore, agree to declare a Housing Emergency; agreeing to work with, Council Officers, existing third sector partners, external organisations such as SHAPE, Shelter Scotland and Cyrenians and Health and Social Care partners, with the goal of establishing a Housing Emergency Action Plan to build on and consolidate existing actions.



- 10) To note that other RSL partners were experiencing difficulties, and to express concern at recent media reports that Harbour Homes (formerly Port of Leith Housing Association), which was a landlord of over 3,000 properties and partner of strategic importance, were halting new development and examining other ways to control costs due to rising costs and high rates of interest and inflation.
- 11) To invite contributions from Registered Social Landlords and the Planning directorate to participate, as well as any relevant input from the Planning Convener, Housing Convener, and members of both committees.
- 12) To request progress monitoring regarding the efficacy of the Housing Emergency Action Plan to come to the Housing, Homelessness, and Fair Work Committee through regular updates and agree that the structure and reporting schedule of this additional Plan would be discussed in a workshop environment with the Housing, Homelessness and Fair Work Committee to ensure that the Action Plan did not duplicate existing strategies or reporting.
- 13) To request that the council leader write to the First Minister, the Deputy First Minister, the housing minister, the Minister for Zero Carbon Buildings, Active Travel, and Tenants Rights and the Cabinet Secretary for Social Justice, outlining the actions council was taking to address the housing emergency, and seek additional resources to help meet the severe challenges.
- 14) To also agree that, in writing to the First Minister, the Deputy First Minister, the housing minister, and the Cabinet Secretary for Social Justice, the Council Leader also ask that guaranteed resources be made available to accommodate the current unfunded consequences of UK / Scottish Government immigration and asylum policy and outline the need for a coherent partnership approach to be taken to manage humanitarian programmes going forward.
- 15) To agree as well as the actions outlined above to address some of the issues the Council also needed to address significant issues including the 41% drop in the affordable home construction pipeline recorded in the last year, the Council's decision to remove £1.3 billion of investment from the Council House building programme as part of the 2023-24 Council budget and the 10% increase in empty Council properties under the last year with nearly 1,500 Council homes still empty that could have been used to house residents in need.
- 16) To reaffirm that Edinburgh should be a safe and welcoming place for migrants, refugees, and asylum seekers.
- 17) To recognise that, owing to the climate crisis and war and conflict across the world, there would be an increase in the number of people seeking asylum, and that the UK had a moral duty to welcome people fleeing their homes.
- 18) To recognise that adequate resourcing needed to be in place within the Council to ensure that it could continue to support refugees and asylum seekers to find a safe home in the city.
- 19) To understand that UK and Scottish Government policy regarding refugees and asylum seekers would impact on the number of homeless presentations the Council

might experience, and that additional resources would be required to accommodate this.

- 20) To therefore, agree that the needs of refugees and asylum seekers must be integrated in the Action Plan.

# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## Housing and Homelessness and Business Growth and Inclusion: Revenue Budget Monitoring 2023/24 – Month Eight position

Executive/routine  
Wards

Routine  
All

### 1. Recommendations

- 1.1 It is recommended that the Housing, Homelessness and Fair Work Committee notes:
- 1.1.1 The Place service area, which includes, Housing and Homelessness, Culture and Wellbeing, Sustainable Development and Operational Services, is forecasting a pressure of £2.60m, as at month eight, which is an increase of £1.89m from the £0.71m forecast at month five;
  - 1.1.2 Housing and Homelessness is forecasting a budget pressure, as at month eight, of £2.7m which is an increase of £1.6m from the £1.10m forecast at month five;
  - 1.1.3 Business Growth and Inclusion is forecasting an underspend, as at month eight, of £0.46m which is unchanged from the forecast at month five;
  - 1.1.4 The Housing Revenue Account (HRA) is forecasting a breakeven position for 2023/24. The forecast has deteriorated by £2.724m since the position reported at month five. In total, this is a £6.978m shortfall against the budgeted contribution to the Strategic Housing Investment Fund (SHIF);

**Paul Lawrence**

Executive Director of Place

Contact: Brendan O'Hara, Principal Accountant

E-mail: [brendan.o'hara@edinburgh.gov.uk](mailto:brendan.o'hara@edinburgh.gov.uk) | Tel: 0131 469 3620

- 1.1.5 Plans for full mitigation of Directorate overspends will be developed before the beginning of the 2024/25 financial year;
- 1.1.6 The ongoing risks to the achievement of a balanced revenue budget for services delivered by the Housing and Homelessness service and to delivering the forecast HRA position; and
- 1.1.7 The need for all existing pressures, savings delivery shortfalls and risks to be fully and proactively managed within Directorates.

## Housing and Homelessness and Business Growth and Inclusion: Revenue Budget Monitoring 2023/24 – Month Eight position

### 2. Executive Summary

---

- 2.1 This report summarises the 2023/24, month eight revenue forecast for Housing and Homelessness, Business Growth and Inclusion and the Housing Revenue Account (HRA).
- 2.2 The projected Council-wide General Fund revenue budget position, based on month eight, was reported to the Finance and Resources Committee on 25 January 2024. At this stage, an overall underspend of £0.825m is being projected, including a forecast overspend of £2.60m for the Place Directorate. There is potential for further risks to emerge during the remainder of the year and the continuing recommendation is that no additional expenditure commitments should be taken on at this time.
- 2.3 The Housing and Homelessness general fund services month eight forecast is an overspend of £2.70m, an increase of £1.6m from the forecast of £1.10m reported at month five. Further information is provided in paragraphs 4.1 – 4.8 of this report.
- 2.4 The Business Growth and Inclusion month eight forecast is an underspend of £0.46m due to employee budget savings. This is unchanged from the forecast at month five.
- 2.5 The HRA is forecasting a breakeven position for 2023/24. The forecast has deteriorated by £2.724m since the position reported at month five. In total, this is a £6.978m shortfall against the budgeted contribution to the Strategic Housing Investment Fund (SHIF). Further detail of the pressures and movements since month five are provided in paragraphs 4.9 – 4.10 of this report.

### 3. Background

---

- 3.1 The Council's Financial Regulations require submission of regular budget monitoring reports to all Executive Committees.

- 3.2 This report provides an update on financial performance for services which report to Housing, Homelessness and Fair Work Committee – Housing, Homelessness, Family and Household Support, Business Growth and Inclusion and the HRA.
- 3.3 The HRA is a ring-fenced statutory account. The HRA is funded from rents for Council housing and related assets and is used to fund the provision of Council housing in line with tenants' priorities. The annual approved HRA budget is derived from the longer-term strategy approved by Council.

## 4. Main report

### Homelessness Services and Family and Household Support – 2023/24 Month eight forecast – variance and risk analysis

- 4.1 The approved budget for 2023/24 contains £10.775m of net additional investment, relative to the equivalent budget for 2022/23, to address the growth in households requiring temporary accommodation, inflation and reduced housing benefit collection that impacted 2022/23. Despite this additional investment, further net pressures totalling £2.7m are being forecast at month eight, an increase of £1.6m from the month five forecast, as set out in the table below:

Description	M8 Pressure £m	Movement from M5 £m	Notes on movements
Inflation for temporary accommodation providers	3.80	1.50	Updated assessment of nightly rates
Housing benefit collection	0.00	(0.20)	Improved collection/reduced clawbacks
Tenant recoveries	0.10	(0.00)	
Reduced use of B&B/shared accommodation through reduction in long-term voids	1.20	0.40	Increased costs forecast due to delays in void properties coming into use and providing settled accommodation
Savings from staffing vacancies, commissioned services and legal fees	(2.40)	(0.10)	Commissioned services one-off savings

<b>Net pressure</b>	<b>2.70</b>	<b>1.60</b>	
---------------------	-------------	-------------	--

- 4.2 An updated assessment has been made of inflationary costs for temporary accommodation to take account of all increases applied by non-contracted providers.
- 4.3 The actions taken to improve the housing benefit collection rate are forecast to generate additional income of £0.2m and achieve the budgeted level of recovery.
- 4.4 The 2023/24 budget has an approved saving of £2.325m relating to the positive impact expected for the homelessness service from a reduction in void properties. Progress is being made to reduce HRA void properties, however, delivery is behind the assumptions made when setting the 2023/24 budget. The revised forecast takes account of the shortfall as at month eight but also takes account of the expected improvements in void numbers for the remainder of the financial year.
- 4.5 The 2023/24 budget has an approved saving of £3.0m related to the reduction in the number of No Recourse to Public Funds (NRPF) cases the Council would have to support following the end of the COVID-19 public health requirements. As at month eight the service has delivered the budgeted reduction, and this saving has been achieved.
- 4.6 As at the end of November the number of households in temporary accommodation had increased by 127 since the end of March 2023 to a total of 4,911. This included a reduction of 37 in October and November, which has been followed by a further reduction of 17 in December, reflecting the impact of the voids improvement now being delivered.
- 4.7 There are mitigating savings from employee costs, commissioned services and legal fees of an estimated £2.40m. This includes £0.10m from vacancy savings within Family and Household Support.
- 4.8 All current and emerging risks will be subject to ongoing tracking, development of mitigation measures where required and review for the remainder of 2023/24.

#### **Housing Revenue Account (HRA) – 2023/24 month eight forecast and risks**

- 4.9 The summary variances and risks in respect of HRA income, costs and revenue contribution to SHIF are as follows:

##### **Income**

- 4.9.1 The income budget is £106.523m and the forecast at month eight is a shortfall of £0.399m, an improvement of £0.496m from the position reported at month five.
- 4.9.2 Rent arrears and bad debts are forecast to be £0.474m ahead of budgeted levels, however, income from rents is forecast to be £1.576m behind target. This relates to the timing of acquisitions and disposals, new build properties

coming into use and reductions in void properties. The forecast now takes account of insurance income of £0.25m from fire damaged properties.

### **Expenditure**

4.9.3 The expenditure budget is £99.545m and at month eight the forecast is for an overspend of £6.579m, an increase of £3.221m from the position reported at month five.

4.9.4 The projected overspend in repairs and maintenance has increased by £1.94m, to a total of £2.94m, due to the increased activity commissioned to bring void properties to a lettable standard and inflationary factors. This will deliver additional rental income; however, significant benefits will not be delivered until 2024/25.

4.9.5 A further significant pressure relates to loans charges where a pressure of £1.4m is now being forecast. This relates to the impact of increased project costs, changes to the profile of external funding and a change in the assumption that some capital costs could be funded from a drawdown from the SHIF reserve. It is now assumed that all capital costs will be funded through borrowing to protect the SHIF reserve. This position will be reviewed on an annual basis taking account of the financial position of the Business Plan.

4.9.6 Other pressures are primarily related to higher than estimated inflationary factors such as gas contracts of £0.5m, staff pay awards of £0.7m which is partially offset through staff turnover savings, and £1.017m for higher than initially estimated central support costs (reflecting exceptional pay and general inflationary pressures). In addition, there is a forecast pressure of £0.34m on environmental maintenance due to higher than budgeted costs of maintaining neighbourhood estates and open spaces.

4.10 The budgeted contribution to the SHIF is £6.978m. The above forecast pressures will not allow a contribution to be made as expenditure is in line with income. Officers are continuing to work on mitigations to improve this position where possible. The HRA Business Plan is updated on an annual basis and the ongoing implications of the month eight forecast have been reflected in the budgets presented for the three rent increase scenarios consulted upon.

### **Business Growth and Inclusion – month eight forecast 2023/24**

4.11 The service is forecasting an underspend of £0.46m due to employee savings. This is unchanged from the month five forecast.



## **5. Next Steps**

---

- 5.1 Given the range of pressures outlined in this report and the Council-wide report, Executive Directors will require to bring forward plans for full mitigation of Directorate overspends before the beginning of the 2024/25 financial year.

## **6. Financial impact**

---

- 6.1 As of month eight, an overall Council-wide underspend of £0.825m is forecast, including a projected overspend of £2.70m for Homelessness and Family and Household Support and savings of £0.46m from Business Growth and Inclusion (Appendix 1). Failure to break even in 2023/24 reduces the options to address future years' budget gaps and means that existing expenditure is exceeding in-year resources.
- 6.2 This report forecasts a breakeven position for the HRA, which represents a shortfall of £6.978m relative to the approved budget (Appendix 2). The ongoing implications of the month eight forecast have been reflected in the 2024/25 budgets presented to Finance and Resources Committee and the Council.
- 6.3 This report emphasises the importance of proactive management of pressures and delivery of approved savings in maintaining the integrity of the Council's budget framework and business plan objectives.

## **7. Equality and Poverty Impact**

---

- 7.1 There are no equality, human rights (including children's rights) and socio-economic disadvantage implications arising as a consequence of this report.

## **8. Climate and Nature Emergency Implications**

---

- 8.1 There are no Climate and Nature Emergency implications arising as a consequence of this report.

## **9. Risk, policy, compliance, governance and community impact**

---

- 9.1 Whilst the report provides forecasts of financial outturn based on financial performance and conditions existing on 30 November 2023, there remains a risk that changing circumstances and events will result in budget pressures.
- 9.2 All current and emerging risks will be subject to ongoing tracking, development of mitigation measures and review for the remainder of 2023/24.
- 9.3 Financial performance will be tracked by Place Senior Management Team and service management teams to identify and mitigate emerging financial risks.

- 9.4 There are no health and safety, governance, compliance or regulatory implications arising from this report.

## **10. Background reading/external references**

---

- 10.1 [Revenue Monitoring Report - month eight](#)  
10.2 [Housing, Homelessness and Fair Work - revenue monitor report month five](#)

## **11. Appendices**

---

- 11.1 Appendix 1 – General Fund Services – month eight forecast 2023/24.  
11.2 Appendix 2 – Housing Revenue Account – month eight forecast 2023/24.

## Appendix 1

### General Fund Services – Housing and Homelessness and Business Growth and Inclusion

#### Month Eight Forecast 2023/24

Please see details below of all general fund services within the remit of this Committee.

	Revised Budget	Projected Outturn	Projected Variance	Adverse / Favourable
	£'000	£'000	£'000	
Homelessness	62,633	65,416	2,783	Adv
Family and Household Support, Night Team and Housing Services	(461)	(561)	(100)	Fav
Business Growth and Inclusion	6,546	6,086	(460)	Fav
<b>Total Net Expenditure</b>	<b>68,718</b>	<b>70,841</b>	<b>2,223</b>	<b>Adv</b>

## Appendix 2

### Housing Revenue Account (HRA)

#### Month Eight forecast 2023/24

The annual HRA budget is derived from the longer-term strategy, approved by Council. In 2023/24 it comprises a budgeted revenue income of £106.523m and expenditure of £99.545m; enabling a budgeted contribution of £6.978m to SHIF in accordance with the finance strategy for the capital investment programme and wider HRA business plan. The month eight forecast shows a breakeven position with income being equal to expenditure. The budget and forecast variance analysis is shown below.

	Revised Budget	Projected Outturn	Projected Variance	Movement from M5	Adverse / Favourable
	£'000	£'000	£'000	£'000	
<b>Income</b>	<b>-106,523</b>	<b>-106,124</b>	<b>399</b>	<b>-497</b>	<b>Adv</b>
<b>Expenditure</b>					
Housing Management	37,927	39,825	1,898	-120	Adv
Repairs and Maintenance	22,384	25,324	2,940	1,940	Adv
Environmental Maintenance	2,558	2,898	340	0	Adv
Debt Service	36,676	38,076	1,400	1,400	Adv
<b>Total Expenditure</b>	<b>99,545</b>	<b>106,124</b>	<b>6,579</b>	<b>3,221</b>	<b>Adv</b>
Strategic Housing Investment Fund	6,978	0	-6,978	-2,724	Adv

<b>Total Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>
------------------------------	----------	----------	----------	----------	----------

# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## The Noise App

Executive/routine  
Wards

Routine  
All

### 1. Recommendations

---

- 1.1 It is recommended that Committee:
  - 1.1.1 Note the content of the report; and
  - 1.1.2 Agree that, based on the investigation into the efficacy of digital applications and the legal advice provided regarding their usefulness, that purchase of such applications should not be pursued at this time.

**Paul Lawrence**

Executive Director of Place

Contact: Nicky Brown, Head of Homelessness and Housing Support

E-mail: [Nicky.Brown@edinburgh.gov.uk](mailto:Nicky.Brown@edinburgh.gov.uk) | Tel: 0131 529 7589

## The Noise App

### 2. Executive Summary

---

- 2.1 This report responds to the [adjusted motion](#), approved by the Council on 4 May 2023, requesting a report to the Housing, Homelessness and Fair Work Committee regarding an evaluation of the efficacy of new tools (such as digital applications including noise type Apps), and where such applications are used, an assessment of legal considerations (such as compliance with the Regulation of Investigatory Powers (Scotland) Act 2000), potential cost implications, property ownership types potentially covered, and any other relevant factors.

### 3. Background

---

- 3.1 It is acknowledged that antisocial behaviour, including antisocial noise, can have a negative impact on people's lives. When neighbours disagree on what is and what is not reasonable living noise, the Council has a duty to investigate such complaints.
- 3.2 Complaints about household noise are often challenging for officers to investigate, as well as being challenging to substantiate. This could be when the noise is sporadic and intermittent, rather than constant and persistent, and so is difficult to substantiate 'there and then'. This can bring challenges when officers assess it is appropriate to act against a household where there is antisocial noise. The motion raised asks the question about whether new, digital applications may be able to assist officers in their work of investigating complaints of noise.
- 3.3 This report addresses the specific requests in the motion:
- 3.3.1 Making an evaluation of the efficacy of applications (Apps) of this type;
  - 3.3.2 Providing an assessment of legal considerations such as compliance with the Regulation of Investigatory Powers (Scotland) Act 2000;
  - 3.3.3 Providing potential cost implications;
  - 3.3.4 Explaining property ownership types potentially covered; and
  - 3.3.5 Outlining any other relevant factors.

## 4. Main report

---

### **Evaluation of the efficacy of The Noise App**

- 4.1 The Antisocial Behaviour etc (Scotland) Act 2004 (The Act) defines Antisocial Behaviour as where a person acts "...in a manner that causes or is likely to cause alarm or distress; or pursues a course of conduct that causes or is likely to cause alarm or distress to at least one person not of the same household as them".
- 4.2 Complaints of household noise are reported to the Family and Household Support service (FHS). Types of noise complaints are wide ranging, including: noise from children running around or playing, noise from footfall because of non-carpeted flooring, people shouting and screaming, situations of domestic abuse, banging and thudding, doors slamming, hoovering, washing machine noise, music, and parties.
- 4.3 While seeking to work with those affected to help them resolve the situation as quickly as possible, addressing the underlying cause of behaviour is more likely to resolve the situation for the longer-term.
- 4.4 FHS respond to complaints of household antisocial noise taking restorative approaches including offering Mediation and taking into consideration all aspects of the household circumstances.
- 4.5 In the first instance, a FHS officer will assess if Mediation might be an option for trying to resolve the situation. Where Mediation is unsuitable or refused by the interested parties, the officer assesses whether there is evidence of the noise, whether the noise could be considered as antisocial, and if it is, what other steps could be taken to try and resolve the matter.
- 4.6 These steps could include a range of considerations including working with the household being complained about to help change the behaviour or cause of the noise; consideration of enforcement action; or, undertaking further investigation to consider surveillance such as professional witnesses attending to listen to the noise. These interventions would not be enhanced by the use of digital applications.
- 4.7 For Council tenants, enforcement options are usually incremental and normally include issuing a formal Warning for breach of tenancy agreement. For serious and persistent antisocial behaviour, the Council solicitor would be instructed to apply under The Act for legal Orders (which could be an Antisocial Behaviour Order (ASBO) or eviction). Eviction is ultimately a possibility for Council tenants however, eviction action for antisocial behaviour requires a very high level of evidence, takes a long time and is costly to achieve.

### **Are there benefits to using digital applications?**

- 4.8 Digital applications may offer some benefits to some residents complaining of antisocial behaviour, however, these benefits do not outweigh the limitations and challenges of using such applications (see 'Challenges and Limitations' below) in investigating antisocial behaviour.
- 4.9 Digital applications may allow residents who have access to a smartphone or other digital device to report their complaint, send in recordings of noise, and keep a

digital diary of their experience which can be shared with the FHS officer electronically.

### **Challenges and Limitations**

- 4.10 Digital applications rely on the resident having a compatible smartphone to download an App and access it. This may not always be the case. Furthermore, the quality of the sound recording is dependent on the quality of microphone on the smartphone. Digital applications available to the public record all noise including any background noise, and do not measure actual noise levels.
- 4.11 To assist in investigations, FHS officers need to know the exact location (tenancy) source of the noise. Research for this report suggests that while an App can verify the general location of the device, they are unable to pin-point the exact flat in a property block.
- 4.12 This means that while the officer will know that a recording has been taken within a block of flats, they will be unable to verify that the recording was made in a specific flat (for example the complainer's home). They will also be unable to verify where exactly the noise is coming from (for example the alleged perpetrator's home). As such, the FHS officer is relying on the testimony of the complainer.
- 4.13 To identify whether the legislation has been breached, officers need to be able to verify the location of the recording, the noise levels available from the recording and the locations the noise recorded is coming from. None of the digital applications available to download offer this facility.
- 4.14 These limitations mean that (i) any recordings made using a digital application will be of very limited evidential value in any court proceedings, and (ii) the investigating officer will continue to rely on current methods of responding to complaints as described above. The investigating officer therefore must continue to make a professional judgement on whether the noise is antisocial or could be considered daily living noise regardless of the use of digital applications.
- 4.15 Accordingly, while a digital application may be another route for residents to notify the Council of a noise issue, officers will still be required to respond as they currently do. Introducing a digital device like an App may also give rise to significant numbers of complaints, which would impact on current resourcing.

### **Legal Considerations**

- 4.16 The Regulation of Investigatory Powers (Scotland) Act 2000 deals with matters of covert surveillance, intrusive and directed surveillance and the conduct of covert human intelligence sources. As such, the use of digital applications where any means of recording takes place (including photographs and sound recordings) must be compliant with the Regulation of Investigatory Powers (Scotland) Act 2000.
- 4.17 In summary, the advice is that if sound recordings allow (i) the content of conversations to be understood, or (ii) (if the monitoring is over an extended period) allows officers to discern a pattern of private/family life within the target premises, then the Regulation of Investigatory Powers (Scotland) Act 2000 authorisation is



recommended to be sought. The threshold for obtaining authorisation is high, reflecting that the use of surveillance should normally be a last resort.

- 4.18 The detailed legal opinion of the Council's Legal services is available to Committee Members on request.
- 4.19 It will be challenging for officers to be able to decide beforehand if a recording will pick up on the content of conversations. As such, this would be considered a further limitation to the use of digital applications given the duties that the Regulation of Investigatory Powers (Scotland) Act 2000 imposes on public authorities.

### **Property types covered by Digital Applications**

- 4.21 If a digital application was made available, in line with the agreed Procedure for Investigating Antisocial Behaviour Complaints, existing property types the Council currently investigates are:
- Council tenancies;
  - Homeowner Occupiers;
  - Some Private Rented Accommodation (excludes Short-term Lets); and
  - Some Temporary Accommodation tenancies (excludes PSL accommodation).
- 4.22 Other Register Social Landlords (Housing Associations) investigate their own complaints of antisocial behaviour. Digital applications would not be offered by the Council to other Registered Social Landlord tenants.

## **5. Next Steps**

---

- 5.1 No further action will be taken should members agree the recommendations contained in this report.

## **6. Financial impact**

---

- 6.1 An indicative cost for the purchase of a licence to use digital applications would be in the region of £17,000 + VAT.

## **7. Equality and Poverty Impact**

---

- 7.1 There are no direct impacts from this report.

## **8. Climate and Nature Emergency Implications**

---

- 8.1 There are no direct implications from this report.

## **9. Risk, policy, compliance, governance and community impact**

---

9.1 The policy and compliance impacts are detailed in the main report section of this report.

## **10. Background reading/external references**

---

10.1 None.

## **11. Appendices**

---

None.

# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## Empty Homes Annual Report

Executive/routine  
Wards

Routine  
All

### 1. Recommendations

- 1.1 It is recommended that Housing, Homelessness and Fair Work Committee notes:
  - 1.1.1 The intention to recruit a second Empty Homes Officer for a trial period of 18 months using Rapid Rehousing Transition Plan funding;
  - 1.1.2 The intention to create a supply of additional rental properties to be used as suitable temporary accommodation for homeless households through this work; and
  - 1.1.3 That future updates on Empty Homes which have been returned to use will be provided within the Housing, Homelessness and Fair Work Committee Business Bulletin.

**Paul Lawrence**

Executive Director of Place

Contact: Andrew Mitchell, Head of Regulatory Services

E-mail: [andrew.mitchell@edinburgh.gov.uk](mailto:andrew.mitchell@edinburgh.gov.uk) Tel: 0131 469 5822

## Empty Homes Annual Report

### 2. Executive Summary

---

- 2.1 The Council's Empty Homes Officer (EHO) works to bring private sector empty homes back into use. This report updates Committee on the ongoing work of the EHO and the current level of Empty Homes in the city, discharges the [action](#) agreed at Housing, Homelessness and Fair Work Committee on 5 December 2023, and proposes to provide future updates via the Committee Business Bulletin.

### 3. Background

---

- 3.1 An EHO post was first introduced on a pilot basis in 2019 for up to two years, jointly funded by the Council and the Scottish Empty Homes Partnership.
- 3.2 On 4 November 2021, Housing, Homelessness and Fair Work Committee considered an Empty Homes Update [report](#) which proposed mainstream funding for the role of the EHO. This was agreed as part of the budget setting process in February 2022.
- 3.3 An EHO was appointed on a permanent basis in April 2022. This has ensured that Empty Homes continue to be specifically targeted to be brought back into use, while the service continues to develop and identify best practice and proactive methods of engagement with owners of Empty Homes in Edinburgh.

On 5 December 2023 the Housing, Homelessness and Fair Work Committee approved an action which called for a report within one cycle exploring the benefits and costs of increasing the size of the Empty Homes Team (e.g. in Glasgow there are 4 Empty Homes Officers as opposed to 1 in Edinburgh).

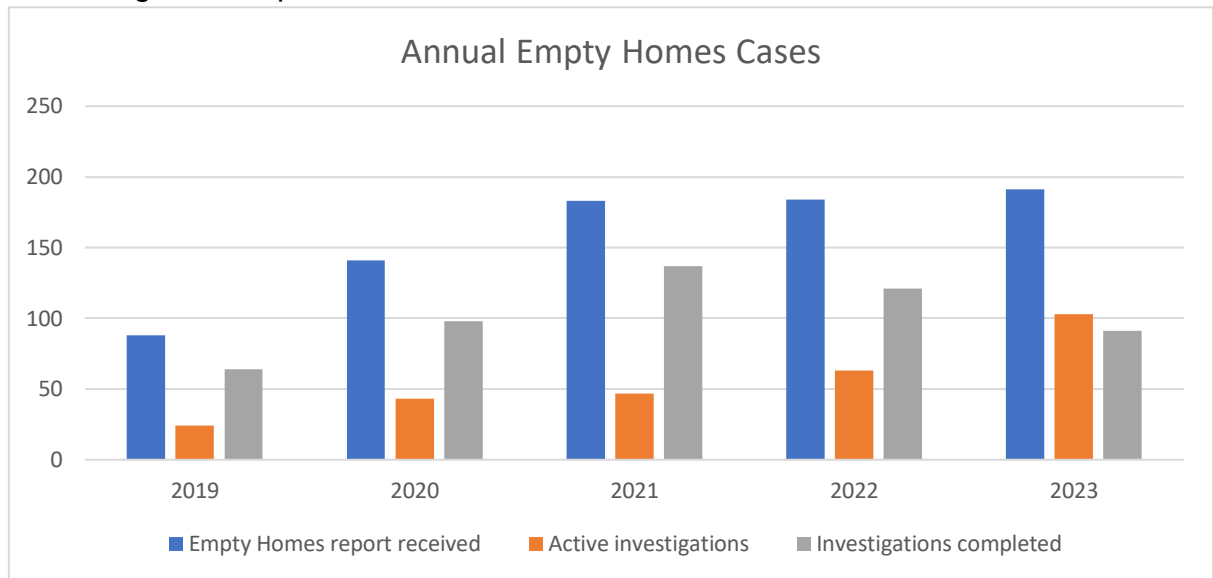
### 4. Main report

---

#### Empty Homes in Edinburgh

- 4.1 A recent report by the Scottish Empty Homes Partnership concluded that there were 6,898 empty homes in Edinburgh, and that 221 had been brought back in to use by the Council's EHO since 2019.

- 4.2 The EHO continues to deal with a significant caseload in the region of 305 cases. These cases are typically generated from complaints from members of the public. Annual figures are provided in the chart below.



### Causes of Empty Homes in Edinburgh

- 4.3 Many properties have become empty through a combination of different factors, and the main reasons based on a review of the current caseload are attached at Appendix 1. The most common reason is that the owner has moved on without selling the property, or that there have been estate/inheritance issues.
- 4.4 The EHO has recorded reasons why some properties continue to be Empty Homes in Edinburgh (Appendix 2). Analysis shows that a significant number of homes are empty due to owners being unwilling to either sell or rent their property. Many owners are retaining the property in the hope of redevelopment or long-term investment, have emotional or sentimental ties to the property, or do not have capacity or do not want to go through the process of bringing an Empty Home back into use.
- 4.5 Establishing the outcomes when an Empty Home is brought back into use is often difficult. Where the EHO could identify an outcome, this has been recorded since September 2022 (Appendix 3). In the majority of cases the property has become owner occupied or privately let.

### Engagement and Best Practice

- 4.6 An important part of the role of the EHO is to continue to develop new ways of working and best practice. As part of this proactive approach, the EHO has contributed to the following workstreams over the last 12 months. Further detail is provided at Appendix 4.

#### [4.6.1 Council Tax for second and empty homes, and non-domestic rates thresholds;](#)

- 4.6.2 [Scottish Government Empty Homes Audit](#);
- 4.6.3 Scottish Parliament Tenement Working Group;
- 4.6.4 Development of a Compulsory Purchase Orders (CPOs) business case; and
- 4.6.5 Encouraging appropriate use of Property Auctions.

### **Joint Working**

- 4.7 Due to the complex nature of many cases, the EHO routinely works with a range of internal and external partners to bring empty homes back into use. One recent case involved joint working with Social Work, Environmental Health, Pest Control and Housing to deal with a long-term Empty Home, where the resident had to move out into temporary accommodation due to the condition of the property and associated health issues. Coordinated working resulted in the home being sold at auction and the owner being rehoused permanently into suitable accommodation, freeing up capacity for temporary accommodation and producing associated savings. This also brought the home back into use, provided appropriate accommodation for the owner and improved the local amenity for residents.
- 4.8 The EHO works in conjunction with Edinburgh Shared Repair Service (ESRS), typically identifying owners of empty properties where communal repairs are needed, and identifying potentially dangerous properties where ESRS may need to carry out emergency works.
- 4.9 The EHO continues to work closely with Council colleagues in debt recovery to bring in additional income through proactively identifying long-term Empty Homes where the 100% Council Tax premium can be applied.

### **Homelessness and Empty Homes**

- 4.10 As of 19 January 2024, there were 4,929 homeless households in Edinburgh. Around 1,300 of these households are in what is considered to be unsuitable accommodation, such as Bed and Breakfast accommodation. Placing people in unsuitable accommodation means that the Council is in breach of the Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2014 (as amended). This type of accommodation is also significantly more expensive than other types of accommodation used, and there is social and economic benefit from reducing the Council's exposure to this area of compliance and financial risk.
- 4.11 On 5 December 2023, Committee approved a report detailing high level actions deemed necessary to tackle the Housing Emergency declared by Council on 2 November 2023. A key aim of this plan is to reduce the number of homeless households in the city, and within that overall number to reduce the number of homeless households in unsuitable temporary accommodation.
- 4.12 Committee asked for an assessment of costs and benefits from having additional Empty Homes Officers. As stated in section 4.1, since 2019, 221 empty homes have been brought back in to use, and 45% of those returned to the rental market.

- 4.13 Projected costs and benefits for one additional officer for a 12 month period are as follows based on the assumption that 44 empty homes will be brought into use every year with 50% to be used as suitable temporary accommodation:

Description	Cost / (Saving)
Empty Homes Officer - 1FTE @ GR7	£52,000
Net saving from reduced use of unsuitable temporary accommodation	-£245,000
<b>Net annual saving</b>	<b>-£193,000</b>

- 4.14 The Service Director, Housing and Homelessness is proposing the use of Rapid Rehousing Transition funding to recruit an additional EHO for 18 months. The aim will be to create a supply of Empty Homes into the market that can be used for providing suitable temporary accommodation for homeless households, through the development of a 'match maker' scheme, which may be operated by the Council or in collaboration with the Council's Private Sector Leasing partner (Link Group). This will seek to be deliberate in matching homeless households to potential landlords. There may also be scope for using the Council's acquisitions policy to increase the number of properties in its own stock.

## 5. Next Steps

---

- 5.1 The work of the EHO will continue as part of business as usual, with recruitment of an additional officer for 18 months currently underway. It is proposed that future updates to Committee on Empty Homes will be provided via the Committee Business Bulletin.

## 6. Financial impact

---

- 6.1 Leaving a home empty costs money and loses money for the owner and the Council. This money could be being spent in the local economy, generating further additional expenditure as a result. It is estimated that the cost to a homeowner of leaving a two to three bed property empty is between £8,638 and £10,438 per annum (rent loss, maintenance, insurance and Council Tax). Bringing an Empty Home back into use can also help prevent reactive spend associated with addressing anti-social behaviour and can have a positive impact on the value of neighbouring homes.
- 6.2 The additional EHO will be funded from additional one-off Rapid Rehousing Transition Plan funding provided by the Scottish Government. Funding exists to appoint this post for an 18-month period with estimated costs of £52,000 a year.

- 6.3 Any savings generated from bringing empty homes into use as suitable temporary accommodation, with corresponding reductions in more costly unsuitable temporary accommodation, will help the service to operate within the 2024/25 approved budget. The estimated net annual savings based on 22 properties being brought into use for this purpose are £245,000.
- 6.4 Progress will be monitored, and any financial benefits will be factored into the revenue monitoring reports presented to Committee.

## **7. Equality and Poverty Impact**

---

- 7.1 Matters described in this report have no relationship to the public sector general equality duty, thus there is no direct equalities impact arising from this report.

## **8. Climate and Nature Emergency Implications**

---

- 8.1 Bringing Empty Homes back in to use can help to drive down the carbon emissions caused by housing and housing construction. Where the home is retrofitted to improve energy performance, this can also help to drive down the cost of heating and reduce the operational carbon emitted.

## **9. Risk, policy, compliance, governance and community impact**

---

- 9.1 Empty homes are more prone to anti-social behaviour than an occupied home, as they can be entered more easily, either by squatters or people looking to use the property for anti-social purposes or to commit anti-social acts. As a result, areas with concentrations of Empty Homes can trap local authorities and other public agencies into a spiral of reactive spend.
- 9.2 The EHO continues to work closely with colleagues in debt recovery on Empty Homes and bringing in additional income through proactively identifying long-term Empty Homes where the 100% Council Tax premium can be applied. Work is also ongoing with ESRS - helping to find owners and engage with them on shared repairs cases.
- 9.3 EHO advice and intervention has resulted in positive feedback from Empty Home owners.

## **10. Background reading/external references**

---

- 10.1 [Empty Homes Annual Report](https://democracy.edinburgh.gov.uk/ieListDocuments.aspx?CIId=141&MIId=5691)  
<https://democracy.edinburgh.gov.uk/ieListDocuments.aspx?CIId=141&MIId=5691> – December 2022.
- 10.2 [Council Tax for second and empty homes, and non-domestic rates thresholds](#) – Scottish Government Consultation



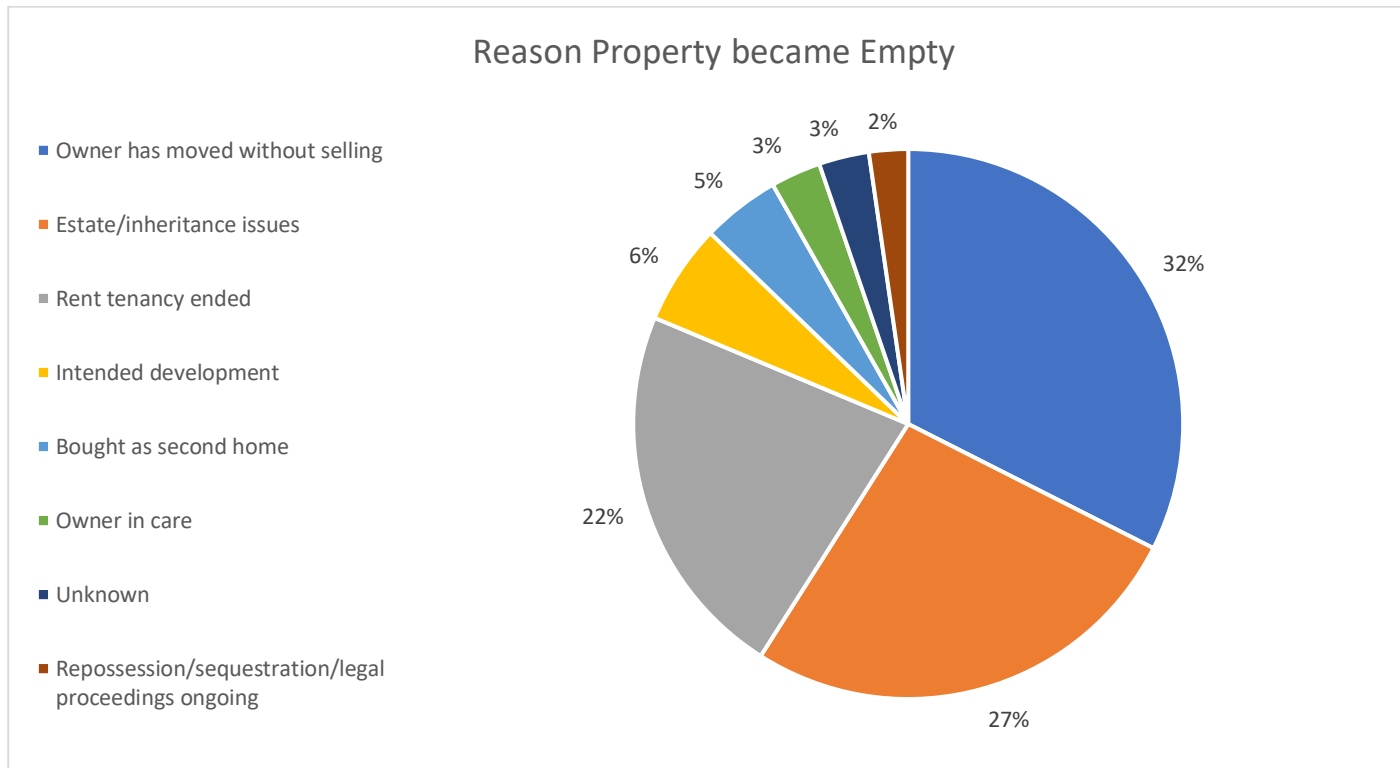
- 10.3 [Scottish Government Empty Homes Audit](#) - An independent audit of long-term empty homes policy and interventions in Scotland

## **11. Appendices**

---

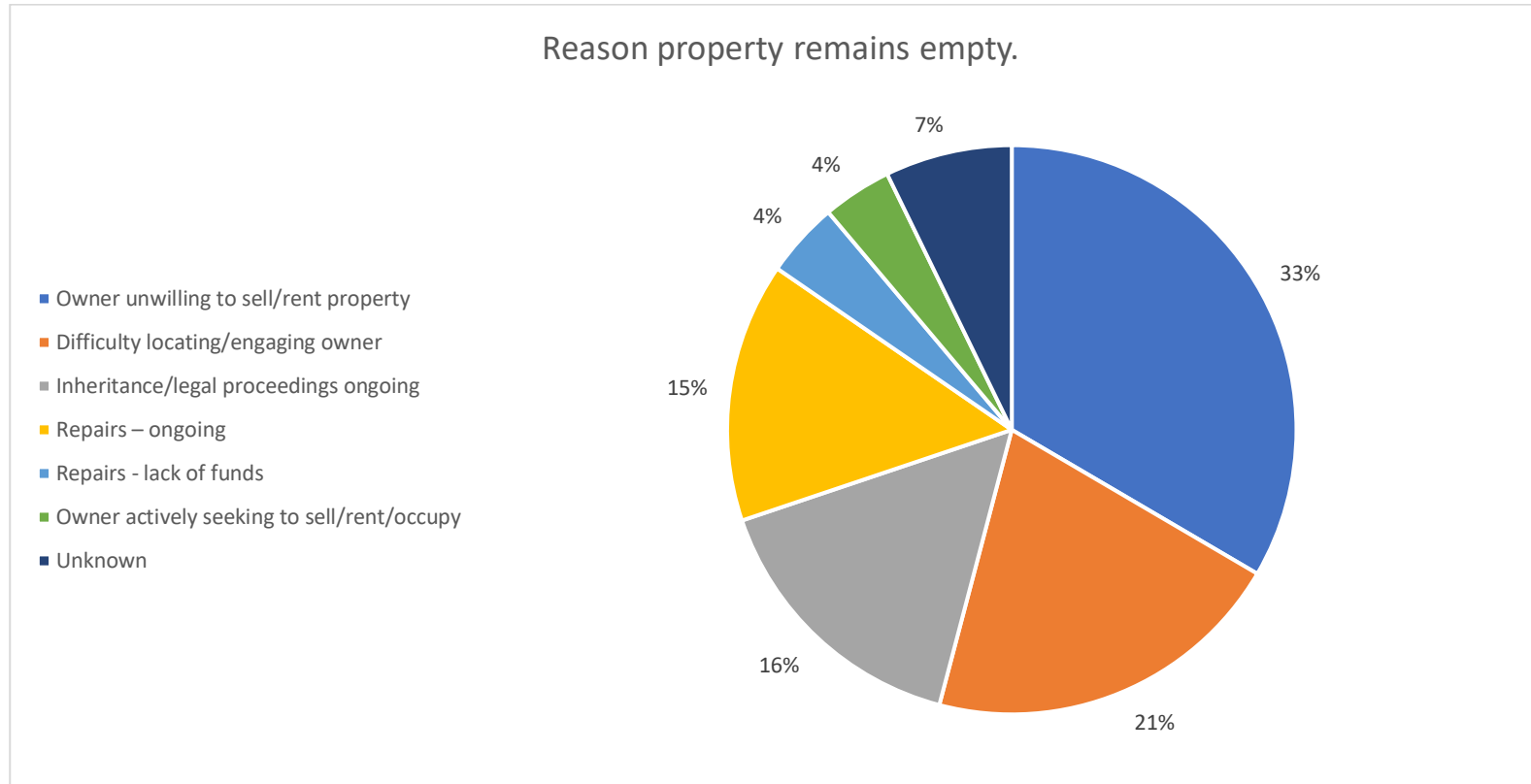
- 11.1 Appendix 1 – Reasons why property became empty.
- 11.2 Appendix 2 – Reasons why property remains empty.
- 11.3 Appendix 3 – Outcomes where Empty Home brought back into use.
- 11.4 Appendix 4 – further detail on engagement and Best Practice workstreams.

## Appendix 1



<b>Reason property became empty</b>	<b>No.</b>	<b>%age</b>
Owner has moved without selling	99	32%
Estate/inheritance issues	81	27%
Rent tenancy ended	68	22%
Intended development	18	6%
Bought as second home	14	5%
Owner in care	9	3%
Unknown	9	3%
Repossession/sequestration/legal proceedings ongoing	7	2%
<b>Total</b>	<b>305</b>	

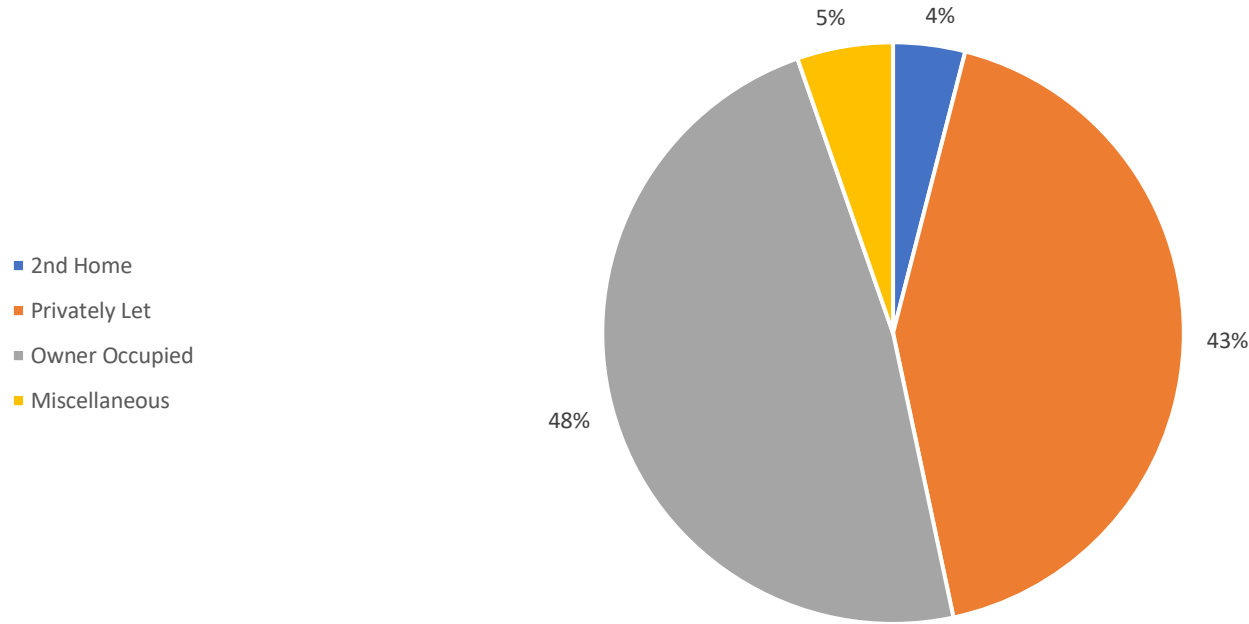
## Appendix 2



<b>Reason property remains empty</b>	<b>No.</b>	<b>%age</b>
Owner unwilling to sell/rent property	102	33%
Difficulty locating/engaging owner	63	21%
Inheritance/legal proceedings ongoing	48	16%
Repairs – ongoing	45	15%
Repairs - lack of funds	13	4%
Owner actively seeking to sell/rent/occupy	12	4%
Unknown	22	7%
<b>Total</b>	<b>305</b>	

**Appendix 3**

Outcome of Empty Homes brought back into use



<b>Outcome of Empty Homes brought back into use</b>	<b>Total</b>	<b>%age</b>
2nd Home	3	4.0%
Privately Let	32	42.7%
Owner Occupied	36	48.0%
Miscellaneous	4	5.3%
<b>Grand Total</b>	<b><u>75</u></b>	

## Appendix 4

### 1. [Council Tax for second and empty homes, and non-domestic rates thresholds](#)

This consultation sought views on giving local authorities the power to increase council tax on second homes and empty homes, as well as considering whether the current non-domestic rates thresholds for self-catering accommodation remain appropriate.

### 2. [Scottish Government Empty Homes Audit](#)

An independent audit of long-term empty homes policy and interventions in Scotland

### 3. **Scottish Parliament Tenement Working Group**

In conjunction with ESRS, the EHO has participated in the Subgroups of the Scottish Parliament Tenement Working Group on Tenement Maintenance. This also included attending an ESRS/Under One Roof Tenement Event providing information and advice for residents affected by empty homes.

### 4 **Development of a Compulsory Purchase Orders (CPOs) business case**

The EHO has identified properties which may be suitable for CPOs as perhaps the only realistic option to bring them back into use. Procedures and best practice used by other local authorities have been reviewed, including case studies elsewhere in Scotland. However, due to the cost of properties in Edinburgh, and without an identified budget, this option has not been able to be progressed at this time.

### 5 **Encouraging appropriate use of Property Auctions**

The EHO has been engaging with a number of owners about the appropriate use of property auctions as an easier option to sell Empty Homes. This option can be appealing where owners are not required to bring their properties up to a 'show' standard for sale, requiring very little input in most cases. In total to date, five properties have been sold via auction following this approach, including properties which were derelict, had been empty for more than 10 years, and had been subject to hoarding, pests and other structural concerns. In all five cases, these properties have been brought back into use.

This page is intentionally left blank



# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## National Housing Trust (NHT) initiative: winding up NHT Limited Liability Partnerships

Executive/routine  
Wards

Routine  
All

### 1. Recommendations

---

- 1.1 Housing Homelessness and Fair Work Committee is asked to approve the wind up of the eight National Housing Trust (NHT) Limited Liability Partnerships (LLPs) through voluntary strike off and dissolution or Members Voluntary Liquidation.

**Paul Lawrence**

Executive Director of Place

Lisa Mallon, Housing Manager, Housing Strategy and Development

E-mail: [lisa.mallon@edinburgh.gov.uk](mailto:lisa.mallon@edinburgh.gov.uk) | Tel: 0131 529 6291

## National Housing Trust (NHT) initiative: winding up NHT Limited Liability Partnerships

### 2. Executive Summary

---

- 2.1 As part of the National Housing Trust (NHT) initiative, eight Limited Liability Partnerships (LLPs) were set up in Edinburgh to support delivery of mid-market rent homes. The NHT LLPs were intended to remain in place until the homes were sold, between five and 10 years after being completed, and then wound up once their purpose was fulfilled.
- 2.2 The wind up of a solvent LLP can be achieved either by a Members Voluntary Liquidation under the Insolvency legislation (an MVL) or by a voluntary strike off and dissolution. For some of the LLPs, a voluntary strike off and dissolution is preferred as this can be quicker and less costly for LLP partners than an MVL. Approval is sought to enable the Council, as a Member of the NHT LLPs, to agree to voluntary strike off and dissolution under the Companies Acts or an MVL as appropriate, when winding up the NHT LLPs.

### 3. Background

---

- 3.1 The NHT initiative, launched by the Scottish Government in 2010 in response to the housing market crash of 2008, allowed for a developer to be appointed to build properties for mid-market rent. The Council agreed to participate in the initiative in August 2010 and has provided on-lending to support the delivery of over 800 affordable homes across the city. Developer partners were selected through a procurement process, with homes being built across eight different sites in the city. The homes were completed over three phases of the NHT initiative, with the first homes completing in 2013 and the final NHT homes completing in 2019.
- 3.2 LLPs were established to acquire the completed homes, comprising of the developer, the participating Local Authority and Scottish Futures Trust as members. The Council provided the loan funding to the developer partner to build the homes, with the loan being guaranteed by the Scottish Government. The homes are let to tenants at mid-market rent for five to 10 years following completion, after which the sitting tenants are given an option to purchase, with the Council having a right to

acquire or nominate a third party to acquire the homes. Assuming there is no nominee, under the standard terms of NHT 'exit', developers can sell homes on the open market between years five to 10 following completion, after giving tenants the option to purchase. It was never intended that all of the homes would remain as affordable housing, but the Council continues to work with partners to retain homes as affordable housing wherever possible at exit stage.

- 3.3 Eight LLPs were set up in Edinburgh under the NHT initiative. For five of the developments, the LLPs have already reached the five year 'exit' date, with the properties owned by each LLP having been sold and the Council loan repaid for each. The five LLPs which have reached their exit date do not now need to remain in place and can be wound up as their purpose has been fulfilled. The three remaining LLPs are reaching exit stage and will require in due course to be wound up once the LLPs no longer own homes.

## 4. Main report

---

- 4.1 The following five LLPs were set up between 2011 and 2015 under the NHT initiative:
- 4.1.1 Lighthouse Court LLP;
  - 4.1.2 Cityscape Edinburgh LLP;
  - 4.1.3 Telford NHT 2011 LLP;
  - 4.1.4 Leith Links NHT 2011 LLP; and
  - 4.1.5 Fruitmarket NHT LLP.
- 4.2 The properties owned by each LLP have now all been sold, with the majority remaining as affordable housing, and the Council loan has been repaid for each one. It therefore just remains for the LLPs to be wound up. This will then remove the administrative and financial burden of keeping them on the Companies House Register.
- 4.3 All Members Agreements (which were entered into at the setting up of each LLP) gave the Members the power to place the LLPs into an MVL but did not give Members the power to voluntarily strike off and dissolve the LLPs under the Companies Act. This appears to have been an administrative oversight and can be rectified by a simple variation of the Members' Agreements. Notwithstanding this, specific and separate Committee approval for the Council to enter into an MVL or a voluntary dissolution and strike off is being sought here to ensure all necessary Council approvals are in place.
- 4.4 A voluntary strike off is a quicker and cheaper option than entering into an MVL. In the case of an MVL, a liquidator is appointed to wind up affairs and any remaining liabilities are paid – this is a slower and more expensive option as it involves a third

party (the liquidator) managing the process which can be useful in less straightforward winding ups.

- 4.5 It has been resolved by the members of the relevant LLP that an MVL would be the most appropriate route for winding up the following LLPs:
- Lighthouse Court NHT LLP;
  - Cityscape NHT LLP; and
  - Telford NHT 2011 LLP.
- 4.6 In the case of Telford NHT LLP, an MVL is already underway. The LLP Members' Agreement anticipated an MVL, and the Committee approval for the sale of Telford homes to LAR also noted the intention to wind up the LLP. However, it is included here for completeness. An MVL was considered more appropriate as the Council was the lead partner in the LLP, having taken on the Developer partner role on purchasing the homes from the original developer in 2019.
- 4.7 The Developer partner generally leads on the wind up of the LLPs. The LLP Members are agreed that pursuing an MVL for the Cityscape and Lighthouse Court LLPs is the best option and wish to progress this as soon as possible. This is also anticipated in the Members Agreement for these LLPs.
- 4.8 A voluntary strike off and dissolution was considered a better option for the more straightforward winding up of the following two LLPs:
- Fruitmarket NHT LLP; and
  - Leith Links NHT LLP.
- 4.9 In relation to Fruitmarket NHT LLP, a strike off was completed in May 2023, so retrospective approval is required. Leith Links will be progressed within the next few weeks.
- 4.10 The three remaining NHT LLPs, where the homes are still in the ownership of the LLPs, are:
- Western Harbour NHT LLP;
  - Sandpiper Road 2014 NHT LLP; and
  - Shrubhill NHT LLP.
- 4.11 Wind up of these LLPs will take place at a later date, once the exit process for each one is complete, and the LLPs no longer own the homes. Approval is also sought to enable either a voluntary strike off and dissolution or MVL to be progressed in due course for these three remaining LLPs.

## **5. Next Steps**

---

- 5.1 NHT LLPs will be wound up by strike off or MVL, as agreed by the LLP Members.

## **6. Financial impact**

---

6.1 There are no financial impacts arising from this report.

## **7. Equality and Poverty Impact**

---

7.1 There are no Equality and Poverty impacts associated with this report.

## **8. Climate and Nature Emergency Implications**

---

8.1 There are no climate and nature emergency implications arising from this report.

## **9. Risk, policy, compliance, governance and community impact**

---

9.1 Approval for the wind up of the NHT LLPs through either MVL, as envisaged in the Members Agreement for each NHT LLP, or through strike off, which was not explicitly written into the Members' Agreements, will ensure that the necessary approval is in place for either option to be taken.

## **10. Background reading/external references**

---

10.1 National Housing Trust - Update: Finance and Resources Committee [17 January 2012](#).

10.2 National Housing Trust - Phase 2b: Report to Finance and Resources Committee [28 November 2013](#).

10.3 National Housing Trust Phase 3 – Procurement: Finance and Resources Committee [3 February 2015](#)

## **11. Appendices**

---

11.1 None.

This page is intentionally left blank

# Housing, Homelessness and Fair Work Committee

10.00am, Tuesday, 27 February 2024

## Edinburgh Local Heat and Energy Efficiency Strategy and Delivery Plan – referral from the Policy and Sustainability Committee

Executive/routine  
Wards

### 1. For Decision/Action

---

- 1.1 The Policy and Sustainability Committee has referred a report on the Edinburgh Local Heat and Energy Efficiency Strategy (LHEES) and the associated Delivery Plan to the Housing, Homelessness and Fair Work Committee for information.

**Dr Deborah Smart**  
Executive Director of Corporate Services

Contact: Jamie Macrae, Assistant Committee Officer  
Legal and Assurance Division, Corporate Services Directorate  
E-mail: [jamie.macrae@edinburgh.gov.uk](mailto:jamie.macrae@edinburgh.gov.uk) | Tel: 0131 529 4264

# Referral Report

## Edinburgh Local Heat and Energy Efficiency Strategy and Delivery Plan – referral from the Policy and Sustainability Committee

### 2. Terms of Referral

---

- 2.1 On 15 December 2023, the Policy and Sustainability Committee considered a report by the Executive Director of Corporate Services which introduced the Edinburgh Local Heat and Energy Efficiency Strategy (LHEES) and the associated Delivery Plan.
- 2.2 The Local Heat and Energy Efficiency Strategies (Scotland) Order 2022 requires all Scottish local authorities to publish a LHEES, along with a Delivery Plan, by the end of 2023. An LHEES is a long-term plan for decarbonising heat in buildings and improving energy efficiency across a local authority. The central aims of an LHEES are to improve the energy efficiency and decarbonise the heat supply of buildings and to eliminate poor energy efficiency as a driver for fuel poverty.
- 2.3 Relevant to the Housing, Homelessness and Fair Work Committee, the LHEES considers the decarbonisation of heat in on- and off- gas properties, the roll-out of heat networks, energy efficiency, energy efficiency as a driver of fuel poverty, and the difficulty to retrofit and repair properties faced by occupants of mixed tenure properties.
- 2.4 Of the 76 actions in the Delivery Plan, seven sit with Housing and Homelessness. Many of these actions were underway before the publication of the Edinburgh LHEES and Delivery Plan, however, as the LHEES is solution agnostic, efforts across the Council that contribute to the reduction of emissions from buildings have been included; their inclusion under the LHEES is intended to help lever support for actions and to provide a comprehensive picture of all activity – both new and existing – underway in this sphere.

#### Actions

- Action 13: Produce a People Strategy and Strategic Workforce Plan to support the recruitment, retention, and development of staff for delivery of retrofit works.  
Service area: Housing and Homelessness  
Timescale: Ongoing



- Action 24: Identify and progress retrofit projects for the energy efficiency Delivery Areas.  
Service area: Housing and Homelessness  
Timescale: Ongoing
- Action 25: Produce a Retrofitting Strategy to steer the retrofit of the Council's housing estate.  
Service area: Housing and Homelessness  
Timescale: Ongoing
- Action 26: Make the case to Scottish Government for additional resources to support the WHR programme, MTIS programme, and other retrofit works.  
Service area: Housing and Homelessness  
Timescale: Ongoing
- Action 27: Maintain a watching brief on the EESSH2 review.  
Service area: Housing and Homelessness  
Timescale: Ongoing
- Action 52: Deliver a programme of retrofit works to the first tranche of high-rise housing blocks in Edinburgh, beginning with Craigmillar Court and Peffermill Court, followed by Inchmickery Court and Oxcars Court.  
Service area: Housing and Homelessness  
Timescale: Ongoing
- Action 74: Support the installation of smart meters in all Council-owned homes in Edinburgh.  
Service area: Housing and Homelessness  
Timescale: Ongoing

## 2.5 **Motion**

- 1) To approve the Edinburgh Local Heat and Energy Efficiency Strategy (LHEES), attached as Appendix 1 of the report by the Executive Director of Place.
- 2) To approve the Delivery Plan, attached as Appendix 2 of the report by the Executive Director of Place.
- 3) To approve the formation of a LHEES Office, as set out in the Delivery Plan.
- 4) To agree that the LHEES Office would lead on work to develop heat networks in Edinburgh on behalf of the Council.
- 5) To agree that a further phase of public consultation would be carried out on the Edinburgh LHEES and Delivery Plan.
- 6) To notes that resource limitations would constrain the Council's ability to fully deliver the Edinburgh LHEES and Delivery Plan.

- moved by Councillor Day, seconded by Councillor Meagher

### **Amendment 1**

- 1) Approves the Edinburgh Local Heat and Energy Efficiency Strategy (LHEES), attached as Appendix 1 with the changes below.

- 2) Approves the Delivery Plan, attached as Appendix 2 taking account of the changes in the following points.
- 3) Approves the formation of a LHEES Office, as set out in the Delivery Plan to develop and present to delivery options to Councillors.
- 4) Agrees that the LHEES Office will lead on work to develop heat networks in Edinburgh on behalf of the Council, each heat network must have a publicly-owned or part publicly-owned option presented to Councillors to assess against private-owned alternatives of delivery of projects. This will ensure Councillors can make an informed choice about which option derives the greatest public benefit.
- 5) Agrees that a further phase of public consultation will be carried out on the Edinburgh LHEES and Delivery Plan including the need to derive public benefit through public-ownership or part public-ownership.
- 6) Notes delivery models of heat projects will rely on strong business cases to borrow for projects which create a payback and therefore avoiding strain on the public purse and create public benefit.

- moved by Councillor Nols-McVey, seconded by Councillor Macinnes

#### **Amendment 2**

- 1) To approve the Edinburgh Local Heat and Energy Efficiency Strategy (LHEES), attached as Appendix 1 of the report by the Executive Director of Place.
- 2) To approve the Delivery Plan, attached as Appendix 2 of the report by the Executive Director of Place.
- 3) To approve the formation of a LHEES Office, as set out in the Delivery Plan.
- 4) To agree that the LHEES Office would lead on work to develop heat networks in Edinburgh on behalf of the Council.
- 5) To agree that a further phase of public consultation would be carried out on the Edinburgh LHEES and Delivery Plan.
- 6) To notes that resource limitations would constrain the Council's ability to fully deliver the Edinburgh LHEES and Delivery Plan.

#### **Budget**

- 7) Welcomes the LHEES and the opportunities it offers to the city, recognising the strategic importance of decarbonising heat and improving energy efficiency for delivering the aims of the Business Plan to end poverty and tackle the climate emergency; therefore, notes with concern that there is no dedicated budget for its delivery beyond that set out in 5.1 of the officer report.
- 8) Requests a briefing note setting out possible costs for expansion of the proposed LHEES office beyond the resourcing of one Council Energy Officer and £75k of annual Scottish Government funding.

- 9) Requests a briefing note on the findings of the Green Heat Finance Taskforce once they are published.

### **Energy Efficiency**

- 10) Requests a report in 3 cycles to Policy & Sustainability committee to set out how the Council could work with partners to deliver small grants and support for installing low-cost energy efficiency measures (such as draught excluders, curtains, rugs and carpets) within the private rented sector as a programme of work within the LHEES office in line with Action 76) in the Delivery Plan, including information about how this could dovetail with other anti-poverty initiatives in the Council.
- 11) Also requests a briefing note to explore if there might be a role for the Council's Shared Repairs Service to support private homeowners to complete community-led retrofitting work, or whether the Council can gain learning from that service to develop a Shared / Community Retrofitting and Energy Efficiency service within the LHEES office.

### **Heat networks**

- 12) Welcomes Action 41) in the Delivery Plan about co-ordinating excavation works for heat networks with other infrastructure works and requests a Business Bulletin update at Policy & Sustainability committee in 3 cycles to outline how soon this might be practicable as part of routine asset management works in the Council, and what steps are needed to make this so.
- 13) Reaffirms that there is a clear role for Energy for Edinburgh in delivery of heat network projects at all stages of the LHEES once approved, and that this should be built on co-operative and community wealth building principles.
- 14) Recognises the challenge around workforce development and planning in order to deliver the LHEES and therefore requests the next stage of consultation includes a roundtable event with Trade Unions, employability / training services and other relevant organisations to gather views and identify outstanding concerns or questions that these groups may have on deliverability of the LHEES in the context of workforce planning, with a view to developing a joined-up action plan / partnership approach to heat network delivery across the city.

### **Community Engagement**

- 15) Notes that this is a complex and technical document which is not easily accessible to members of the public who may be interested in understanding the benefits / impact of the LHEES. Therefore, welcomes Actions 11) and 12) in the Delivery Plan around stakeholder engagement and requests that the draft engagement plan cited is discussed at the Sustainability and Climate and Nature Emergencies APOG before publication, and is developed in

consultation with the Edinburgh Community Climate Action Network / “Community Climate Hub”.

### **Governance**

- 16) Requests that a dashboard update monitoring the 76 actions under the LHEES Delivery Plan is reported to Committee on an annual basis.
- 17) Notes a number of outstanding questions for the Scottish Government highlighted at 4.4.10 of the LHEES and requests that the Council Leader writes to the Minister for Zero Carbon Buildings, Active Travel and Tenants Rights to seek answers to these questions.
- 18) Agrees to refer this report to Housing, Homelessness and Fair Work committee and Planning committee.

- moved by Councillor Parker, seconded by Councillor Staniforth

In accordance with Standing Order 22(13), Amendment 1 was adjusted and accepted as an amendment to the Motion and Amendment 2 was adjusted and accepted as an addendum to the Motion.

At this point in the meeting the following Amendment 3 was proposed:

### **Amendment 3**

To agree the original motion as proposed by Councillor Day.

- moved by Councillor Whyte, seconded by Councillor Doggart

### **Voting**

The voting was as follows:

For the Motion (as adjusted)	-	15 votes
For Amendment 3	-	2 votes

(For the Motion (as adjusted): Councillors Aston, Beal, Bennett, Biagi, Campbell, Day, Dijkstra-Downie, Macinnes, Meagher, Miller, Nols-McVey, Osler, Parker, Staniforth and Watt.

For Amendment 2: Councillors Doggart and Whyte.)

### **Decision**

- 1) To approve the Edinburgh Local Heat and Energy Efficiency Strategy (LHEES), attached as Appendix 1 of the report by the Executive Director of Place with the changes below.
- 2) To approve the Delivery Plan, attached as Appendix 2 of the report by the Executive Director of Place taking account of the changes in the following points.
- 3) To approve the formation of an LHEES Office, as set out in the Delivery Plan to develop and present to delivery options to Councillors.

- 4) To agree that that officers would explore a role for Energy for Edinburgh in delivery of heat network projects at all stages of the LHEES once approved, and that this should be built on co-operative and community wealth building principles. This should be presented to committee as an integral part of business cases.
- 5) To agree that a further phase of public consultation would be carried out on the Edinburgh LHEES and Delivery Plan including the need to derive public benefit through public-ownership or part public-ownership.
- 6) To note delivery models of heat projects would rely on strong business cases to borrow for projects which create a payback and therefore avoiding strain on the public purse and create public benefit.

### **Budget**

- 7) To welcome the LHEES and the opportunities it offered to the city, recognising the strategic importance of decarbonising heat and improving energy efficiency for delivering the aims of the Business Plan to end poverty and tackle the climate emergency; therefore, to note with concern that there was no dedicated budget for its delivery beyond that set out in 5.1 of the report by the Executive Director of Place.
- 8) To request a briefing note setting out possible costs for expansion of the proposed LHEES office beyond the resourcing of one Council Energy Officer and £75k of annual Scottish Government funding.
- 9) To request a briefing note on the findings of the Green Heat Finance Taskforce once they were published.

### **Energy Efficiency**

- 10) To request a report in 3 cycles to Policy & Sustainability Committee to set out how the Council could work with partners to deliver small grants and support for installing low-cost energy efficiency measures (such as draught excluders, curtains, rugs and carpets) within the private rented sector as a programme of work within the LHEES office in line with Action 76) in the Delivery Plan, including information about how this could dovetail with other anti-poverty initiatives in the Council.
- 11) To also request a briefing note to explore if there might be a role for the Council's Shared Repairs Service to support private homeowners to complete community-led retrofitting work, or whether the Council could gain learning from that service to develop a Shared / Community Retrofitting and Energy Efficiency service within the LHEES office.
- 12) To Welcome Action 41) in the Delivery Plan about co-ordinating excavation works for heat networks with other infrastructure works and request a Business Bulletin update at Policy & Sustainability Committee in 3 cycles to outline how soon this might be practicable as part of routine asset management works in the Council, and what steps were needed to make this so.

- 13) To recognise the challenge around workforce development and planning in order to deliver the LHEES and therefore request the next stage of consultation included a roundtable event with Trade Unions, employability / training services and other relevant organisations to gather views and identify outstanding concerns or questions that these groups may have had on deliverability of the LHEES in the context of workforce planning, with a view to developing a joined-up action plan / partnership approach to heat network delivery across the city.

### **Community Engagement**

- 14) To note that this was a complex and technical document which is not easily accessible to members of the public who may be interested in understanding the benefits / impact of the LHEES. Therefore, to welcome Actions 11) and 12) in the Delivery Plan around stakeholder engagement and request that the draft engagement plan cited was discussed at the Sustainability and Climate and Nature Emergencies APOG before publication, and was developed in consultation to include the Edinburgh Community Climate Action Network / “Community Climate Hub”.

### **Governance**

- 15) To request that a dashboard update monitoring the 76 actions under the LHEES Delivery Plan be reported to Committee on an annual basis.
- 16) To note a number of outstanding questions for the Scottish Government highlighted at 4.4.10 of the LHEES and request that the Council Leader write to the Minister for Zero Carbon Buildings, Active Travel and Tenants Rights to seek answers to these questions.
- 17) To agree to refer this report to Housing, Homelessness and Fair Work Committee and Planning Committee.

## **3. Background Reading/ External References**

---

[Policy and Sustainability Committee of 15 December 2023 – webcast](#)

[Minute of the Policy and Sustainability Committee of 15 December 2023](#)

## **4. Appendices**

---

Appendix 1 – Report by the Executive Director of Corporate Services

# Policy and Sustainability Committee

10.00am, Friday, 15 December 2023

## Edinburgh Local Heat and Energy Efficiency Strategy and Delivery Plan

Executive/routine  
Wards

Executive  
All

### 1. Recommendations

---

- 1.1 It is recommended that Policy and Sustainability Committee:
  - 1.1.1 Approves the Edinburgh Local Heat and Energy Efficiency Strategy (LHEES), attached as Appendix 1;
  - 1.1.2 Approves the Delivery Plan, attached as Appendix 2;
  - 1.1.3 Approves the formation of a LHEES Office, as set out in the Delivery Plan;
  - 1.1.4 Agrees that the LHEES Office will lead on work to develop heat networks in Edinburgh on behalf of the Council;
  - 1.1.5 Agrees that a further phase of public consultation will be carried out on the Edinburgh LHEES and Delivery Plan; and
  - 1.1.6 Notes that resource limitations will constrain the Council's ability to fully deliver the Edinburgh LHEES and Delivery Plan.

**Paul Lawrence**

Executive Director of Place

Contact: Kyle Drummond, Programme Development Officer

E-mail: [kyle.drummond@edinburgh.gov.uk](mailto:kyle.drummond@edinburgh.gov.uk) | Tel: 0131 529 4849

## Edinburgh Local Heat and Energy Efficiency Strategy and Delivery Plan

### 2. Executive Summary

---

- 2.1 This report introduces the Edinburgh Local Heat and Energy Efficiency Strategy (LHEES) and the associated Delivery Plan.

### 3. Background

---

- 3.1 The Local Heat and Energy Efficiency Strategies (Scotland) Order 2022 requires all Scottish local authorities to publish a LHEES, along with a Delivery Plan, by the end of 2023.
- 3.2 An LHEES is a long-term plan for decarbonising heat in buildings and improving energy efficiency across a local authority. The central aims of an LHEES are to improve the energy efficiency and decarbonise the heat supply of buildings and to eliminate poor energy efficiency as a driver for fuel poverty.

### 4. Main report

---

- 4.1 The Council has prepared the Edinburgh LHEES along with a Delivery Plan, which are attached as Appendices 1 and 2.
- 4.2 The Edinburgh LHEES sets out a strategic approach to improving the energy efficiency of buildings in Edinburgh and decarbonising their heating. The document sets out the context and background for the strategy including relevant policies and ongoing activities, as well as a detailed baseline analysis of Edinburgh's building stock. It then sets out "Strategic Zones": geographical areas of Edinburgh that highlight particular solutions (for example areas where heat networks or heat pumps are assessed as being most viable) and particular challenges (for example areas with the poorest energy efficiency). The Edinburgh LHEES further sets out proposed high-level underpinning principles.
- 4.3 The Delivery Plan sets out short- to medium-term actions associated with the implementation of the Edinburgh LHEES. These actions reflect what is considered to be achievable given the resources and powers currently available to the Council.



While recognising the ambitions of the Council with respect to net zero carbon, the Delivery Plan takes a pragmatic approach that focuses on what can be delivered at this time, while setting out where additional resource would allow for more to be delivered. The Delivery Plan also sets out “Delivery Areas” (areas that are proposed to be the focus of early interventions around energy efficiency and heat pump deployment) and “Heat Network Zones” (areas judged to have the greatest potential for the development of heat networks). Further, the Delivery Plan sets out a proposed structure for delivery of the Edinburgh LHEES.

- 4.4 The Edinburgh LHEES is a city-wide strategy that covers all buildings in Edinburgh, not just the Council’s estate. However, the Council’s ability to compel third parties to (for example) decarbonise heating of buildings in their ownership is limited, and inevitably early interventions will be focused upon areas where the Council has the most control, particularly its own properties.
- 4.5 As set out in the Delivery Plan, it is proposed to form a “LHEES Office” to support delivery of the Edinburgh LHEES. In the first instance, the LHEES Office would be staffed by an existing Council Energy Officer. However, it is envisaged that the capabilities of the LHEES Office will be expanded in future as resources permit.
- 4.6 The Scottish Government published the first part of the Green Heat Finance Taskforce report on 22 November 2023 and the consultation paper on the Heat in Buildings Bill on 28 November 2023. The timings of these papers have not allowed them to be incorporated into this version of the Edinburgh LHEES, but officers will update the Edinburgh LHEES to reflect them.

## 5. Next Steps

---

- 5.1 Subject to the Committee approving the Edinburgh LHEES and Delivery Plan, a LHEES Office will be established and delivery commenced. Initially, the LHEES Office will comprise of one officer (an Energy Officer), funded from existing budgets. The Energy Officer will have a dedicated budget of £75,000 per annum from the ring-fenced Scottish Government grant, and potentially additional budget from other sources (such as the emerging Local Authority Cost Strategy for the Heat Networks (Scotland) Act 2021). Subject to resource being secured, the ambition is to grow the LHEES Office to have officers with a range of capabilities (for example, project management, planning, energy, etc).
- 5.2 A public consultation on the Edinburgh LHEES and Delivery Plan will be carried out that will build on the engagement and consultation carried out to date. Any amendments to the Edinburgh LHEES and Delivery Plan stemming from this public consultation will be presented to Committee for approval.
- 5.3 The Order requires an LHEES to be published every five years. A second iteration of the LHEES will therefore be produced by the end of 2028.
- 5.4 The actions set out in the Delivery Plan include further engagement with the Scottish Government to secure additional resources and powers to enable delivery

of the Edinburgh LHEES. Officers will work with elected members to agree how best to take this engagement forward, including consideration of a cross-local authority approach.

## **6. Financial impact**

---

- 6.1 The total cost of delivering the Edinburgh LHEES – i.e. of improving the energy efficiency and decarbonising the heat of every building in Edinburgh – will be in the order of several billion pounds over the next 20+ years.
- 6.2 Delivery of the Edinburgh LHEES will initially be focused on areas where there is existing funding in place, for example the retrofit of the Council's housing estate, the Area Based Schemes, and the Green Growth Accelerator-backed retrofit pilot of the Council's operational estate, as well as external funding that third parties can access such as the grant schemes administered by Home Energy Scotland.
- 6.3 Ultimately, the Edinburgh LHEES will not be deliverable using public funds alone. The scale of investment required is likely to necessitate institutional investment. The Council is maintaining a watching brief on the outputs of the Scottish Government's Green Heat Finance Task Force which is developing models for financing retrofit and leveraging institutional money.
- 6.4 At present, the only new dedicated funding that has been made available for the delivery of the Edinburgh LHEES is an annual grant of £75,000 per annum from the Scottish Government for the period 2022/23 to 2027/28. The Council will also receive additional funding associated with its duties under the Heat Networks (Scotland) Act 2021. Officers will make a case to the Scottish Government for additional dedicated funding to enable delivery of the Edinburgh LHEES to be accelerated.
- 6.5 The Council currently has one dedicated officer who will focus on delivery of the Edinburgh LHEES, in particular areas where there is limited existing Council resource (such as heat network development). The cost of this post will be met from existing budgets.
- 6.6 The overall scale of investment required to fully deliver the Edinburgh LHEES is significant and there is not yet a comprehensive funding strategy. However, existing funding sources will enable the Council to begin delivery, with a focus on the Council's own estate and areas at greatest risk of fuel poverty.

## **7. Equality and Poverty Impact**

---

- 7.1 The Delivery Plan sets out Delivery Areas that are proposed to be the initial areas of focus in terms of interventions around energy efficiency. The selection of these Delivery Areas has been made based upon considerations including assessed risk of fuel poverty. The potential interventions in these Delivery Areas are therefore expected to help reduce fuel poverty via reducing heating costs.

## **8. Climate and Nature Emergency Implications**

---

- 8.1 The Edinburgh LHEES does not set new targets; rather it reflects existing national targets around heat decarbonisation. However, the Edinburgh LHEES sets out pathways and interventions that will help meet these targets. The Edinburgh LHEES will help reduce carbon emissions by facilitating improvements to energy efficiency (reducing heat demand) and decarbonising heating (reducing emissions associated with residual heat demand).

## **9. Risk, policy, compliance, governance and community impact**

---

- 9.1 The Edinburgh LHEES and Delivery Plan have been prepared to fulfil the Council's statutory duties under The Local Heat and Energy Efficiency Strategies (Scotland) Order 2022. The outputs from the Edinburgh LHEES will also help the Council fulfil its statutory duties under the Heat Networks (Scotland) Act 2021.
- 9.2 In the hierarchy of Council strategies and policies, the Edinburgh LHEES sits beneath the [2030 Climate Strategy: Delivering a Net Zero, Climate Ready Edinburgh](#). The 2030 Climate Strategy sets overall ambitions for the decarbonisation of Edinburgh, whereas the Edinburgh LHEES sets out pathways and actions concerning the decarbonisation of Edinburgh's building stock specifically. The Edinburgh LHEES also overlaps with other Council strategies such as the [Council Emissions Reduction Plan](#) and the [Housing Revenue Account Capital Programme](#).

## **10. Background reading/external references**

---

- 10.1 Not applicable.

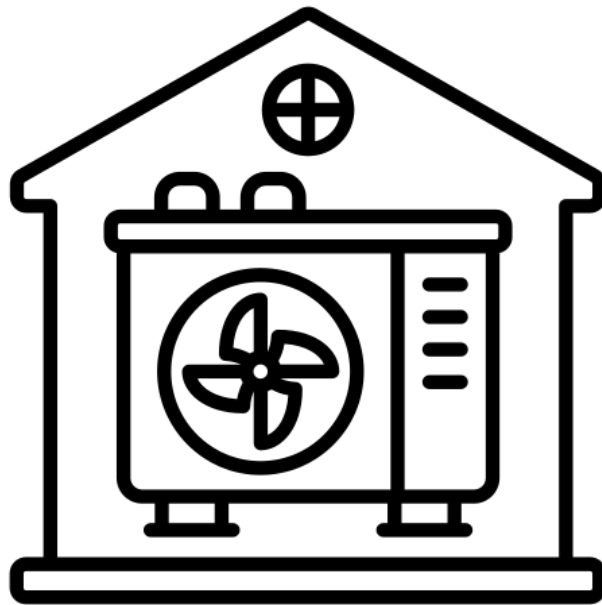
## **11. Appendices**

---

- 11.1 Appendix 1 – Edinburgh Local Heat and Energy Efficiency Strategy.
- 11.2 Appendix 2 – Delivery Plan.

The City of Edinburgh Council

# Edinburgh Local Heat and Energy Efficiency Strategy December 2023





You can get this document on audio, CD, or in Braille or large print if you ask us. Please contact Interpretation and Translation Service (ITS) on [its@edinburgh.gov.uk](mailto:its@edinburgh.gov.uk) and quote reference number 23-9172. ITS can also give information on community language translations.

[Title page icon by shmai](#)

# 1. Foreword



- 1.1.1. “On behalf of the City of Edinburgh Council, I am pleased to introduce the first iteration of the Edinburgh Local Heat and Energy Efficiency Strategy (LHEES).
- 1.1.2. “The Edinburgh LHEES is ‘a long-term strategic framework for the improvement of the energy efficiency of buildings in the local authority’s area, and the reduction of greenhouse gas emissions resulting from the heating of such buildings.’ The Edinburgh LHEES will help steer interventions over the coming years aimed at making buildings in Edinburgh more energy efficiency and migrating the heating of buildings away from fossil fuel-based solutions such as gas boilers to zero direct emissions solutions such as heat pumps and heat networks. The Edinburgh LHEES therefore links to the Scottish Government’s target of decarbonising the heating of all buildings in Scotland by 2045 and, in turn, the wider target of making Scotland net zero carbon by 2045, as well as the Council’s own target of making Edinburgh a net zero carbon city as set out in its 2030 Climate Strategy.
- 1.1.3. “It is important to recognise that achieving these targets will be extremely challenging, and will necessitate large-scale activity by both the public sector and the private sector and the commitment of significant resources. A wide variety of stakeholders will require to be mobilised towards these goals.
- 1.1.4. “The Edinburgh LHEES is being published at a time of great flux, with areas such as the regulatory regime for heat networks; regulations around gas boilers; funding mechanisms for retrofit; the role of hydrogen; and the electricity pricing system all currently under review. The decisions taken with respect to these areas will inform what is and is not achievable over the coming years.
- 1.1.5. “In light of these challenges, the Delivery Plan for 2024 to 2028 that has been prepared alongside the inaugural Edinburgh LHEES focuses on the areas where it is considered there is greatest potential for intervention in the short to medium-term in light of the limited existing powers and resources the Council has access to. The focus of the Delivery Plan is therefore upon areas where the Council has the greatest influence, for example the retrofit of its own estate and the roll-out of heat networks in areas where the Council has significant influence, as well as on the areas of Edinburgh that represent the most significant opportunities in Edinburgh. It is envisaged that future iterations of the Delivery Plan will have a wider focus.
- 1.1.6. “I hope you find the Edinburgh LHEES to be a useful document in setting out how Edinburgh’s buildings can move to net zero.”

– Councillor Cammy Day, Leader of the City of Edinburgh Council

# 2. Contents

## 2.1. Chapters

- 1. Foreword..... 3
- 2. Contents..... 4
  - 2.1. Chapters..... 4
  - 2.2. Tables ..... 9
- 3. Executive summary ..... 11
  - 3.1. Introduction..... 11
  - 3.2. Methodology ..... 11
  - 3.3. Policy and strategy context ..... 12
  - 3.4. Ongoing activity in Edinburgh ..... 13
  - 3.5. Baselineing..... 14
  - 3.6. Generation of Strategic Zones and pathways..... 15
  - 3.7. Edinburgh LHEES findings and next steps ..... 19
- 4. Introduction to the Edinburgh LHEES..... 21
  - 4.1. Overview of the Edinburgh LHEES ..... 21
  - 4.2. Edinburgh LHEES governance ..... 23
  - 4.3. Edinburgh LHEES structure and layout ..... 23
  - 4.4. Edinburgh LHEES scope and limitations..... 24
    - Scope..... 24
    - Limitations ..... 25
  - 4.5. Review of key concepts ..... 26
    - Heat decarbonisation ..... 26
    - Energy efficiency..... 27
    - Insulation ..... 28
    - Fuel poverty..... 29
    - Direct electric heating ..... 29
    - Heat networks / communal heating systems ..... 30
    - Heat pumps..... 32
    - Hydrogen ..... 34
    - Solar water heating ..... 36

Biomass.....	36
Micro combined heat and power .....	37
Electricity pricing .....	37
Resources for private building owners .....	39
Resources for public sector building owners.....	40
5. Methodology .....	42
5.1. Edinburgh LHEES approach .....	42
Heat network Consideration – methodology .....	44
Other LHEES Considerations – stage 3 methodology .....	45
Other LHEES Considerations – stage 4 methodology .....	46
Other LHEES Considerations – stage 5 methodology .....	47
5.2. LHEES Considerations .....	47
5.3. Areas of strategic importance .....	49
5.4. Consultation and engagement.....	50
5.5. Strategic Environmental Assessment.....	51
6. Policy and strategy context .....	53
6.1. Summary of key targets and regulations.....	53
Targets.....	53
Regulations .....	53
6.2. National policy landscape .....	54
Climate change .....	54
Energy efficiency and zero direct emissions heating.....	55
Fuel poverty.....	57
Heat networks .....	58
New builds .....	59
Energy planning.....	60
Housing .....	62
Supply chain.....	62
6.3. Local policy landscape.....	63
6.4. Planning policy context .....	63
Edinburgh Local Development Plan .....	63
City Plan 2030 .....	64
National Planning Framework 4.....	65
Permitted Development Rights.....	66



<b>7.</b>	<b>Ongoing activity in Edinburgh</b>	<b>67</b>
7.1.	Edinburgh context	67
7.2.	2030 Climate Strategy	67
7.3.	Council estate and Council-led area interventions	71
	Refurbishment of existing social housing	71
	Mixed Tenure Improvement Service	72
	Area-Based Schemes	72
	Development of new social housing	73
	Operational estate	74
	Investment portfolio	74
	Parks and greenspaces	75
7.4.	Heat networks	75
	Overview	75
	Existing heat networks	76
	First National Assessment	77
	Granton Waterfront	78
	Edinburgh BioQuarter	79
	Gracemount	79
	Seafield	80
	Cross-boundary Heat Network Zones	80
	Communal heating systems	80
7.5.	Solar installations	81
7.6.	Energy for Edinburgh	81
7.7.	Conservation areas adaptation	81
7.8.	Net zero communities	82
7.9.	Supply chain development and procurement	82
7.10.	City Heat & Energy Efficiency Board	83
<b>8.</b>	<b>Baseline analysis</b>	<b>84</b>
8.1.	Overview of building stock	84
	Emissions	84
	Housing stock	85
	Performance of housing stock	88
	Non-domestic stock	93
	Performance of non-domestic stock	95

Headline findings.....	95
Challenges and opportunities .....	96
9. Generation of Strategic Zones and pathways.....	98
9.1. Overview.....	98
9.2. Off-gas grid buildings.....	98
Introduction.....	98
Process.....	98
Outputs.....	100
9.3. On-gas grid buildings.....	102
Introduction.....	102
Process.....	102
Outputs.....	103
9.4. Heat networks.....	105
Introduction.....	105
Process.....	107
Outputs.....	108
9.5. Poor building energy efficiency.....	111
Introduction.....	111
Process.....	111
Outputs.....	111
9.6. Poor building energy efficiency as a driver for fuel poverty.....	113
Introduction.....	113
Process.....	113
Outputs.....	114
9.7. Mixed-tenure, mixed-use, and historic buildings.....	114
Introduction.....	114
Process.....	115
Outputs – mixed-tenure and mixed-use.....	115
Outputs – historic buildings.....	117
10. Edinburgh LHEES findings and next steps.....	120
10.1. Summary of Edinburgh LHEES findings.....	120
10.2. Edinburgh LHEES areas of focus and approach.....	121
10.3. Edinburgh LHEES principles.....	122
[A] Interventions should be on a “fabric first” basis.....	122

[B] Interventions should be solution agnostic.....	122
[C] Interventions must make financial sense for building users.....	123
[D] New build properties offer the greatest potential .....	124
[E] Significant additional external funding will be required .....	124
[F] More comprehensive and robust data is needed .....	125
[G] Additional levers will be required to catalyse change .....	125
<b>11. Appendices .....</b>	<b>127</b>
<b>11.1. Heat network background information.....</b>	<b>128</b>
Schedule of existing heat networks and communal heat networks in Edinburgh.....	128
Figure 01: Plan of existing heat networks and communal heat networks in Edinburgh.....	134
Figure 02: First National Assessment – potential Heat Network Zones identified in Edinburgh (baseline and stringent criteria).....	135
Figure 03: First National Assessment – largest potential Heat Network Zone identified in Edinburgh (stringent criteria).....	136
Figure 04: The Coal Authority map of underground workings in Edinburgh .....	137
Figure 05: Scottish Water map of potential wastewater heat extraction opportunities in Edinburgh .....	138
Figure 06: Map of potential waste heat sources in Edinburgh .....	139
Datasets used to identify waste heat sources in Edinburgh .....	140
<b>11.2. Heat network methodological information.....</b>	<b>141</b>
Datasets used to inform the Heat Network Zone analysis.....	141
Figure 07: Linear heat density buffer zone methodology .....	142
Figure 08: Buffer zones based on linear heat density of 4,000 kWh per metre per year .....	143
Figure 09: Buffer zones based on linear heat density of 8,000 kWh per metre per year .....	144
Figure 10: Process for the prioritisation of potential zones.....	145
Figure 11: Prioritised potential Heat Network Zones in Edinburgh based on linear heat density of 4,000 kWh per metre per year.....	146
Figure 12: Prioritised potential Heat Network Zones in Edinburgh based on linear heat density of 8,000 kWh per metre per year.....	147
Figure 13: Selected prioritised potential Heat Network Zones in Edinburgh .....	148
Figure 14: Initial Heat Network Zones in Edinburgh, overlaid with areas of new development and planned heat networks .....	149
Figure 15: Refined initial Heat Network Zones in Edinburgh.....	150
<b>11.3. Strategic Zones .....</b>	<b>151</b>
Figure 16: Off-gas homes in category 0.....	151
Figure 17: Off-gas homes in category 1.....	152

<b>Figure 18: Off-gas homes in category 2</b> .....	153
<b>Figure 19: Off-gas homes in category 3</b> .....	154
<b>Figure 20: On-gas homes in category 0</b> .....	155
<b>Figure 21: On-gas homes in category 1</b> .....	156
<b>Figure 22: On-gas homes in category 2</b> .....	157
<b>Figure 23: On-gas homes in category 3</b> .....	158
<b>Figure 24: Prospective Heat Network Zones in Edinburgh</b> .....	159
<b>Figure 25: Homes in Edinburgh with solar suitability</b> .....	160
<b>Figure 26: Homes with uninsulated walls in Edinburgh</b> .....	161
<b>Figure 27: Homes with solid brick/stone uninsulated walls in Edinburgh</b> .....	162
<b>Figure 28: Areas of high fuel poverty and poor energy efficiency</b> .....	163
<b>Figure 29: Scottish Index of Multiple Deprivation 2020 heat map of Edinburgh</b> .....	164
<b>Figure 30: Mixed-tenure homes in Edinburgh</b> .....	165
<b>Figure 31: Homes in Edinburgh in buildings with &gt;1 dwellings</b> .....	166
<b>Figure 32: Homes in listed buildings in Edinburgh</b> .....	167
<b>Figure 33: Homes in conservation areas in Edinburgh</b> .....	168
<b>11.4. Core stakeholders</b> .....	169
<b>11.5. Glossary</b> .....	171
<b>11.6. Endnotes</b> .....	176

## 2.2. Tables

- [Table 01: Key national policies underpinning the Edinburgh LHEES](#)
- [Table 02: UK building heat demand by source \(2050 scenario\)](#)
- [Table 03: Electricity and gas end-user unit prices in European countries, c€/kWh \(July 2023\)](#)
- [Table 04: LHEES Considerations](#)
- [Table 05: Prioritisation of LHEES Considerations](#)
- [Table 06: Breakdown of emissions in Edinburgh and Scotland by end user sector \(kt CO2e\) \(2020\)](#)
- [Table 07: Emissions in Edinburgh by end use sector \(kt CO2e\) \(2010 to 2020\)](#)
- [Table 08: Breakdown of homes in Edinburgh by type](#)
- [Table 09: Breakdown of homes in Edinburgh and Scotland by type \(2017\)](#)
- [Table 10: Breakdown of homes in Edinburgh by tenure](#)
- [Table 11: Breakdown of homes in Edinburgh and Scotland by tenure \(2017–2019\)](#)
- [Table 12: Breakdown of homes in Edinburgh by mixed-tenure status](#)
- [Table 13: Breakdown of homes in Edinburgh by age](#)
- [Table 14: Breakdown of homes in Edinburgh and Scotland by age \(2017–2019\)](#)
- [Table 15: Breakdown of homes in Edinburgh by listed status](#)
- [Table 16: Breakdown of homes in Edinburgh by energy performance certificate rating](#)
- [Table 17: Breakdown of homes in Scotland by EPC rating \(2021\)](#)

- [Table 18: Breakdown of homes in Edinburgh by wall construction and insulation](#)
- [Table 19: Breakdown of hard-to-treat cavity walls in Edinburgh by reason](#)
- [Table 20: Breakdown of homes in Scotland by wall construction / insulation \(2021\)](#)
- [Table 21: Breakdown of homes in Edinburgh by loft insulation](#)
- [Table 22: Breakdown of homes in Scotland by loft insulation \(2021\)](#)
- [Table 23: Breakdown of homes in Edinburgh by window glazing](#)
- [Table 24: Breakdown of homes in Edinburgh by gas grid connection](#)
- [Table 25: Breakdown of homes in Edinburgh by primary and secondary fuel type](#)
- [Table 26: Breakdown of homes in Scotland by main fuel type \(2021\)](#)
- [Table 27: Breakdown of homes in Edinburgh by main heating system](#)
- [Table 28: Homes in Edinburgh and Scotland with central heating by tenure \(2017–2019\)](#)
- [Table 29: Breakdown of non-domestic properties in Edinburgh and Scotland by type \(March 2023\)](#)
- [Table 30: Breakdown of non-domestic properties in Edinburgh by type](#)
- [Table 31: Breakdown of non-domestic properties in Edinburgh by floor area](#)
- [Table 32: Breakdown of non-domestic properties in Edinburgh by urban-rural classification](#)
- [Table 33: Breakdown of non-domestic properties in Edinburgh by main fuel type](#)
- [Table 34: Breakdown of off-gas domestic properties in Edinburgh by category and tenure](#)
- [Table 35: Edinburgh datazones with highest counts of category 1 off-gas homes](#)
- [Table 36: Edinburgh datazones with highest % of local authority-owned category 1 off-gas homes](#)
- [Table 37: Breakdown of on-gas domestic properties in Edinburgh by category and tenure](#)
- [Table 38: Edinburgh datazones with highest counts of category 1 on-gas homes](#)
- [Table 39: Edinburgh datazones with highest % of Council-owned category 1 on-gas homes](#)
- [Table 40: Summary of prospective Heat Network Zones in Edinburgh](#)
- [Table 41: Breakdown of poor energy efficiency homes in Edinburgh by characteristic\(s\)](#)
- [Table 42: Edinburgh datazones with highest count of Council-owned homes with uninsulated walls](#)
- [Table 43: Edinburgh datazones with highest count of homes with all three characteristics of poor energy efficiency](#)
- [Table 44: Edinburgh datazones with highest number of homes in buildings with >1 dwelling](#)
- [Table 45: Edinburgh datazones with highest number of homes in mixed-tenure buildings](#)
- [Table 46: Edinburgh datazones with highest number of homes in listed buildings](#)
- [Table 47: Edinburgh datazones with highest number of homes in conservation areas](#)
- [Table 48: Schedule of existing heat networks and communal heating systems in Edinburgh](#)
- [Table 49: Datasets used to identify waste heat sources](#)
- [Table 50: Datasets used to inform the Heat Network Zone analysis](#)
- [Table 51: Edinburgh LHEES abbreviations](#)
- [Table 52: Edinburgh LHEES terms](#)

## 3. Executive summary

### 3.1. Introduction

3.1.1. This document is the Local Heat and Energy Strategy (LHEES) for the City of Edinburgh. An LHEES is a long-term plan for decarbonising heat in buildings and improving energy efficiency across a local authority. The Local Heat and Energy Efficiency Strategies (Scotland) Order 2022 requires all Scottish local authorities to publish an LHEES, along with a Delivery Plan, by the end of 2023. The central drivers of the Edinburgh LHEES are the statutory national targets of achieving net zero emissions by 2045 (with a 75% reduction by 2030) and, so far as reasonably possible, eradicating fuel poverty by 2040. The Edinburgh LHEES is a place-based and locally-led strategy for Edinburgh covering the following aims:

- Improving the energy efficiency and decarbonising the heat supply of buildings.
- Eliminating poor energy efficiency as a driver for fuel poverty.

3.1.2. The Edinburgh LHEES follows an area-wide approach, meaning it addresses all buildings in the City of Edinburgh area, not just the Council's own building stock. It covers all homes (whether owned by owner-occupiers, social landlords, or private landlords) and all non-domestic buildings (whether owned by the Council, other public bodies, businesses, or the third sector). The Edinburgh LHEES is not just a plan for the Council but one relevant to all owners and occupiers of Edinburgh's buildings, and thus can only be delivered by the concerted effort of all of these people.

3.1.3. The Edinburgh LHEES utilises a standardised methodology to:

- Set out how each segment of Edinburgh's building stock needs to change.
- Identify strategic heat decarbonisation zones within Edinburgh and set out the principal measures for reducing buildings emissions within each zone.
- Prioritise areas for delivery.

3.1.4. Information on key concepts such as heat networks, heat pumps, and energy efficiency is set out in the Edinburgh LHEES.

### 3.2. Methodology

3.2.1. The methodology for preparing the Edinburgh LHEES has largely followed the guidance issued by the Scottish Government and Zero Waste Scotland where possible. Details of the approach taken to carrying out the analysis underpinning the designation of the Strategic Zones and Delivery Areas is set out in this document. Production of the Edinburgh LHEES has been supported by the consultancies Turner & Townsend; Ramboll; Changeworks; (all stages) and Atkins (stages one and two). Challenges arising during the process have included shortages of data and errors in both datasets and tools. The Edinburgh LHEES has been shaped by both internal and external consultation.

3.2.2. Following the submission of a Screening Report, the Council was advised that a Strategic Environmental Assessment was not required for the Edinburgh LHEES.

### 3.3. Policy and strategy context

3.3.1. The Edinburgh LHEES sits within a complex and rapidly evolving landscape of policies, strategies, and regulations. The primary policies among these which were central to the development of the Edinburgh LHEES are summarised in Table 01:

**Table 01: Key national policies underpinning the Edinburgh LHEES**

Policy area	Policy	Description
Heat decarbonisation; energy efficiency	The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019	Statutory targets for reducing all of Scotland's greenhouse gas emissions to net zero. These includes a headline target of net zero by 2045 and intermediate reductions targets, such as a 75% reduction by 2030.
Heat decarbonisation; energy efficiency	Climate Change Plan (2018, 2020)	Targets and a comprehensive set of policies for emissions reductions by 2032 covering all emission categories, including relevant categories of electricity generation, buildings, and industry.
Fuel poverty	Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019	Statutory targets to be achieved by 2040: no more than 5% of households in Scotland in fuel poverty and no more than 1% of households in Scotland in extreme fuel poverty
Heat networks	Heat Networks (Scotland) Act 2021	A framework for developing heat networks throughout Scotland and statutory target of heat networks supplying 2.6 terawatt hours of thermal energy by 2027 (equivalent to circa 120,000 additional homes) and 6 terawatt hours by 2030 (equivalent to circa 400,000 additional homes).
Heat decarbonisation; energy efficiency; fuel poverty	Heat in Buildings Strategy (2021)	Programmes, standards and regulations for heat, energy efficiency and fuel poverty to ensure that all buildings are energy efficient by 2035 and use zero direct emissions heating and cooling systems by 2045, as well as minimising fuel poverty in line with statutory targets.

3.3.2. National policies give rise to a series of ambitious goals around energy efficiency improvements and reductions in fuel poverty. The key policy targets and regulations relating to the Edinburgh LHEES are summarised below:

- By 2045, buildings in Scotland will no longer contribute to climate change.
- By 2040, no more than 5% households in Scotland will be in fuel poverty and no more than 1% will be in extreme fuel poverty (Fuel Poverty (Target, Definition and Strategy) (Scotland) Act 2019).
- By 2030, over one million homes and 50,000 non-domestic buildings in Scotland will have converted to zero or low emissions heating systems (Heat in Buildings Strategy).
- By 2030, 6.0 terawatt hours of heat energy will be supplied by heat networks in Scotland by 2030 (Heat Networks (Scotland) Act 2021).
- All homes in Scotland will achieve an Energy Performance Certificate of at least 'C' by 2040 (Energy Efficient Scotland).

- The use of direct emissions heating systems in new buildings in Scotland is proposed to be prohibited from 1 April 2024 (New Build Heat Standard).
- 3.3.3. A key challenge in respect of the Edinburgh LHEES is that many of the national policies, strategies, and regulations that will determine the climate for the delivery of Edinburgh LHEES are still in formulation. These include the Heat in Buildings Bill, the permitting and consenting regime for heat networks in Scotland, and the finalised Energy Efficiency Standard for Social Housing post 2020 (EESH2).
- 3.3.4. The 2030 Climate Strategy is the overall strategy for Edinburgh to become a net zero city by 2030. The Edinburgh LHEES sits below the Climate Strategy, being the strategy for transitioning the heating of buildings in Edinburgh to net zero. The Climate Strategy identifies seven priorities for action, of which two relate directly to the Edinburgh LHEES: “accelerate energy efficiency in homes and buildings” and “enable the development of a citywide programme of heat and energy generation and distribution”. It sets the following targets of relevance to the Edinburgh LHEES:
  - All new Council-led housing developments to be net zero.
  - Develop regional renewable energy solutions.
  - Identify Heat Network Zones across the city.
  - Develop a plan for retrofitting social housing across the city to the highest energy standards, to reduce energy demand and tackle fuel poverty.
  - Establish an Energy Efficient Public Buildings Partnership.

## 3.4. Ongoing activity in Edinburgh

- 3.4.1. There is significant activity ongoing in Edinburgh around energy efficiency and heat decarbonisation. Key areas of activity include:
  - Energy efficiency improvements to the Council’s existing social housing stock under the “whole house retrofit” approach.
  - Energy efficiency improvements to mixed-tenure buildings (buildings where ownership is shared between the Council and private owners) via the Mixed Tenure Improvement Service (MTIS).
  - Energy efficiency improvements to private homes at risk of fuel poverty via Area-Based Schemes.
  - The development of new social housing with zero direct emissions heating sources and to Passivhaus energy efficiency standards.
  - Energy efficiency improvements to the Council’s operational estate, spearheaded by a pathfinder pilot project.
  - Development of heat network projects in Edinburgh, most significantly ongoing work to appoint a concessionaire to deliver and operate a heat network in Granton Waterfront.
- 3.4.2. There are a range of existing initiatives that can support private building owners with improving energy efficiency and decarbonising heat. Home Energy Scotland, Business Energy Scotland, and Local Energy Scotland are services funded by the Scottish Government and managed by the Energy Saving Trust. They provide households, businesses, and community



groups with advice and support on saving energy, decarbonising properties, and generating renewable energy. They also administer various grant and loan schemes to help owners with retrofit costs. The Scottish Government manages multiple schemes, targeted largely at public bodies (though with exceptions). These include funds and support to retrofit non-domestic public buildings, social housing, and privately-rented and owner-occupied housing in fuel poverty. The Scottish Government leads the Heat Network Support Unit which provides support and administers grant funding to facilitate heat network developments.

## 3.5. Baseline

3.5.1. To set the context for the Edinburgh LHEES, a comprehensive assessment of the current performance of the city's building stock has been undertaken, providing a thematic overview of Edinburgh's building stock in the context of heat decarbonisation and energy efficiency. It profiles characteristics such as energy performance; fuel type; tenure; type; and age. This information helps inform key decisions about the Edinburgh LHEES and its direction. The data used to prepare this assessment was primarily drawn from the Home Analytics and Non-Domestic Analytics datasets. Headline findings from the assessment include the following:

- 69% of homes in Edinburgh are flats – a far greater proportion than Scotland overall.
- Private landlords account for 21% of homes in Edinburgh – again far greater than Scotland overall.
- Around half of all homes in Edinburgh are located in mixed-tenure buildings.
- Homes in Edinburgh are significantly older than the Scottish average, with a tenth being listed and a quarter lying within conservation areas.
- Most homes in Edinburgh (91%) are connected to the gas grid.
- Due to the lack of data for the non-domestic stock there are many unknowns around the baseline building stock performance.

3.5.2. Key implications from the assessment are that:

- 120,938 homes in Edinburgh have an Energy Performance Certificate rating worse than 'C' and will therefore require upgrading to meet national targets.
- To achieve recommended levels of energy efficiency, 129,706 homes in Edinburgh will require wall insulation (including 80,708 homes with hard-to-treat solid walls); 66,903 homes in Edinburgh will require (improved) loft insulation; and 52,279 homes will require improved glazing: a total of 248,888 interventions.
- To achieve decarbonisation of heat, at least 229,798 homes in Edinburgh will need their existing fossil fuel-based heating systems replaced, the vast majority of them (227,550) being homes currently heated using gas boilers.
- At least 6,551 non-domestic buildings in Edinburgh will need their existing fossil fuel-based heating systems replaced.

3.5.3. This baseline assessment has identified the following key challenges with regards to Edinburgh's building stock:

- Edinburgh's very high proportion of flats (including its traditional tenements) and mixed-tenure buildings will greatly increase the challenge of implementing solutions. Unlike standalone homes with a single owner, where decisions can be straightforwardly taken, taking forward interventions to blocks of flats and other

mixed-tenure buildings will require securing agreement from a range of stakeholders, including difficult to engage with parties such as absentee landlords. Given that coordinating even relatively uncontroversial matters such as essential repairs has historically proven challenging in some cases, it is envisaged that securing agreement from all necessary stakeholders for potentially complex and costly interventions will be particularly challenging. The high prevalence of flats also gives rise to practical challenges, for example a lack of space in which to install heat pumps and limited potential to install solar panels to offset electricity costs. However, with the appropriate financing options and a clear regulatory landscape there is a major opportunity for rolling out large-scale archetype-based retrofit projects.

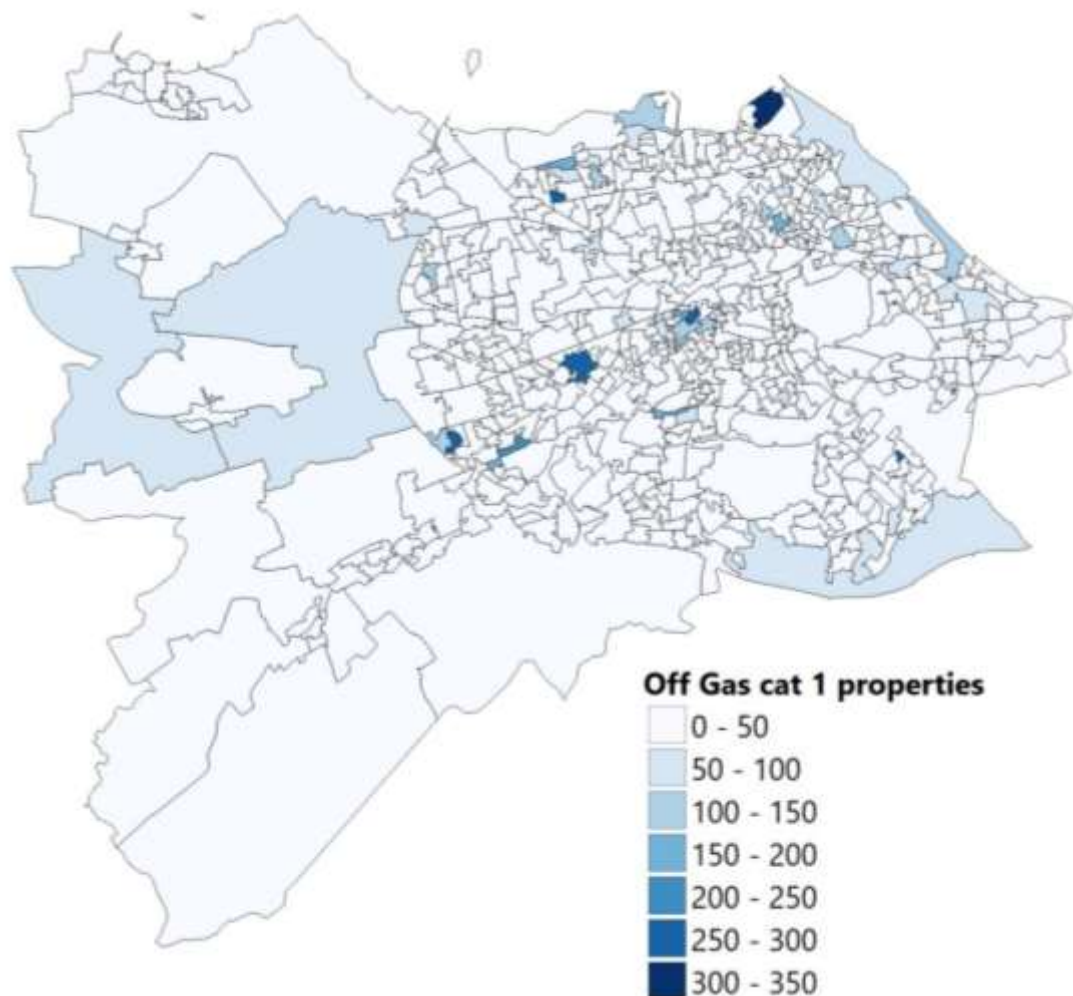
- As a predominantly urban local authority, the vast majority of homes in Edinburgh are connected to the gas grid, as compared to other local authorities where a greater proportion of residents are reliant on alternative heating solutions such as oil. When secondary fuels are included, over 99% of homes in Edinburgh use gas. This is likely to increase the challenge of migrating homes to zero direct emissions heating sources, as gas heating offers many benefits: it is relatively cheap; offers a high flow temperature; is well understood in the marketplace; and it has a well-developed supply chain. As set out in [section 10.3](#), the move to zero direct emissions heating will need to make financial sense for building users. Heat networks can potentially play a major role in retaining many of the benefits of gas, with the added benefits of maintenance cost savings and screening customers against energy price volatility.
- Relative to Scotland overall, Edinburgh has a very high proportion of rental homes owned by private landlords: more than one in every five homes. Conversely, Edinburgh has a considerably smaller social housing sector. This means that the City of Edinburgh Council (and other social housing providers) have far less direct influence over housing stock than other Scottish local authorities. Additionally, this means that achieving net zero will require securing buy-in from a large cohort of private landlords, who are likely to be primarily profit-driven and who do not have a direct incentive to improve energy efficiency of their properties (e.g. compared to owner-occupiers who can benefit from lower bills and increased comfort).
- Relative to Scotland overall, Edinburgh has a considerably older housing stock, with close to a third of homes being over a century old. One in 10 homes are listed. As set out elsewhere in the Edinburgh LHEES, this historicity gives rise to both practical and policy challenges to carrying out interventions.
- Edinburgh has a higher proportion of homes with uninsulated walls than Scotland (over two-fifths), and in particular has a high proportion of hard-to-treat solid stone walls. One in five homes in Edinburgh do not have double/triple glazing.

## 3.6. Generation of Strategic Zones and pathways

- 3.6.1. Analysis has been carried out to identify “Strategic Zones” in Edinburgh for each LHEES Consideration. These are areas that highlight pathways for intervention, e.g. what the optimal solution is in an area to decarbonise heat. This analysis sets a starting point for the generation of, and prioritisation, of more granular Delivery Areas, as well as for further engagement and actions in the Delivery Plan. Through stakeholder engagement and data

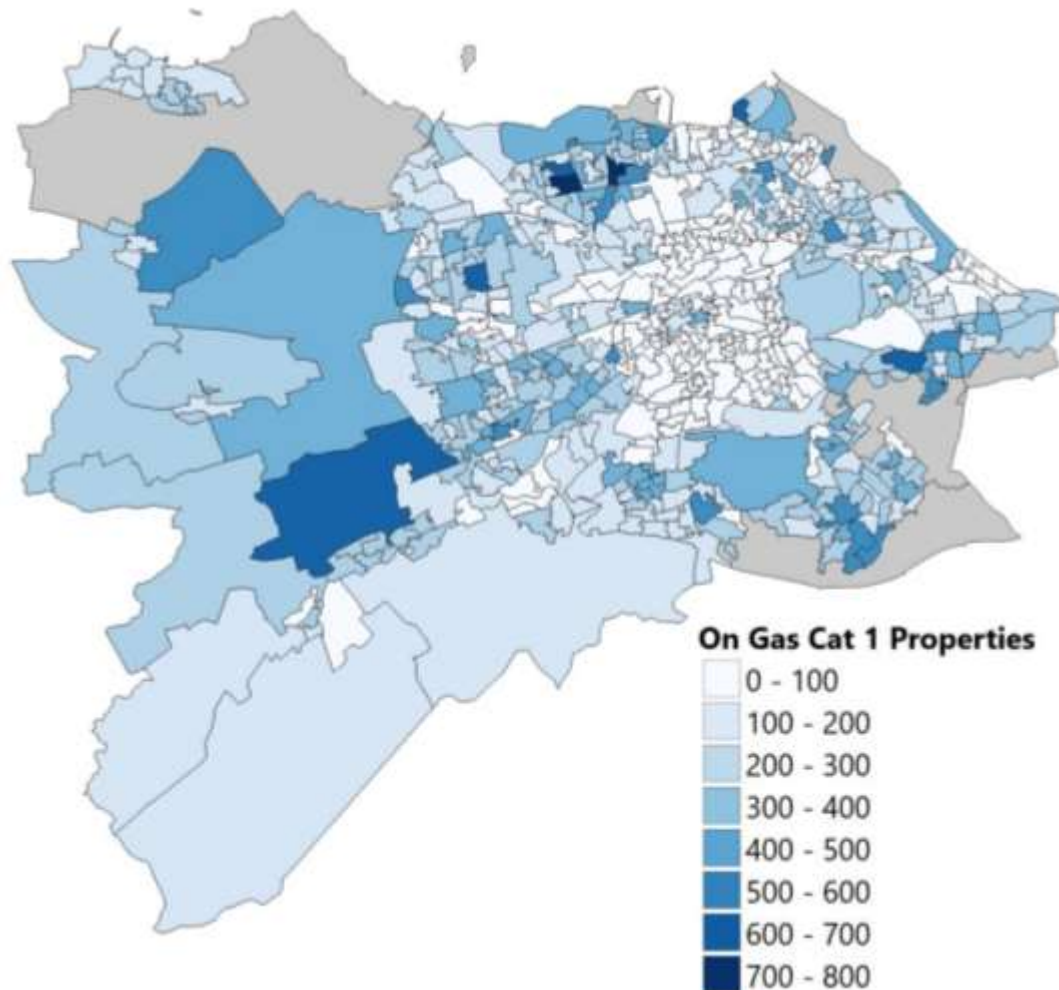
analysis, the Council has identified three priority areas of focus: fuel poverty; heat networks; and heat pump-ready properties.

3.6.2. The first LHEES Consideration concerns the strategy for decarbonising buildings that are not currently connected to the gas grid. Strategic Zones have been produced showing the areas of Edinburgh containing the greatest number of homes not connected to the gas grid assessed as having good potential to be migrated to heat pumps. These areas are distributed across Edinburgh with no easily interpretable geographical pattern. 39.2% of homes in Edinburgh not currently connected to the gas grid are assessed as falling into category 1, i.e. have the greatest potential to be converted to heat pumps. The below plan shows datazones in Edinburgh with the highest number of on-gas grid category 1 ('heat pump ready') properties (darker zones represent a higher number of properties).

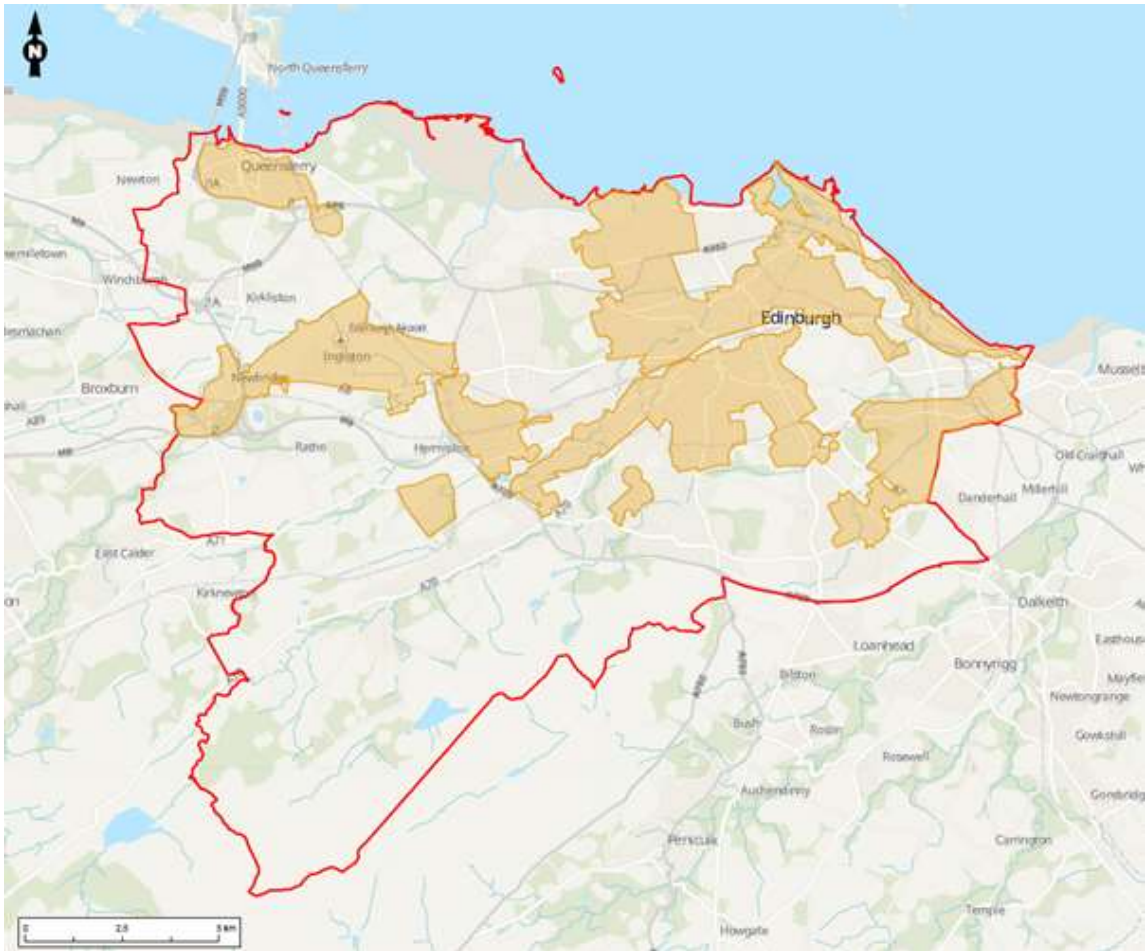


3.6.3. The second LHEES Consideration concerns the strategy for decarbonising buildings that are currently connected to the gas grid. Strategic Zones have been produced showing the areas of Edinburgh containing the greatest number of homes connected to the gas grid assessed as having good potential to be migrated to heat pumps. These areas are distributed across Edinburgh with no easily interpretable geographical pattern. 44.7% of homes in Edinburgh not currently connected to the gas grid are assessed as falling into category 1, i.e. have the greatest potential to be converted to heat pumps. The below plan shows the datazones in

Edinburgh with the highest number of off-gas grid category 1 ('heat pump ready') properties (darker zones represent a higher number of properties).

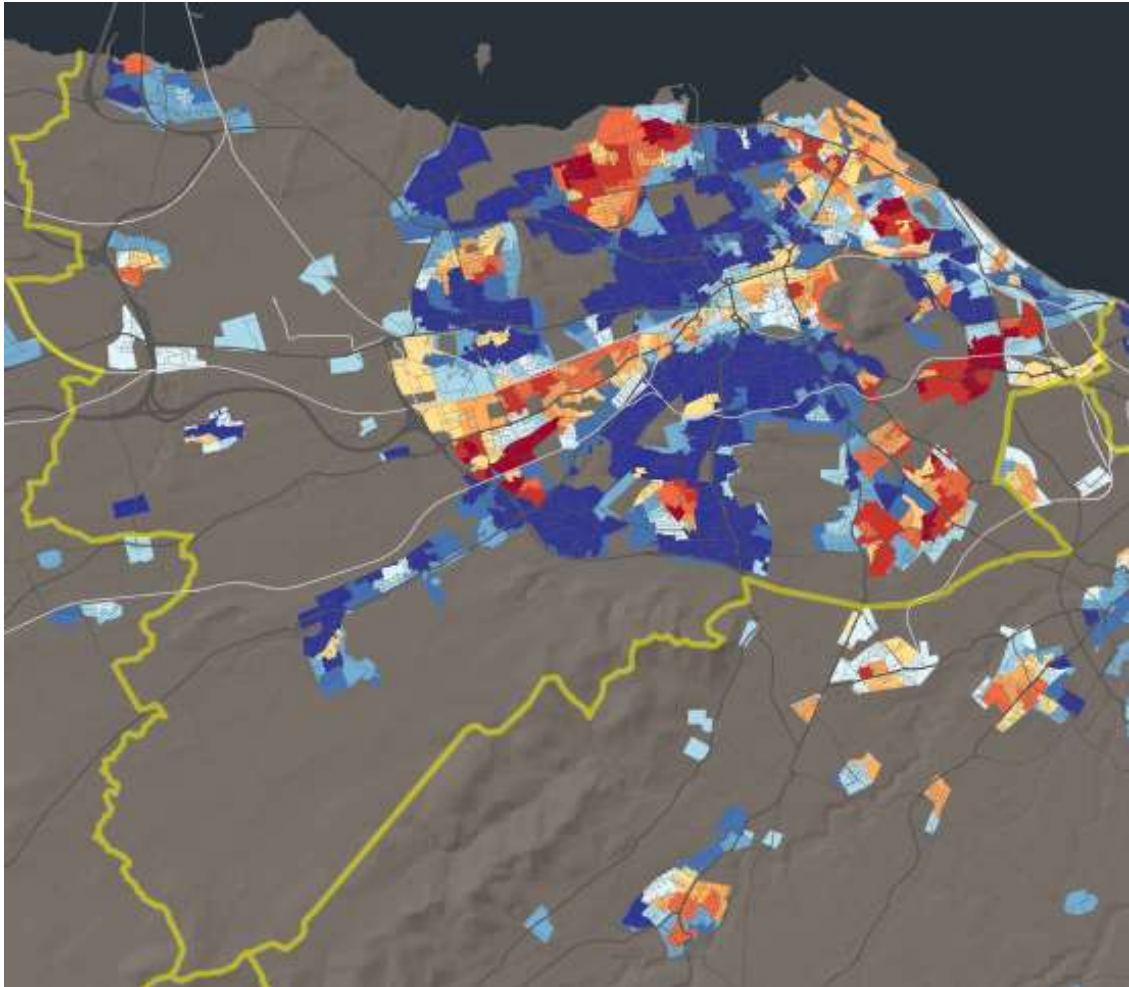


- 3.6.4. For both off gas and on gas properties, the most realistic and pragmatic approach for Edinburgh is to begin with less complicated and simpler decarbonisation projects, moving into more complex retrofits as the Council, supply chain, stakeholders and property owners expand their learning. As such, the Council proposes a focus on category 1 properties. The Delivery Plan therefore highlights Delivery Areas with a focus on category 1 properties.
- 3.6.5. The third LHEES Consideration concerns the scope to develop heat networks providing decarbonised heat. Edinburgh has a relatively high heat density, good availability of heat sources, and many buildings with high energy use intensity which can serve as “anchor loads” increasing the viability of a heat network. These advantages may give rise to scope for large and continually expanding city heat network (or “network of networks”) covering much of Edinburgh’s population. 17 prospective Heat Network Zones across Edinburgh have been identified based on data analysis and stakeholder engagement, spanning a significant proportion of Edinburgh and representing a diverse mix of areas where there is economic and practical viability for a heat network (there is heat demand and potential to supply heat), as well as taking into account practical considerations. The 17 prospective Heat Network Zones are shown in the below plan; the Delivery Plan presents more detailed maps and prospective Heat Network Zones to take forward.



3.6.6. The fourth LHEES Consideration concerns poor energy efficiency in Edinburgh. Strategic Zones have been produced showing the areas of Edinburgh with the poorest energy efficiency. These are closely aligned to areas with high concentrations of historic buildings, reflecting the challenges associated with (for example) insulating solid stone walls.

3.6.7. The fifth LHEES Consideration concerns poor energy efficiency as a driver of fuel poverty in Edinburgh. Due to concerns about the robustness of the outputs generated by the LHEES Methodology for this Consideration, the Council intends to instead utilise the 2020 Scottish Index of Multiple Deprivation (SIMD) rankings as a proxy for fuel poverty. The below plan shows the SIMD rankings of each datazone of Edinburgh (warmer zones represent more deprivation, i.e. a higher likelihood of fuel poverty). The Delivery Plan identifies the specific Delivery Areas identified for this strategic priority.



3.6.8. The sixth LHEES Consideration concerns mixed-tenure, mixed-use, and historic buildings – buildings that for practical reasons are likely to prove more challenging to retrofit. Strategic Zones have been prepared for each of these themes.

**3.7. Edinburgh LHEES findings and next steps**

3.7.1. The baseline analysis undertaken as part of the Edinburgh LHEES has identified multiple key challenges to decarbonising heat in buildings and improving energy efficiency across a local authority stemming from the particular characteristics of Edinburgh’s building stock.

3.7.2. The analysis undertaken against the six LHEES Considerations has given rise to “Strategic Zones”. These Zones are at the heart of the Edinburgh LHEES, setting out at a strategic level potential pathways for decarbonisation of Edinburgh’s building stock and identifying areas of pressure in terms of energy efficiency.

- 3.7.3. Three areas of activity have been identified that are assessed as representing the most appropriate focus for the inaugural Edinburgh LHEES:
- Targeting areas with the highest occurrences of fuel poverty and the 20% most deprived areas of Edinburgh as per the Scottish Index of Multiple Deprivation.
  - Decarbonising Council-owned housing and non-domestic stock in line with national timescales.

- Supporting wider decarbonisation of Edinburgh within the funding and resources that are made available to the Council, beginning with a focus on facilitating a city-wide heat network (or “network of networks”), and upon area with the largest numbers of heat pump-ready homes as a prospective “quick win” in terms of heat decarbonisation.

3.7.4. The following high-level principles are proposed to underpin how the Edinburgh LHEES is delivered and, in turn, how buildings in Edinburgh are made more energy efficient and their heating decarbonised:

- [A] Interventions should be on a “fabric first” basis;
- [B] Interventions should be solution agnostic;
- [C] Interventions must make financial sense for building users;
- [D] New build properties offer the greatest potential;
- [E] Significant additional external funding will be required;
- [F] More comprehensive and robust data is needed;
- [G] Additional levers will be required to catalyse change.

## 4. Introduction to the Edinburgh LHEES

### 4.1. Overview of the Edinburgh LHEES

- 4.1.1. This document is the Local Heat and Energy Strategy (LHEES) for the City of Edinburgh. It has been prepared in response to the Local Heat and Energy Efficiency Strategies (Scotland) Order 2022, which requires all Scottish local authorities to publish an LHEES – defined as “a long-term strategic framework for the improvement of the energy efficiency of buildings in the local authority’s area, and the reduction of greenhouse gas emissions resulting from the heating of such buildings” – by 31<sup>st</sup> December 2023, and thereafter at intervals of no more than five years.
- 4.1.2. The scale of the challenge this represents should not be underestimated. Achieving this goal will require greatly increasing the pace of deployment of zero direct emissions heating systems. The decarbonisation of buildings has been compared to the advent of central heating in the 1960s.<sup>1</sup> At a UK level, the Committee on Climate Change has estimated that approximately £250 billion will need to be invested in upgrading UK homes by 2050 to achieve targets around carbon reductions.<sup>2</sup> As of mid-2021, Edinburgh was home to 0.79% of the UK population.<sup>3</sup> On a pro rata basis, this would indicate that £1.964 billion of investment was needed in homes in Edinburgh. This does not include investment required in non-domestic properties. In December 2022, the Scottish Government estimated that it would cost over £33 billion to “upgrad[e] the energy efficiency of domestic and non-domestic properties and replac[e] their heating systems with zero emissions alternatives”; on a pro rata basis, this would represent a cost of £3.170 billion in Edinburgh.<sup>4</sup> Investment of this scale will inevitably necessitate a role for private capital, as it is highly unlikely to be fundable by the public sector alone. As the Council’s own limited resources will be focused on its own sizeable and complex estate, alternative funding sources and solutions will be needed for other organisations’ properties in the city.
- 4.1.3. The Scottish Government has estimated that the typical cost of decarbonising a home will be £10,000 to £12,000: a typical cost of £10,000 for a heat pump, along with costs of up to £2,000 for energy efficiency measures.<sup>5</sup> However, it is noted that these costs will vary greatly depending upon the characteristics of the home, and in some cases will be far higher. The costs of decarbonising non-domestic properties will also vary significantly.
- 4.1.4. The function of the Edinburgh LHEES is to set out the overall strategy for achieving heat decarbonisation and energy efficiency improvements in the building stock of Edinburgh. It assesses the scale of the challenge in terms of the degree and cost of the work required to Edinburgh’s building stock and identifies a route map of potential “pathways” for delivery.
- 4.1.5. The Edinburgh LHEES sets out how Edinburgh will help realise national ambitions around the heating of buildings in Scotland and what this means for the climate and for building users. At a national level, the Heat in Buildings Strategy sets out a vision that by 2045, buildings in Scotland will no longer contribute to climate change.<sup>i</sup> The Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019 sets a target of no household in Scotland being in fuel

---

<sup>i</sup> This target in turn relates to the statutory target of achieving net zero carbon emissions in Scotland by 2045 (with interim targets of a 75% reduction by 2030 and a 90% reduction by 2040) set by the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019.



poverty by 2040. Achieving these targets will require both investing in the fabric of buildings to improve their energy efficiency and investing in zero direct emissions heating solutions.

- 4.1.6. At an Edinburgh level, the Edinburgh LHEES sits beneath the 2030 Climate Strategy, which sets a target of Edinburgh being a net zero city by 2030. Of the seven priorities set out in the Strategy, the first is to accelerate energy efficiency in homes and buildings.<sup>ii</sup> The second is to enable the development of a citywide programme of heat and energy generation and distribution. The Edinburgh LHEES will help translate the targets and priorities of the 2030 Climate Strategy into actions. However, it is important to note that Edinburgh is not currently on trajectory to decarbonise all buildings in the city by 2030, and so from that perspective the 2030 net zero city target will not be attainable unless the pace of activity – and, by extension, the resources available – significantly increases (which would be extremely challenging given resource pressures and the disruption to building occupiers this would entail).
- 4.1.7. The Edinburgh LHEES is the principal mechanism for the locally led, place-based decarbonisation of heat in buildings, having cognisance to the specific context and priorities of Edinburgh. It will support local planning, coordination, and delivery of the heat transition throughout Edinburgh. It will set out how each segment of Edinburgh’s building stock needs to change; identify strategic zones for heat decarbonisation and the principal measures needed in each zone; and prioritise area for delivery. It will help direct capital investments.
- 4.1.8. It is important to note that achieving the headline targets set out in the Edinburgh LHEES will not be possible without significant action by other organisations. In particular major legislative, regulatory, and budgetary decisions by the Scottish Government and UK Government will be required for the Edinburgh LHEES to be successfully delivered. At present, there is no financial strategy for the investment required to decarbonise Edinburgh or Scotland. The Edinburgh LHEES therefore largely sets out what may be possible with the commensurate resources and powers being made available.
- 4.1.9. The audience for the Edinburgh LHEES includes residents of Edinburgh; businesses and third sector organisations with a presence in the city; the Scottish Government; other public sector bodies; utility network operators; and developers.
- 4.1.10. The Edinburgh LHEES should be read in conjunction with the Delivery Plan, which sets out how the Edinburgh LHEES is to be implemented, with a focus on early, low-regrets actions over the first five years of the Edinburgh LHEES (2024 to 2028).
- The Edinburgh LHEES sets out Strategic Zones that provide pathways for the decarbonisation of heat and the improvement of energy efficiency in different areas of Edinburgh. The Edinburgh LHEES also sets out areas of focus, the Council’s approach, and high-level principles to guide activity over the period.
  - The Delivery Plan identifies the actions the Council itself will take to deliver the Edinburgh LHEES, and the Delivery Areas in which these actions will be concentrated. It is important to note that there is no dedicated budget for the delivery of the Edinburgh LHEES. Actions set out in the Delivery Plan are therefore focused on currently funded area of activity and additional areas of activity that can be met from existing resources, albeit this can be revisited should additional funding be

---

<sup>ii</sup> The 2030 Climate Strategy notes that energy utilised to heat and power Edinburgh’s buildings accounts for 68% of the city’s total emissions.

made available for the delivery of the Edinburgh LHEES. Accordingly, the more substantial actions set out in the Delivery Plan are heavily skewed towards the Council's own estate.

- 4.1.11. The Edinburgh LHEES has been prepared in a limited timescale and in the context of challenges such as data limitations, methodological issues, and a rapidly evolving regulatory context. These factors have inevitably had a bearing upon the end results. It is envisaged that the second iteration of the Edinburgh LHEES will benefit from a more stable regulatory context, better quality data, and additional time and resources for preparation.
- 4.1.12. Achieving the ambitions of the Edinburgh LHEES will require partnership working across the public, private and third sectors. As such, the Edinburgh LHEES has been developed with input from key stakeholders and is subject to an open public consultation. Through these engagements, the Council has sought to establish a foundation for area-wide joint action. The Edinburgh LHEES presents an opportunity for a holistic approach at the intersection of multiple policy areas. Edinburgh can capitalise on benefits wider than just net zero and fuel poverty, including economic growth, green employment and skills, just transition, and the development of a clean heat and retrofit supply chain benefitting owners across all tenures.

## 4.2. Edinburgh LHEES governance

- 4.2.1. The Edinburgh LHEES is a formal strategy of the City of Edinburgh Council in line with the Local Heat and Energy Efficiency Strategies (Scotland) Order 2022.
- 4.2.2. The Edinburgh LHEES falls within the remit of the Council's Policy and Sustainability Committee.
- 4.2.3. The Council has appointed a dedicated Energy Officer who will be responsible for the finalisation of the Edinburgh LHEES and Delivery Plan following consultation and subsequently lead work looking at what can be delivered.

## 4.3. Edinburgh LHEES structure and layout

- 4.3.1. The structure and layout of the Edinburgh LHEES is briefly summarised below. The document is aligned to the LHEES Guidance issued by the Scottish Government, but with some adjustments aimed at improving the flow of information from an Edinburgh perspective.
  - [Chapter 1](#) is the foreword to the Edinburgh LHEES from the Leader of the City of Edinburgh Council, Councillor Cammy Day.
  - [Chapter 2](#) sets out the contents of the Edinburgh LHEES.
  - [Chapter 3](#) is the executive summary of the Edinburgh LHEES.
  - [Chapter 4](#) is the introduction to the Edinburgh LHEES. This includes a general overview of the Edinburgh LHEES, a summary of the structure and layout of the Edinburgh LHEES, and a summary of what is and is not in the scope of the Edinburgh LHEES, along with a review of key concepts underpinning the Edinburgh LHEES.
  - [Chapter 5](#) sets out the methodological approach to the Edinburgh LHEES. This includes a description of the approach of the Council to preparing the Edinburgh LHEES, a summary of the LHEES Considerations, a summary of consultation and engagement undertaken as part of the preparation of the Edinburgh LHEES, and a review of formalities associated with the Edinburgh LHEES.

- [Chapter 6](#) sets out the policy and strategy context for the Edinburgh LHEES, looking at the relevant policy and strategies at a local, Scottish, and UK level.
- [Chapter 7](#) summarises ongoing workstreams of relevance to the Edinburgh LHEES.
- [Chapter 8](#) sets a baseline assessment of Edinburgh’s property stock and its performance in terms of the LHEES Considerations.
- [Chapter 9](#) identifies “Strategic Zones”: geographical subdivisions of Edinburgh that allow for the visualisation of spatial trends aligned with the LHEES Considerations, helping identify pathways (strategic approaches) for the decarbonisation of the building stock in each Strategic Zone. This chapter also identifies potential Heat Network Zones within Edinburgh.
- [Chapter 10](#) summarises the findings of the Edinburgh LHEES and sets out the next steps.
- [Chapter 11](#) contains the appendices to the Edinburgh LHEES.

4.3.2. This iteration of the Edinburgh LHEES has been prepared as a traditional text-based document. However, the scope for (and benefits of) displaying the Edinburgh LHEES outputs in a more interactive fashion, for example utilising GIS or StoryMaps, is recognised and the Council intends to explore this for updates to, and future iterations of, the Edinburgh LHEES.

## 4.4. Edinburgh LHEES scope and limitations

### Scope

- 4.4.1. The scope of the Edinburgh LHEES is the decarbonisation of building stock in Edinburgh via a combination of energy efficiency improvements and zero direct emissions carbon solutions, helping deliver the vision that by 2045, buildings in Scotland will no longer contribute to climate change. The Edinburgh LHEES therefore relates to the overall vision of making Scotland net zero carbon by 2045. It is noted however that the Edinburgh LHEES is only one strand of a wider programme of activity required to achieve net zero carbon, and does not encompass other areas such as transport and agriculture. Further, the focus of the Edinburgh LHEES is upon decarbonisation and its scope therefore does not include matters such as climate resilience and ecology.
- 4.4.2. The Edinburgh LHEES covers the entirety of the City of Edinburgh local authority area, including the city proper, the settlements of South Queensferry, Kirkliston, Newbridge, Ratho Station, and Ratho, and various smaller settlements in rural west Edinburgh.
- 4.4.3. The focus of the Edinburgh LHEES is primarily on the physical changes required to decarbonise Edinburgh’s building stock, e.g. capital investment in energy efficiency measures and energy infrastructure. It does not focus upon activities aimed at reducing energy consumption and ameliorating fuel poverty, for example advice on conserving household energy and financial support with energy bills for low-income households. However, some consideration is given to the wraparound activities required to support physical improvements to the building stock.
- 4.4.4. For the purposes of the Edinburgh LHEES, “energy efficiency” refers purely to the energy required to heat a property. It does not include energy utilised for other purposes, for example the energy used to power household appliances or the energy used for industrial processes in commercial buildings such as factories.

- 4.4.5. It is recognised that the move to net zero carbon is heavily driven by technological advancements, e.g. the development and enhancement of solutions for the generation, transmission, and storage of energy from low/zero emissions sources. The Edinburgh LHEES is not a strategy for supporting innovation or technical innovation. However, cognisance has been given to the scope for emerging solutions, for example green hydrogen, to play a role in achieving net zero.
- 4.4.6. The Edinburgh LHEES includes analysis on rooftop solar PV potential for domestic properties ([Figure 25](#)) but does not include plans for wider renewable generation opportunities such as solar farms, renewable potential for non-domestic properties, the deployment of other renewable, or electricity and heat storage options throughout the city.

### **Limitations**

- 4.4.7. Transforming Edinburgh's building stock is a large, complex, multigenerational challenge which will require extended time and resources. The Council has been delivering projects in this area for over a decade and the publication of the Edinburgh LHEES is a milestone which will set the agenda for the coming two decades to the net zero deadline. The Edinburgh LHEES makes its contribution but with recognised limitations.
- 4.4.8. The datasets underpinning the Edinburgh LHEES represents complex and rapidly shifting real circumstances. This can mean that sometimes the data available has gone out of date or is incomplete. The following have been the main limitations:
- Fuel poverty and extreme fuel poverty have arisen to become acute and evolving issues at a national scale following the cost-of-living crisis, but the data is not entirely up-to-date with some of these major shifts.
  - Only 16% of Scotland's non-domestic buildings have an Energy Performance Certificate (EPC) and there is not a large amount that can be done with this partial dataset. Due to a lack of information, it has been difficult to plan decarbonisation pathways for non-domestic buildings in the way the Council would have preferred.
- 4.4.9. The Council receives a grant of £75,000 per annum from the Scottish Government from 2022/23 to 2027/28 to deliver the Edinburgh LHEES. Compared to the scale of investment the Edinburgh LHEES is intended to direct over the coming two decades, this amount is insufficient. With severe stress on its budget and limited funding from the government the Council has been limited against the ambition it would like to deliver on. A realistic and practical level of funding will be required if the Council is to match the scale of delivery required to reach net zero.
- 4.4.10. The landscape around funding and regulation is rapidly evolving, with certain vital pieces of information unavailable at the time of writing. These include:
- The content of the Heat in Buildings Bill.
  - The findings of the Green Heat Finance Taskforce
  - Detail on the permitting and consenting regime for heat networks in Scotland.
  - Information on mandatory heat network connections.
  - A timescale for banning the installation of gas boilers in existing properties.
  - Finalised Energy Efficiency Standard for Social Housing post 2020 (EESH2) guidance.
  - Confirmation on grant funding post-2026.

- Details on the reform of Energy Performance Certificates.
- Confirmation on funding for local authorities for new duties associated with LHEES and heat networks.

## 4.5. Review of key concepts

4.5.1. This section of the Edinburgh LHEES briefly reviews select relevant key concepts.

### Heat decarbonisation

- 4.5.2. Heat decarbonisation refers to reducing or completely removing the carbon produced as a negative by-product of heating buildings. Heating buildings is essential for people’s health and wellbeing, but is also one of the major contributing factors to carbon emissions. At a Scottish level, as of 2019, 81% of households used mains gas as their primary heating fuel, while 8% used other emissions generating fuels such as oil, liquefied petroleum gas, solid mineral fuels, and biomass. 1% used communal heating systems, while 11% used electrical heating.<sup>6</sup> Figures for Edinburgh are set out in [Chapter 8](#).
- 4.5.3. In practice, heat decarbonisation is largely about replacing existing carbon intensive heating solutions (such as gas boilers) with lower carbon alternatives. The main options for zero direct emissions heating include direct electric heating; heat networks; heat pumps; and hydrogen.
- 4.5.4. The Climate Change Committee has prepared scenarios for the decarbonisation of heat in buildings across the UK overall.<sup>7</sup> The share of demand met by each net zero heating system as of 2050 in its “Balanced Net Zero Pathway” is set out in Table 02. This scenario envisages heat networks and heat pumps as fulfilling the vast majority (94%) of heat demand, with direct electric heating and hydrogen boilers accounting for the remainder.

**Table 02: UK building heat demand by source (2050 scenario)**

Heat source	% heat demand
Direct electric heating	1%
Heat networks	42%
Heat pumps	52%
Hydrogen boilers	5%

[Source: Climate Change Committee](#)

- 4.5.5. Key challenges to heat decarbonisation include the installation and operating costs of the alternative heating solutions (which are often higher than the existing solutions); the limited availability of people with the technical skills required to install and maintain these alternative heating solutions; local and national constraints on the electricity grid; the need for extensive retrofit works to make existing properties suitable for low carbon heating solutions, and knowledge and perceptions of low carbon technology amongst the public.
- 4.5.6. Wet heating systems operate on the basis of supply/flow and return temperatures. The supply/flow temperature is the temperature of the water sent to the radiator, while the return temperature is the temperature of the water returning to the heating system. Conventional radiators in the UK are designed to operate with supply/flow temperatures of 82°C and return temperatures of 71°C. Zero direct emissions heating systems generally utilise lower temperatures. For example, an air source heat pump utilises an optimal supply/flow

temperature of 45°C and a return temperature of 40°C,<sup>iii</sup> while fourth generation heat networks generally utilise a supply/flow temperature of 55°C and a return temperature of 25°C. The practical implication of this is that replacing a gas boiler with a zero direct emissions heating system will require the property in question to be suitably adapted to enable the heating system to operate effectively. In particular, the property will require to be well-insulated and suitable radiators will be required. Radiators for low temperature heating system typically require to be around 2.5 times larger than a conventional radiator and are generally made out of materials with high thermal conductivity, for example Zintec steel.<sup>iv</sup> This can give rise to challenges when retrofitting properties.

4.5.7. In 2023, research was published on the energy performance of Scottish public buildings and the impact thereof on their ability to use low-temperature heat in the buildings.<sup>8</sup> The research looked at the scope to utilise low temperature heating systems in 121 buildings owned by the City of Edinburgh Council. The research concluded the following:

- Pre-1980 buildings do not require renovation of the building envelope to use low temperature heating, albeit this is preferable. These buildings could operate with supply/flow temperatures of below 70°C for 96% to 99% of the year, and below 55°C for 67% to 71% of the year.
- Post-1980s building (which predominantly utilise mechanical ventilation systems) could have limitations in terms of their ability to utilise low temperature heating, especially in windy conditions.
- New and renovated buildings are recommended to be designed to operate with a cap on supply/flow temperature of 55°C.

### **Energy efficiency**

4.5.8. Energy efficiency considers the amount of energy required to heat a building and the building's ability to retain that heat. This can be affected by many factors including the design of the property and the materials used to build it. Physical measures to increase energy efficiency can include adding wall, roof, and floor insulation; low energy lighting; improved heating controls; and double or triple glazed windows. Energy efficiency is also dictated by the actions of users, for example avoiding heat waste by keeping doors and windows closed. In simple terms, the more energy efficient the building, the lower the quantity (and cost) of energy will be needed to heat it.

4.5.9. The most common way to measure energy efficiency is through an Energy Performance Certificate (EPC), which provides a simple rating of energy efficiency of the building. This rating is derived from two main factors: the amount of energy required per square metre, and the level of carbon dioxide emissions produced by the building (quoted in tonnes per year). Ratings can range from "A" (very efficient) to "G" (very inefficient). EPCs will typically include recommendations to improve the energy efficiency of the building and a potential rating. Ratings are valid for 10 years and, in Scotland, must be completed by organisations on the national EPC Register. The Scottish Government is reviewing EPCs with a view to

---

<sup>iii</sup> As specified by BS EN 14511.

<sup>iv</sup> Another option is to utilise a fan-assisted radiator which can achieve three times as much heat output as a conventional radiator.

introducing new metrics that better measure energy efficiency.<sup>v</sup> In February 2023, the Climate Change Committee stated that EPCs are “used to define standards and targets for reducing emissions from homes – but are poorly suited to this role” and “do not accurately incentivise the energy efficiency and heating solutions required to deliver net zero homes”; the Committee recommended that domestic EPCs should be reformed to focus on four primary metrics: “Energy” (total energy use intensity, measured in kilowatt hours per square metre per annum); “Fabric” (space heating demand intensity, measured in kilowatt hours per square metre per annum); “Heating” (heating system type, ranked from 1 to 6); and “Cost” (energy cost intensity, measured in pounds per square metre per annum).<sup>9</sup> It is understood that revised Energy Performance of Buildings (Scotland) Regulations are programmed to be put before the Scottish Parliament in 2024.

- 4.5.10. Achieving good energy efficiency in historic buildings is recognised as being inherently more challenging than with modern properties due to typical design features of historic buildings such as solid stone walls and wooden sash-and-cash windows. Various initiatives have been undertaken to attempt to develop standardised packages of interventions for specific building archetypes. The Niddrie Road project in Glasgow – a retrofit of eight one-bedroom tenement flats in Glasgow by the Southside Housing Association – has been hailed as an exemplar. The project saw interventions delivered including triple glazing; air sealing via insulation of walls, floors, and lofts; and the installation of mechanical ventilation systems, along with the installation of air source heat pumps serving four of the flats. The project has significantly improved energy efficiency and reduced occupants' heating bills. However, the costs of the project average £35,000 to £40,000 per flat (with costs for larger properties likely to be higher), meaning its scope to be rolled out more widely may be limited.<sup>10</sup>

### **Insulation**

- 4.5.11. Insulation here refers to the use of materials to slow the rate at which heat is lost from a building to the outside. This is one of the most affordable and effective ways of reducing heat demand by improving heat retention. The main elements of a typical building that can be insulated to increase heat retention are the roof/loft; the floor; the walls; and the windows. The most common kind of insulation option is blanket insulation which is easier to install and cost-effective. A variety of materials may be used dependent on availability and the size of the space, including wool fibre, polyethylene, and foam.
- 4.5.12. Roof insulation is key to containing heat as heat naturally rises out of the building; up to 25% of heat can be lost through a building's roof.
- 4.5.13. Floor insulation is generally focused on insulating the ground floor of a building; this can be carried out in older buildings that have suspended timber floors, or on top of concrete floors. The Leeds Sustainability Institute has calculated that carpets can reduce air leakage in some homes by up to one-third.<sup>vi 11</sup>

---

<sup>v</sup> Energy Performance Certificates were developed to measure the cost efficiency of running a building in terms of its energy performance. As a result, the higher installation and running costs of a heat pump relative to a gas boiler would mean that an EPC would not recommend the replacement of a gas boiler with a heat pump, even though this would reduce the carbon emissions of the building.

<sup>vi</sup> It is estimated that 1.2 million people in the UK have no carpet or other flooring in their bedrooms and living rooms, 760,000 of them in social housing.

- 4.5.14. Cavity walls can be insulated through injecting insulation into the cavity. This method is primarily applicable for homes newer than 1920s. For older homes that have solid walls, insulation can still be installed to increase energy efficiency. This can be applied to the inside or outside of the wall, however, outside insulation may require more time, costs, and planning. Solid wall insulation is more expensive but does make a considerable increase in the amount of heat retained.
- 4.5.15. Windows can be made more energy efficiency by the use of double or triple glazing. Where the replacement of windows is not possible – for example in period properties – an alternative solution is to install a secondary internal window.

### **Fuel poverty**

- 4.5.16. Fuel poverty is defined in Scotland as a household spending more than 10% of its income on fuel costs where the remaining household income is insufficient to maintain an adequate standard of living. Statutory targets for the reduction of fuel poverty are set by the 2019 Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act.
- 4.5.17. Whilst income poverty and fuel poverty are often correlated, the latter focuses on households in any income band that are spending a disproportionately high amount of money on fuel bills. Often fuel poverty impacts those in energy inefficient rented homes where it is not possible for the tenant to implemented energy efficiency improvements.
- 4.5.18. The number of Scottish households in fuel poverty is currently projected to rise due to increases in energy prices. The UK Government has implemented temporary measures to combat the effects of the increase in energy pricing including the Energy Bills Support Scheme and the Warm Home Discount scheme for households on pension credit or low incomes.

### **Direct electric heating**

- 4.5.19. Direct electric heating is the use of electricity to heat spaces and water directly (rather than interpolating other systems such as heat pumps). Direct electric heating solutions are typically relatively low cost and require very little maintenance. There are multiple different heating systems that directly utilise electricity, including:
- Electric central heating – a “wet” system similar to that associated with a gas boiler, but with the hot water being supplied from an electric boiler, which uses an immersion heater or element to heat the water. Electric combi boilers can supply both heat and hot water.
  - Electric radiators – convection and radiation-based heaters that use an element to heat a thermodynamic fluid (typically glycol) which conducts the heat to the surface of the radiator.
  - Panel heaters – simple convection-based heaters that draw in cold air, run it over a exposed wire element, and emit warm air.
  - Infrared heaters – heaters that emit radiant heat, instantly warming people and objects rather than the air, meaning good insulation is not essential.
  - Storage heaters – heaters that use an element to heat a ceramic or clay brick which is then gradually released. The heaters warm the bricks during the night (capitalising on the lower cost “Economy 7” electricity tariff) with heat then being slowly released as hot air during the day. Modern storage heaters have controls and thermostats.



- 4.5.20. Direct electric heating has a coefficient of performance of 1 – i.e. every kilowatt of electricity utilised generates one kilowatt of heat – compared to around 0.9 for a gas boiler. However, as electricity unit prices in the UK have traditionally been around three times higher than gas unit prices, direct electric heating is not generally cost effective.<sup>vii</sup> As a result, alternative solutions may be more economical, for example heat pumps (which typically have a coefficient of performance of 3 to 4, helping offset the higher input cost).<sup>viii</sup> Significant additional adoption of direct electric heating is therefore unlikely unless the cost of electricity in the UK falls. The running costs of direct electric heating can be cross-subsidised using solar panels or other micro-generation technologies, which provide “free” electricity. However, solar panels are most efficacious during the daytime in sunnier months and are generally at their least effective when demand for heat is typically highest, meaning storage of electricity (or heat) is necessary to balance the load. Other micro-generation technologies such as wind turbines or hydro power generally have limited potential in an urban setting.<sup>ix</sup>
- 4.5.21. Direct electric heating does not generate direct emissions. The UK Government has committed to fully decarbonising the UK’s electricity grid by 2035.<sup>12</sup> As a result, from 2035 onwards direct electric heating should not make any indirect contribution to carbon emissions. At a UK level, the required peak capacity of the National Grid is expected to double from 60 gigawatts to 20 gigawatts in 2050, with a quadrupling of green electricity.<sup>13</sup>

#### **Heat networks / communal heating systems**

- 4.5.22. A heat network is a heating system that works on the principle of distributing heat generated at one or more central sources to users rather than generating heat using systems in individual properties. The centrally generated heat is distributed through pipes to customers such as homes, commercial buildings, and public sector buildings (known as “off-takers”) who control the heat they receive via an interface unit. The most important customers in terms of scale and consistency of heat demand are known as “anchor loads”.
- 4.5.23. Heat networks are classified by “generation”, with the generation referring to a major change in the underlying technology.
- First generation heat networks date from the 1880s, supplying heat using steam at temperatures of up to 200°C produced centrally by burning coal and waste and transmitted using concrete ducts. First generation heat networks were largely superseded in the 1930s, although some remain in use worldwide.
  - Second generation heat networks date from the 1930s, supplying heat using pressurised hot water via pipes at temperatures of over 100°C produced centrally by burning coal, waste, and oil.
  - Third generation heat networks emerged in the 1970s in response to that decade’s energy shocks. They distribute centrally generated heat from sources including gas,

<sup>vii</sup> As of June 2023, the Ofgem price caps were 33.2 pence per kilowatt hour for electricity and 10.3 pence per kilowatt hour for gas (a price ratio of 3.22:1).

<sup>viii</sup> The coefficient of performance is a measure of the efficiency of a heating system, expressed as a ratio of the power output to the power input. For example, an electric heater may convert 1 kilowatt of electricity into 1 kilowatt of heat (a coefficient of performance of 1). A coefficient of performance greater than one means that the system is outputting more energy than is being input.

<sup>ix</sup> While solar panels are less challenging to implement in an urban setting, one obstacle is that, as solar panels can be used to export electricity to the national grid, they put pressure on grid capacity which may mean the potential to deploy solar panels at scale in some areas of Edinburgh is limited.

combined heat and power, biomass, and waste at temperatures of 70°C to 100°C using pre-insulated metal pipes. Most existing heat networks in the UK are third generation.

- Fourth generation heat networks are emerging in response to concerns around climate change. They incorporate higher levels of renewable heat sources, e.g. heat pumps and waste, and supply heat and hot water at lower temperatures (below 70°C), using plastic pipes reducing transmission losses. Due to the lower temperatures, boosting is required for domestic hot water.
- Fifth generation heat networks distribute heat at ambient temperatures (between 10°C and 30°C), thus minimising transmission losses. Rather than a centralised heat source, heat is generated at multiple points across the network. Buildings can both consume and provide heat, turning them into “prosumers”. Other design characteristics include the use of networks for both heating and cooling (with bi-direction thermal energy flows); integrated thermal storage to balance demand; and optimised energy flows based on algorithms utilising real-time data. Due to the lower temperatures, boosting is required for domestic hot water. Fifth generation heat networks are complex and costly and therefore may be best suited to projects where there is a need to balance heating and cooling demands.

- 4.5.24. Heat networks are most efficient in dense built-up urban areas due to cost efficiencies, but have also been proposed as a solution for more rural communities without gas connections. Across Scotland, as of 2022 there were an estimated 1,080 heat networks supplying approximately 1.18 terawatt-hours of heat to around 30,000 homes and 3,000 non-domestic properties. There are dozens of existing heat networks in Edinburgh, but these are generally relatively small-scale, focused on a single off-taker (for example the University of Edinburgh), and supplied from carbon emitting heat sources.
- 4.5.25. Heat networks can contribute to heat decarbonisation by supplying heat from a centralised low/zero direct emissions source, for example the air, geothermal heat, or waste heat (such as heat generated from the incineration of refuse, which would otherwise be vented into the atmosphere and “wasted”). Even when heat networks supply heat from a more carbon intensive source, they can enable the larger system to be decarbonised in the future without having to make changes to each individual property supplied by the network.
- 4.5.26. An advantage of heat networks in the context of heat decarbonisation is that they do not place the same demand pressures on the electricity grid as heat pumps or direct electric heating. A heat decarbonisation solution for Edinburgh that incorporates a mix of heat networks and electricity-based solutions will therefore give rise to fewer electricity infrastructure requirements than one focused on electricity-based solutions.
- 4.5.27. The main challenge to deploying heat networks is the upfront capital costs required in terms of constructing the energy centre and associated infrastructure as well as making the connections to individual properties. Most schemes deployed in Scotland so far have been delivered by local authorities to serve their estates or by property developers to serve new building developments. Engineering solutions have been developed to help reduce upfront costs, including pipework being laid above ground and trenchless options.
- 4.5.28. Heat networks have hitherto been largely unregulated in Scotland and the UK. The Heat Networks (Scotland) Act 2021 introduces a regulatory regime for Scotland. As heat networks

are classed as commercial rather than domestic supplies, they are not covered by the OFGEM energy price cap (or the UK Government’s Energy Price Guarantee).<sup>14</sup>

- 4.5.29. A communal heating system is a smaller-scale heat network wherein heat generated at a central source is distributed to two or more units within a single building. Communal heating systems are most commonly associated with blocks of flats. As of 2023, there were approximately 14,000 blocks of flats in the UK served by communal heating.<sup>15</sup>

### Heat pumps

- 4.5.30. Heat pumps are devices that heat buildings through capturing existing heat in the environment. The pump captures heat from the environment and uses a heat exchange to increase it to supply heat to a building. The pump itself produces no carbon dioxide emissions, albeit electricity is required to power the system. Unlike most heating technologies, heat pumps can also be used for cooling (by reversing the flow of refrigerant). A typical heat pump serving a home will range from 6 kilowatts to 15 kilowatts; the cooler the minimum outdoor temperature, the larger the heat pump that will be required. A typical cost for a heat pump serving a home would be approximately £10,000.<sup>16</sup>
- 4.5.31. There are two main types of heat pumps: air source heat pumps and ground source heat pumps, which capture heat from the air and from the ground respectively. Air source heat pumps are the most common option currently in use in Scotland. Other types include water source heat pumps and sewer source heat pumps.
- 4.5.32. As heat pumps capture “free” heat from the environment (e.g. from the air), they can achieve comparatively high coefficients of performance (typically 3 to 4). However, this must be balanced against the relatively high unit cost of electricity in the UK (typically around three times greater than the unit cost of gas), which generally makes the economic case for migrating from gas to heat pumps marginal at best. Heat pumps are therefore a financially attractive alternative to direct electric heating, but are less so with regards to gas. The running costs of heat pumps can be cross-subsidised using solar panels (albeit as noted solar panels are least effective when heat demand is highest, e.g. after sunset and in the winter) or other micro-generation technologies. To help minimise the running costs of heat pumps, the UK Government has proposed to require all heat pumps installed in the UK to be capable of modulating electricity consumption in response to time-of-use tariffs, enabling customers to align usage with costs. The UK Government has also undertaken to “rebalance” electricity and gas costs. Other proposals have included removing “green levies” used to subsidise renewable energy schemes from household electricity bills.<sup>x 17</sup>
- 4.5.33. Heat pumps work best in well insulated buildings and where pipes and radiators are appropriately sized; as wet heating systems based on heat pumps have lower flow temperatures than those based on gas boilers, larger radiators are needed to achieve the same results. As a result, the like-for-like replacement of a gas boiler with a heat pump may not deliver optimal results without complementary upgrades to the energy efficiency of the property being carried out. The efficiency of heat pumps generally varies depending upon the time of year, being lower when temperatures are lower (when heat demand is generally higher), meaning user comfort can be poor during cold periods (below 7°C).

---

<sup>x</sup> As of 2021, “environmental and social levies” used to fund various initiatives around clean energy and fuel poverty accounted for approximately 12% of electricity bills (£119 per year per home), compared to 3.4% of gas bills (£33 per year per home).

- 4.5.34. Heat pumps cannot provide hot water on demand in the same way as a combi-boiler. Therefore, for a heat pump to supply hot water to a property, a hot water cylinder will be required to store the hot water (potentially supplemented by an immersion heater). This can give rise to complications such as a risk of legionella bacteria. Alternately, hot water demand can be met using another solution such as an instantaneous water heater.
- 4.5.35. Other challenges associated with heat pumps can include the operating noise (which can reach 60 decibels) and the need for a suitable space in which to install the heat pump.
- 4.5.36. Currently, approximately 3,000 to 4,000 domestic heat pumps are installed in Scotland annually, with the vast majority being air source heat pumps.<sup>18</sup> The Scottish Government has set a target of increasing annual heat pump installations to 170,000 by 2030.<sup>19</sup> At a UK level, approximately 50,000 to 60,000 heat pumps are installed annually; the UK Government wishes to increase this to 600,000 by 2028. Public knowledge and awareness of heat pumps is poor, with a poll in 2022 suggesting 80% of UK residents do not know what a heat pump is.<sup>20</sup> The UK is one of the slowest adopters of heat pumps in Europe; at current rates of installation, it would take 400 years for all homes in the UK to be fitted with a heat pump.<sup>21</sup>
- 4.5.37. There are currently an estimated 3,000 to 4,000 heat pump engineers in the UK; the charity Nesta has estimated that 27,000 heat pump engineers will be required to carry out the proposed 600,000 installations annually from 2028 (approximately 22 installations per engineer per annum). While qualified gas engineers can be retrained to work on heat pumps in a matter of weeks, new heat pump engineers will likely require to complete a three-four year college course or apprenticeship. Nesta has proposed offering existing gas engineers a financial inducement to retrain.<sup>22 23</sup>
- 4.5.38. The UK Government has created various schemes to support the heat pump industry, including the Heat Pump Investment Accelerator Competition (which is providing capital grants towards heat pump manufacturing); the Heat Pump Ready Programme (which is supporting the development of new heat pump technologies); grants for training to install heat pumps; and a new Low Carbon Heating Technician apprenticeship.
- 4.5.39. In March 2023, the UK Government consulted on a proposed Clean Heat Market Mechanism (CHMM) to support the development of the heat pump market. The aim of the CHMM is to provide the heating appliance industry with sufficient confidence to make investments in scaling up, in turn expanding heat pump manufacturing in the UK; reducing the installation and operating costs of heat pumps; and growing the number of skilled heat pump installers. The proposed CHMM would require manufacturers of heating appliances to sell a minimum number of low-carbon heat pumps in the UK market each year relative to gas, oil, or LPG-fired boilers, with the ratio beginning at 4% in 2024/25 and rising steadily thereafter. This would operate via a system of tradeable credits, giving manufacturers flexibility as to how to meet their obligations. Manufacturers would be fined £5,000 for every fossil fuel-fired boiler sold over their quota. The UK Government has suggested that the CHMM could support the installation of 60,000 heat pumps in 2024/25, rising to 90,000 in 2025/26; 150,000 in 2026/27, 250,000 in 2027/28; and 400,000 in 2028/29.<sup>24</sup>
- 4.5.40. While hitherto much of the focus on heat pumps has been around building-level heating solutions, there is also growing interest in large-scale heat pumps that can serve heat networks. The German manufacturer MAN ES has produced a 48-megawatt heat pump, thousands of times more powerful than a model that would be used to heat a home. Most existing heat pump-based heat networks utilise several pumps, for example Stockholm's heat

network has a capacity of 215-megawatt based upon two 40-megawatt heat pumps and five 27-megawatt heat pumps.<sup>25</sup>

- 4.5.41. While heat pumps are a zero direct emissions heating solution, they can emit hydrofluorocarbons, which have a global warming potential over 1,000 greater than CO<sub>2</sub>. Research by Eunomia Research & Consulting and the Centre for Air Conditioning and Refrigeration Research of London Southbank University suggests that the annual leakage rate for domestic heat pumps averages 3.5%, recommending seeking to reduce leakage in the short-term while incentivising increase usage of low global warming potential refrigerants in the longer-term.<sup>26</sup>

## Hydrogen

- 4.5.42. Hydrogen is the most common element in existence, and can potentially be used to generate electricity, fuel cars, and heat buildings. It is a potential alternative to natural gas, currently the primary heat source for Scotland, that does not release CO<sub>2</sub> when burned. It has the potential to be produced domestically, helping insulate consumers from price fluctuations associated with imported fossil fuels such as natural gas. However, increasing hydrogen usage would require significant investment in production and distribution infrastructure; upgrading boilers and other gas-fired appliances; and testing of how infrastructure and appliances perform using hydrogen.<sup>xi</sup> Hydrogen is a highly volatile and flammable element and extensive safety measures as well as specially-adapted infrastructure (e.g. pipes and boilers) are therefore required to prevent leakage and explosions. The cost of producing hydrogen (particularly green hydrogen) is also currently relatively high, albeit expected to fall with time and scale.
- 4.5.43. Hydrogen can be produced via several different methods which impact the carbon emissions of the resource. There are other types of hydrogen production methods, but there are three types that are the most common in Scotland:
- “Grey hydrogen” (or “black hydrogen”) is produced through using steam to decompose methane into hydrogen and carbon dioxide (or by burning coal to isolate hydrogen) and therefore produces carbon dioxide emissions (circa 10 kilograms of CO<sub>2</sub> for every 1 kilogram of grey hydrogen), meaning while it is a zero direct emissions heat source (i.e. combusting the hydrogen does not produce carbon emissions), producing it creates carbon emissions. Grey hydrogen does not use carbon capture to retain the carbon produced during the process and hence is the most polluting process. However, it is currently the most available and cost-effective production method and hence is the most common, representing over 99% of global production.
  - “Blue hydrogen” is produced via the same means as grey hydrogen, but the CO<sub>2</sub> byproduct is partially sequestered through carbon capture and storage (CCS) technology, thus reducing the carbon emissions released into the atmosphere by 90% to 95%. However, there is uncertainty about the scope for large-scale CCS. Blue hydrogen also currently accounts for less than 1% of global hydrogen production.
  - “Green hydrogen”, or renewable hydrogen, separates water into hydrogen and oxygen using electrolysis powered by renewable energy. It therefore produces no

---

<sup>xi</sup> For example, there are concerns around combustion knock associated with hydrogen.

carbon emissions. This option is the lowest carbon approach, but production is expensive. Green hydrogen currently accounts for less than 0.05% of global hydrogen production.

- 4.5.44. While hydrogen itself is a zero-carbon energy source, the combustion of hydrogen can emit nitrogen oxide, a greenhouse gas. Should hydrogen leak into the atmosphere, it can interact with greenhouse gases and exacerbate their global warming potential. 9 kilogrammes of water are required to produce 1 kilogram of green hydrogen, with implications for water conservation.<sup>27</sup>
- 4.5.45. At present, the Gas Safety (Management) Regulations 1996 limit the concentration of hydrogen that can be transmitted via existing public gas networks in the UK to 0.1%. The UK Government has mooted raising this limit, with a landmark decision on the future role of hydrogen in space heating in the UK expected to be taken in 2026.
- 4.5.46. Testing has been carried out on a private network at Keele University supplying a mix of up to 20% hydrogen to live buildings, while concept “hydrogen homes” with 100% hydrogen-fuelled appliances have been developed at Northern Gas Networks’ innovation site in Gateshead. A pilot project supplying 100% green hydrogen to homes, “H100”, is currently under development in Levenmouth, Fife with the network scheduled to begin operation in 2024. It has been suggested that a 20% mix could be added to the UK’s gas grid from 2028, with a shift to 100% hydrogen by the mid-2040s.<sup>28</sup>
- 4.5.47. The UK’s gas grid companies have carried out investments to make the grid ready for transmission of 20% hydrogen blends. SGN has indicated that, subject to positive regulatory decisions, large-scale migration of buildings to hydrogen could begin in 2030, with a transition period of around 20 years.<sup>29</sup> The Energy Networks Association has stated that moving to a 20% hydrogen blend across the gas grid would save approximately six million tonnes of CO<sub>2</sub> per annum.<sup>30</sup> From the perspective of gas grid operators, hydrogen represents an opportunity to continue to drive value from existing gas transmission infrastructure, which could become obsolescent in a scenario where heat demand was met via other means such as electric heating and heat networks.
- 4.5.48. Since 1996, all gas appliances installed in the UK have been required to be designed to operate with a hydrogen mix of up to 23%. Using higher levels of hydrogen would require installing upgraded appliances. In December 2022, the Department for Business, Energy and Industrial Strategy (BEIS) began consulting on potentially requiring all boilers to be installed in the UK from 2026 to be “hydrogen-ready”.
- 4.5.49. In May 2023, the UK Government stated that its Energy Bill (formerly known as the Energy Security Bill) would include provisions for a hydrogen levy to fund a mechanism to subsidise hydrogen transport and storage – thus bridging the production cost gap between natural gas and green hydrogen – with the levy to be in place by 2025.<sup>31</sup> The cost of the hydrogen levy was forecast by the thinktank “Onward” to be £118 per year for an average dual fuel household.<sup>32</sup>
- 4.5.50. In June 2023, Secretary of State for the Department for Energy Security and Net Zero Grant Shapps MP suggested that hydrogen is unlikely to be used to heat homes and that it is better suited to energy storage, heavy industry, and transport, noting reservations around the quantity of pipework requiring to be replaced and the challenge of producing the requisite volume of green hydrogen. Mr Shapps also stated that the Government no longer intended

to introduce a hydrogen levy on household energy bills, suggesting that the costs of subsidising hydrogen would need to be met “further up the chain”.<sup>33</sup>

- 4.5.51. In June 2023, the Carbon Trust published a briefing setting out its view on the role of hydrogen in the UK’s energy system. While seeing a significant role for hydrogen in decarbonisation more broadly, the Carbon Trust opined: “The overwhelming majority of evidence indicates that hydrogen boilers would be less efficient and more expensive to run than electrified heat, such as heat pumps. Retrofitting hydrogen heating infrastructure is highly complex and cost-intensive, even in the UK where there is an existing gas network for residential heating. While there may be a limited number of applications for hydrogen-based heating as part of a regional cluster approach (e.g. where the primary hydrogen use is for industry), hydrogen should not be pursued as the primary route to decarbonisation of home heating.”<sup>34</sup>
- 4.5.52. In 2023, the International Energy Agency suggested that hydrogen would have a “negligible” role in heating. A House of Lords stated that hydrogen is “not a serious option for home heating in the short to medium-term and its use is expected to be limited in the long-term”. A 2023 study by ETH Zürich suggested that a green hydrogen heating system in the European Union would be approximately “two to three times more expensive” than one relying on heat pumps, as well as having a greater adverse environmental impact.<sup>35</sup>
- 4.5.53. The Scottish Government’s Hydrogen Action Plan suggests that hydrogen “can be used to decarbonise many parts of our economy, including industry, transport, power and heat [...] transported through the gas grid it could help decarbonise commercial premises and make a contribution to decarbonising home energy use”. However, it also states “we do not consider that hydrogen will play a central role in the overall decarbonisation of domestic heat and therefore cannot afford to delay action to decarbonise homes this decade through other available technologies.”<sup>36</sup>
- 4.5.54. The scope for hydrogen to place a significant role in the decarbonisation of Edinburgh’s buildings is therefore unclear at this time, with significant unknowns around cost, regulation, and other matters. The prevailing view appears to be that, while hydrogen may have some applications, it is unlikely to be a “silver bullet” that supersedes other solutions.

### **Solar water heating**

- 4.5.55. Solar water heating is the use of solar power to raise the temperature of water, which is then stored in a hot water cylinder. Solar collectors filled with a mix of water and glycol (typically installed on the building’s roof) convert light into heat and then transfer this heat to the water in the cylinder. Solar water heating typically meets only a modest share (circa 10%) of a home’s overall heat demand; the proportion of hot water demand met by solar water heating ranges from 25% to 90% depending on the time of year. It therefore generally requires to be supplemented by other heating systems. Solar water heating requires space to install the solar collectors and the hot water cylinder.

### **Biomass**

- 4.5.56. Biomass here refers to the combustion of wooden pellets, chips, or logs (or some other plant matter) to generate heat. This is one of the longest-established renewable energy sources, with the approach being sustainable where the vegetation used as a fuel source is replanted at a sufficient rate to ensure a continuous supply and ensure carbon storage in trees is not reduced. Biomass systems work in a broadly similar fashion to conventional gas boilers.

- 4.5.57. Biomass can be a viable option for some residential and commercial properties, particularly those that are not connected to the gas or electrical grid,<sup>xii</sup> or for older buildings which cannot utilise other energy efficiency improvements. A key consideration when installing a biomass system is securing and storing the fuel source.
- 4.5.58. While biomass is deemed a low carbon heating solution, it does result in some direct emissions, albeit these can be mitigated via design, operation, and maintenance choices. It is therefore not a zero direct emissions heating solution.
- 4.5.59. The Scottish Government has stated that biomass (or other forms of bioenergy such as bio-heating oil or bio-propane) may have a role in heating buildings in off-gas grid areas where this displaces fossil fuels (such as liquefied petroleum gas) and where zero direct emissions alternatives are unsuitable. The Scottish Government has established a Bioenergy Working Group which will publish a Bioenergy Action Plan setting out the most appropriate and sustainable approach to the use of bioenergy in Scotland.

#### **Micro combined heat and power**

- 4.5.60. Micro combined heat and power (micro-CHP) is the simultaneous generation (“cogeneration”) of heat and electricity on a micro-scale (less than 50 kilowatts). A domestic micro-CHP system is typically of a similar size to a domestic boiler. Traditionally micro-CHP systems have been fuelled by natural gas or liquefied petroleum gas, but some systems run off biogas or biodiesel. A step beyond micro-CHP is micro combined cooling, heat, and power (CCHP), or “trigeneration”. This entails the simultaneous generation of heat and electricity with some of the heat produced used to produce coolth using an absorption chiller.
- 4.5.61. Micro-CHP is considered a low carbon alternative to gas boilers as it is more efficient, as heat produced as a by-product of the generation of electricity is captured. Additionally, generating electricity for use on site avoids transmission losses. The low carbon nature of micro-CHP can be maximised by the use of biofuels rather than fossil fuels. Micro-CHP is, however, not a zero direct emissions heating solution, and the relative environmental benefits of generating electricity on-site will diminish as the UK’s electricity grid is increasingly decarbonised.
- 4.5.62. Micro-CHP may represent a good solution for properties where zero direct emissions solutions are not feasible. However, as they still generate direct emissions, they will not be suitable for widespread use if buildings are to be fully decarbonised. Future advances may deliver zero direct emissions micro-CHP systems, for example running off green hydrogen.

#### **Electricity pricing**

- 4.5.63. As noted above, the high cost of electricity in the UK is a barrier to the electrification of heat via solutions such as direct electric heating and heat pumps. This is a product of the UK’s pricing regime which ties the cost of electricity to that of gas. Analysis by the Energy & Climate Intelligence Unit suggests that gas prices accounted for 95% of the increase in UK electricity prices seen in 2022.<sup>37</sup>
- 4.5.64. Based on analysis of 33 European countries as of July 2023 by the Household Energy Price Index, the UK had the second highest electricity unit prices, behind only Ireland. Of the 29 countries for which both electricity and gas prices were available, the UK had the fourth highest ratio of electricity prices to gas prices, behind only Belgium, Latvia, and Estonia.<sup>38</sup>

---

<sup>xii</sup> According to the 2019 Scottish House Condition Survey, 17% of dwellings in Scotland are estimated to be outwith the coverage of the gas grid.



**Table 03: Electricity and gas end-user unit prices in European countries, c€/kWh (July 2023)**

Country	Electricity unit price	Gas unit price	Ratio
Austria	32.3	13.7	2.4
Belgium	33.2	7.5	4.4
Bulgaria	13.2	7.4	1.8
Croatia	14.4	4.6	3.1
Cyprus	35.2	N/A	N/A
Czechia	40.0	12.4	3.2
Denmark	35.6	13.5	2.6
Estonia	25.8	6.4	4.1
Finland	20.3	N/A	N/A
France	27.0	10.0	2.7
Germany	38.6	11.3	3.4
Greece	25.5	7.1	3.6
Hungary	9.9	2.7	3.6
Ireland	47.1	16.2	2.9
Italy	37.7	14.7	2.6
Latvia	38.7	9.3	4.2
Lithuania	25.2	10.8	2.3
Luxembourg	21.4	9.7	2.2
Malta	12.3	N/A	N/A
Montenegro	10.5	N/A	N/A
Netherlands	31.9	16.8	1.9
Norway	12.9	N/A	N/A
Poland	23.3	7.3	3.2
Portugal	22.5	14.7	1.5
Romania	16.2	6.2	2.6
Serbia	9.8	4.2	2.3
Slovakia	19.7	6.1	3.2
Slovenia	19.4	12.1	1.6
Spain	21.2	10.2	2.1
Sweden	23.6	28.9	0.8
Switzerland	28.0	18.8	1.5
Ukraine	4.2	2.0	2.1
United Kingdom	44.0	11.3	3.9
Average	24.9	10.6	2.4

[Source: Household Energy Price Index](#)

- 4.5.65. As noted in [section 6.2](#), the UK Government has set out proposals for a “rebalancing” of gas and electricity prices. This has the potential to incentivise greater adoption of electricity-based heating solutions, and equally to disincentivise the use of gas.

#### **Resources for private building owners**

- 4.5.66. There are a range of existing initiatives that can support private building owners with improving energy efficiency and decarbonising heat. The key initiatives are summarised below.
- 4.5.67. **Area-Based Schemes** are an initiative delivered by local authorities which delivers energy efficiency improvements (primarily improved insulation) to private homes in areas of high fuel poverty.
- 4.5.68. The “Home Energy Scotland” service managed by the Energy Saving Trust provides households with advice and support on saving energy. Home Energy Scotland administers the **Home Energy Scotland Grant and Loan** scheme, which offers homeowners grants and interest-free loans for energy efficiency upgrades and renewable technology installations, including grants of up to £7,500 towards heat pumps. Home Energy Scotland also administers the **Private Rented Sector Landlord Loan**, which offers loans to registered private landlords for energy efficiency measures and renewable energy installations; loans to landlords with portfolios of five or fewer properties are not charged interest, while loans to landlords with six or more properties are charged interest at a rate of 3.5%.
- 4.5.69. The **Warmer Homes Scotland** scheme administered by Warmworks provides grants to homeowners and private tenants to improve the energy efficiency of homes via measures such as the installation of insulation and central heating systems. The typical value of interventions is around £5,000. Support is restricted to people living in a home with poor energy efficiency who are either aged 75 or older with no working heating system or aged 16 or older and in receipt of certain benefits.
- 4.5.70. The **ECO4 scheme** and **Great British Insulation Scheme**<sup>xiii</sup> are administered by large UK energy suppliers. The schemes provide homeowners and tenants with “fabric first” upgrades, with a focus on lower cost interventions such as improved insulation. ECO4 is targeted at homeowners and tenants in receipt of certain benefits living in homes with an Energy Performance Certificate rating of ‘D’ or lower. The Great British Insulation Scheme is targeted at a wider base with 80% of funding ring-fenced for households in homes in Council Tax bands A to E with an Energy Performance Certificate rating of ‘D’ or lower, while 20% of funding is ring-fenced for households on means-tested benefits or in fuel poverty.
- 4.5.71. The **Energy Redress Scheme** administered by the Energy Saving Trust provides charities, community interest companies, co-operative societies, and community benefit societies with grants to assist households at risk from cold homes and high energy bills. This includes the Carbon Emissions Reduction Fund, which can be utilised for projects that will reduce carbon emissions from energy use.
- 4.5.72. The “Business Energy Scotland” service managed by the Energy Saving Trust provides small and medium-sized enterprises with advice and support on saving energy. Business Energy Scotland operates the **SME Loan and Cashback Scheme** which offers loans of up to £100,000 (and cashback grants of up to £30,000) to finance investments in energy efficiency

---

<sup>xiii</sup> Formerly known as the ECO+ scheme.

improvements such as insulation, LED lighting, double/secondary glazing, and the installation of renewable technologies such as solar panels and wind turbines.

- 4.5.73. The “Local Energy Scotland” consortium provides support and advice for community energy projects. It currently operates the **Let’s Do Net Zero Community Buildings Fund** (which provides grants worth up to 80% of eligible costs – capped at £80,000 – for community organisations to invest in renewable technologies and energy efficiency measures), the **Let’s Do Net Zero Off Electricity Grid Communities Fund** (which provides development and capital funding for off-grid communities to develop resilient, net zero-ready local independent electricity grids), and the **Community Heat Development Programme** (which provides support to groups of householders and community organisations to help them develop proposals for local low and zero carbon heat projects).
- 4.5.74. The Scottish Government’s **Heat Network Fund** provides grants for large-scale heat network and communal heating system projects in Scotland that deliver emissions reductions and demonstrate a positive social and economic benefit. The Fund will provide enabling support of up to 10% of CAPEX (capped at £100,000), commercialisation support of up to 10% of CAPEX (capped at £1 million), and capital grants of up to 50% of CAPEX. Grants must be drawn down by March 2026.
- 4.5.75. The **Smart Export Guarantee** is a UK Government scheme that requires larger UK electricity suppliers to pay small-scale generators of low/zero carbon electricity for excess electricity exported to the National Grid. Tariffs must be above zero, with different suppliers offering different tariffs. The scheme applies to solar photovoltaic, wind, hydro, and anaerobic digestion installations of up to 5 megawatts and micro-combined heat and power installations of up to 50 kilowatts. The Smart Export Guarantee can help defray the costs of installing renewable energy technologies. However, the typical tariffs from exporting electricity under the Smart Export Guarantee are relatively modest, with the best rate offered by energy suppliers in January 2023 being 15 pence per kilowatt hour (compared to a UK price cap of 33.2 pence per kilowatt hour).
- 4.5.76. Various UK mortgage lenders have introduced schemes wherein customers can access financial inducements to install a heat pump, for example interest-free loans and cashback.
- 4.5.77. In addition to the above, there are a wide variety of public and third sector resources offering advice on matters such as energy conservation and reducing energy bills. These include the Council’s Advice Shop, Citizens Advice, and Changeworks, which is contracted by the Council to provide advice to households.
- 4.5.78. The majority of funding schemes relating to energy efficiency and renewable energy installations will, as it currently stands, expire in 2025 or 2026 upon the expiration of the current terms of the UK Parliament and Scottish Parliament. As a result, there is little certainty as to the longer-term prospects for funding of projects of this nature.

#### **Resources for public sector building owners**

- 4.5.79. There are a range of existing initiatives that can support public sector building owners with improving energy efficiency and decarbonising heat. The key initiatives are summarised below.
- 4.5.80. The Scottish Government’s **Social Housing Net Zero Heat Fund** offers local authorities (along with registered social landlords and energy services companies) grant funding equivalent to 45%-50% of eligible costs for social housing retrofit projects delivering zero direct emissions

heating systems (such as heat pumps and heat networks) and energy efficiency improvements.

- 4.5.81. The Scottish Government's **Scotland's Public Sector Heat Decarbonisation Fund** provides grants to Scottish local authorities, universities, and arm's-length external organisations to decarbonise their estates. The Fund will meet up to 80% of eligible costs.
- 4.5.82. The Scottish Government's **Scottish Central Government Energy Efficiency Grant Fund** offers Scottish central government organisations with no access to borrowing powers (including health boards and further education colleges) capital grants of up to £2 million per annum towards heat decarbonisation and energy efficiency retrofit projects.
- 4.5.83. The **Scottish Public Sector Energy Efficiency Loan Scheme** administered by Salix Finance offers local authorities and certain other Scottish public bodies interest free loans for "spend to save" energy efficiency retrofit projects to help achieve net zero carbon.
- 4.5.84. As noted, the Scottish Government's **Heat Network Fund** provides grants for large-scale heat network and communal heating system projects in Scotland. Additionally, the **District Heating Loan Fund** administered by the Energy Saving Trust offers local authorities (along with registered social landlords, small and medium sized enterprises, and energy services companies) unsecured loans of £1 million plus for heat network projects, with a typical interest rate of 3.5% for low-risk projects.
- 4.5.85. The Scottish Government's **Non-Domestic Energy Efficiency Framework** has been established to help Scottish public bodies carry out energy efficiency retrofit projects with a value of £1 million plus to non-domestic buildings, with payment for works linked to the realisation of outcomes such as energy bill savings or carbon emission savings. Organisations utilising the Framework can access up to £50,000 of grant-funded project management, technical advisory, and procurement advisory services.

## 5. Methodology

### 5.1. Edinburgh LHEES approach

5.1.1. The Council has prepared the Edinburgh LHEES and the Delivery Plan in line with the guidance issued by the Scottish Government and the methodology issued by Zero Waste Scotland, with departures as required due to data availability or other considerations as set out below.

5.1.2. In line with the guidance and methodology, the preparation of the Edinburgh LHEES and Delivery Plan has followed eight stages. The activity carried out in each stage is summarised below:

- Stage 1: Policy and strategy review – this stage entails identifying the national and local policies, targets, and strategies relating to the Edinburgh LHEES, as well as identifying resources and stakeholders germane to the delivery of the Edinburgh LHEES.
- Stage 2: Data and tools library – this stage entails identifying and maintaining a record of the data and tools required for the analysis underpinning the Edinburgh LHEES.
- Stage 3: Strategic zoning and pathways – this stage entails assessing the present performance of Edinburgh’s building stock in terms of energy efficiency and heat decarbonisation and setting out “Strategic Zones”<sup>xiv</sup> and “pathways”<sup>xv</sup> for each of the six LHEES Considerations.
- Stage 4: Generation of initial Delivery Areas – this stage entails setting out proposed “Delivery Areas” for each of the LHEES Considerations.<sup>xvi</sup>
- Stage 5: Building-level pathway assessment – this stage entails identifying detailed interventions to decarbonise buildings within Delivery Areas and quantifying the costs and benefits of these interventions.
- Stage 6: Finalisation of delivery areas – this stage entails finalising the Delivery Areas identified at stage 4 based upon considerations such as existing programmes of work and priority areas for intervention.
- Stage 7: LHEES – this stage entails assembling the outputs from the earlier stages into the Edinburgh LHEES itself – i.e. this document, its appendices, and supporting materials.
- Stage 8: Delivery Plan – this stage entails preparing a Delivery Plan setting out how the Edinburgh LHEES is to be implemented, with a focus on early, low-regrets actions over the first five years of the Edinburgh LHEES (2024 to 2028).

---

<sup>xiv</sup> A “Strategic Zone” is a geographical area that “present[s] a visualisation of the potential pathways to decarbonise the building stock at a local authority level” created “to understand the baseline performance, the scale of potential and initial areas of focus”.

<sup>xv</sup> A “pathway” here refers to the approach taken to decarbonise a property, i.e. the potential energy efficiency retrofit technologies and low carbon heating system.

<sup>xvi</sup> A “Delivery Area” is a geographical area that is more granular than a Strategic Zone that “set[s] out clusters of buildings within a Strategic Zone or across the whole local authority that identify potential solution(s) at a delivery level”.

- 5.1.3. In 2021, the Council appointed the consultancy Atkins to support with stages one and two (policy and strategy review and data and tools library) of the Edinburgh LHEES. The analysis carried out by Atkins underpins the Edinburgh LHEES, in particular [Chapter 6](#). The following recommendations were made by Atkins:
- “Where various policies/funding mechanisms overlap with the different LHEES objectives, coordination of resources will be required to effectively align with and achieve these objectives.”
  - “Update action plans for Renewable Energy and Heat Networks to set out specific investment targets, and timelines.”
  - “Develop a dedicated hydrogen strategy with timelines that align with industry (e.g. SGN’s plans for use of hydrogen and what impact this may have of carbon emissions). This can play more of an active role in [the Council’s] net zero objectives post-2030 and at least provide estimates for how the gas grid may be decarbonised between now and 2030.”
- 5.1.4. In 2023, the Council appointed Turner and Townsend, Ramboll, and Changeworks to support with stages three to eight of the Edinburgh LHEES. The analysis carried out by these suppliers underpins [Chapter 8](#) and [Chapter 9](#) of the Edinburgh LHEES.
- 5.1.5. The Council has appointed an Energy Officer to coordinate the publishing, implementation, and delivery of the Edinburgh LHEES and Delivery Plan. In particular it is anticipated that the Energy Officer will place a central role in the roll-out of heat networks across Edinburgh.
- 5.1.6. The Council’s approach to producing the Edinburgh LHEES has been shaped by the short timescale in which the strategy was required to be produced to comply with the Local Heat and Energy Efficiency Strategies (Scotland) Order 2022. In particular the statutory timescale has meant that consultation on the Edinburgh LHEES has required to be abbreviated.
- 5.1.7. In line with the LHEES Methodology, the Council has utilised the Home Analytics dataset maintained by the Energy Saving Trust as the principal source for data on Edinburgh’s housing stock. Consideration was given as to whether this dataset could be supplemented using data held by the Council on its own housing stock. Following discussions with relevant Council officers, it was determined that the datasets held by the Council are not suitable for analysis of this nature. However, data held by Changeworks as part of its role in delivering Area-Based Schemes in Edinburgh has been utilised to augment the Home Analytics dataset.
- 5.1.8. Manual review of the outputs of the Domestic Baseline Tool and Non-Domestic Baseline Tool has identified high levels of inaccuracy in some fields. For example, the quality of data on property age from the Non-Domestic Baseline Tool is very poor. Where there are significant concerns around data quality this information has been omitted from the Edinburgh LHEES.
- 5.1.9. The Council has made use of the following data portals:
- The SP Energy Networks LHEES Portal, which enable the impact of installing low carbon technologies on the electricity network to be simulated, identifying network constraints and required reinforcement works (and consequent costs). This has been used to inform the selection of Delivery Areas for heat pumps.
  - The Scottish Water Waste Water Heat Extraction Opportunities, which sets out flow data for sewage pipes of over 300 millimetres in diameter and with potential sewage flow rates of 40 litres per second or more (estimated using hydraulic flow modelling)

to enable analysis of where wastewater infrastructure may be suitable as a source of low carbon heat. This tool has been utilised as part of analysis around potential heat sources for heat networks. [Figure 05](#) sets out a high-level overview of wastewater heat extraction heat opportunities in Edinburgh.

- 5.1.10. The Council has collaborated with the following existing research projects to augment the Edinburgh LHEES:
- The Edinburgh Climate Change Institute has carried out research on behalf of the Infrastructure Investment Programme Board that aims to create a consolidated GIS-based plan of all infrastructure in Edinburgh germane to achieving net zero, drawing together data from a vast range of sources. This plan has been overlaid with other relevant datasets, including linear heat density clusters.
  - Energy Systems Catapult has produced a “Local Energy Asset Representation” (LEAR) for southeast Scotland (defined as Edinburgh, Fife, and the Lothians). The LEAR is a visual representation of local energy assets (e.g. energy generation and storage assets) along with other data sets such as fuel poverty.

### **Heat network Consideration – methodology**

- 5.1.11. Analysis to inform the identification of prospective Heat Network Zones was carried out by Ramboll. The analysis was based on metrics such as linear heat density, anchor load threshold criteria, and gridded heat density, supplemented by local knowledge.
- 5.1.12. The first step of the analysis was to identify and collect all the datasets required for the analysis (following the LHEES Methodology – Stage 4 – Heat Networks Approach V04). The main dataset that was used for the analysis was the 2020 Scotland Heat Map dataset. This dataset was cleaned and prepared for input into GIS. Additional datasets were also used to identify opportunities and constraints; these datasets are set out in [Table 50](#).
- 5.1.13. The second step of the analysis was to identify potential zones based on linear heat density (LHD). LHD is used as an indicator of the likeliness of financial viability of a heat network. However, it is not the only criterion. LHD is calculated by dividing the total annual heat demand by the total length of the network. Where there is no heat network in place, LHD benchmarks are used to identify a buffer zone around areas of heat demand. In Edinburgh, LHDs of 4,000 kilowatt hours per metre per year and 8,000 kilowatt hours per metre per year were used to create two sets of buffer zones. The size of buffer zones were later limited to 250 metres to screen buildings with particularly high heat demand. [Figure 07](#) summarises the methodology that was followed to identify the potential zones in the City of Edinburgh, while [Figure 08](#) and [Figure 09](#) depict the area covered by the buffer zones for the two scenarios.
- 5.1.14. The third step of the analysis was to prioritise the potential zones identified in the second step by applying criteria focused on anchor loads to indicate likely viability for heat networks. An anchor load is a building with a high heat demand that, if connected to a heat network, can enable its financial viability. Due to the high number of buildings with high heat demands in Edinburgh, the default value of 500 megawatt hours per annum (suggested by the methodology) was used to map anchor loads. Following the mapping of all the anchor loads, all the potential zones with fewer than two anchor loads were removed based on the Council’s long-term vision for the development of large-scale heat networks in the city, with the identification of strategic Heat Network Zones that were not driven purely by the

presence of anchor loads. [Figure 10](#) summarises the methodology used to create two sets of prioritised potential zones: one representing long-term potential and the other representing the opportunities likely to be more commercially attractive in the short-/medium-term.

- 5.1.15. The fourth step of the analysis was to review the sets identified in the third step at a stakeholder engagement workshop. Based upon feedback from the workshop, Ramboll selected one set of prioritised potential zones comprising urban and suburban areas (criteria of LHD of 4,000 kilowatt hours per metre per year, anchor loads of 500 megawatt hours per year, and two or more anchor loads) ([Figure 11](#)) and dense urban areas (criteria of 8,000 kilowatt hours per metre per year, anchor loads of 500 megawatt hours per year, and two or more anchor loads) ([Figure 12](#)). The categorisation of an area as dense urban, urban, or suburban was based on the area's heat density and number of anchor loads. [Figure 13](#) depicts the single set that was taken forward for further analysis.
- 5.1.16. The fifth step of the analysis was to overlay the selected prioritised zones with development sites identified in City Plan 2030 and existing plans for heat networks (as depicted in [Figure 14](#)). New developments are considered high potential areas for the development of heat networks, and accordingly they were included in the initial Heat Network Zones if there was a prioritised zone in near proximity. Similarly, areas with planned heat networks can also serve as starting networks for the development of larger district networks and therefore they were included in the initial Heat Network Zones if there was a prioritised zone in near proximity.
- 5.1.17. The sixth step was to use additional data to refine the initial Heat Network Zone boundaries. These datasets (presented in [Table 50](#)) include heat density (used to refine zone boundaries in order to include areas with high heat density in near proximity with a selected prioritised zone missed by the methodology); available heat sources (used to refine the zone boundaries to include available heat sources in near proximity to a selected prioritised zone) and practical constraints such as rivers, major roads, and rail lines (used to split large zones when a significant constraint(s) was present). Overall, this information was used either to combine zones, expand the boundaries of a zone to account for opportunities in near proximity, or split zones where the development of a single heat network was deemed technically difficult, e.g. where pipes would need to cross a railway line. [Figure 15](#) presents the outcome of this analysis.
- 5.1.18. The seventh and final step was to divide initial Heat Network Zones with the aim of creating zones with common characteristics to facilitate the discussion around the development of heat networks in these areas. These form the prospective Heat Network Zones. The division was based on knowledge of the local area and building typologies. An overview map of the prospective Heat Network Zones is presented in [Figure 24](#), while further information on the prospective Heat Network Zones is set out in [section 9.4](#).

#### **Other LHEES Considerations – stage 3 methodology**

- 5.1.19. The Council's stage 3 followed the standardised methodology provided by Zero Waste Scotland on behalf of the Scottish Government. From the eight-stage process set out in the LHEES Methodology, the first six stages encompass data analysis and evidence gathering in order to complete the latter stages of producing a Strategy document and a Delivery Plan for the implementation of the Edinburgh LHEES. The purpose of Stage 3 of the LHEES Methodology is to support local authorities to understand the current energy efficiency and



heat decarbonisation performance of the building stock at a local authority wide level. It also supports further analysis to set out Strategic Zones and pathways for each LHEES Consideration, as far as reasonably possible. The Strategic Zones identify potential solutions for inclusion in the LHEES (Stage 7) when accompanied by the outputs of the Heat Network Zone analysis (from Stage 4).

- 5.1.20. The main outputs from Stage 3 were the “Domestic Baseline Tool” and “Non-Domestic Baseline Tool”, which use Home Analytics as the core source data to enable analysis of each sector. These tools set out the baseline performance of Edinburgh’s buildings using archetypes, ages of buildings, tenures, heating system types, floor area. The data can be aggregated and analysed to set out Strategic Zones. These tools were the main outputs which were then used to input data to generate various heat maps. The outcomes of the baseline analysis are set out in [Chapter 8](#).
- 5.1.21. The heat maps visualise opportunities focusing on the LHEES Considerations including heat pump readiness and energy efficiency. The maps therefore inform the Strategic Zones for Edinburgh and, thus, pathways to decarbonisation.

#### **Other LHEES Considerations – stage 4 methodology**

- 5.1.22. The objective of stage 4 is to generate initial Delivery Areas at a higher granularity than stage 3 across Edinburgh. This analysis serves as the starting point for more detailed engagement, building level assessment of interventions and cross-checking against the Policy and Strategy Review to enable finalisation of the Delivery Areas.
- 5.1.23. The standard procedure suggested by the LHEES Methodology was used to develop delivery areas. This consists of GIS techniques to generate potential areas.
- 5.1.24. The databases used to generate the maps are Home Analytics, Non-Domestic Analytics, and the Address Gazetteer data, depending on the type of property (domestic, non-domestic, mixed use). This consisted of using the postcode-level domestic database (Home Analytics) property counts to generate heat maps. The maps are generated by using the property counts to create a continuous 100 metre by 100 metre grid defining areas of high density of different properties.
- 5.1.25. Zones of high concentration were defined by using a 2x standard deviation method. This means that when a value falls outside 2x the standard deviation of a cluster, the boundary is defined at the limit of that grid cell. These delivery areas also show property level point data categorized by the above criteria. For category 1-3 properties it also provides sub-categories based on heat pump, biomass, direct electric heating, and mixed biomass-direct electric heating.
- 5.1.26. The outcome of this assessment is a list of delivery areas mapped and with a summary table listing the properties within. These delivery areas are classified based on the following criteria:
- Off-gas grid (shows the initial delivery areas with the highest number of properties in off-gas category 0 / off-gas category 1 / off-gas category 2 / off-gas category 3).
  - On-gas grid (Shows the initial delivery areas with the highest number of properties in on-gas category 0 / on-gas category 1 / on-gas category 2 / on-gas category 3).
  - Mixed tenure, mixed-use and historic buildings (shows the areas with the highest concentration of domestic mixed-use / domestic mixed tenure / non-domestic mixed

use / mixed use (domestic and non-domestic) / listed properties (domestic and non-domestic. These delivery areas also show the concentration of properties within a conservation area).

- Poor energy efficiency and energy efficiency as a driver for fuel poverty (the generated Delivery Areas with the highest concentration of properties scored highest to be suitable for interventions including heat pumps, double glazing, loft insulation, and wall insulation).

5.1.27. This data is used as a basis for stage 5 and to inform the Delivery Plan.

### **Other LHEES Considerations – stage 5 methodology**

5.1.28. The goal of stage 5 is to establish in more detail the type of interventions required to decarbonise the buildings identified in stage 4 from a heating and energy efficiency perspective. Stage 5 helps to gain an improved understanding of the costs and the energy and carbon savings associated with interventions.

5.1.29. The Council followed the standard procedure suggested by the LHEES Methodology. This involved the use of the Portfolio Energy Analysis Tool (PEAT) alongside processed Home Analytics information; together, they provide a wide range of information around energy efficiency and heat decarbonisation measures applicable at the individual building (address) level, which can be aggregated into information at an area-wide or delivery area level (for example, total financial cost, total CO<sub>2</sub> reduction resulting from measures, running cost savings, etc). Outputs for Stage 5 are created by matching addresses identified from Delivery Areas, integrating these with the PEAT, and then summarising the results with a delivery code. This allows for re-prioritisation of delivery areas depending on specific priorities, e.g. most properties within a Delivery Area, Delivery Areas with the highest total CO<sub>2</sub> reduction, etc.

5.1.30. Outputs from the above are presented through a Power BI dashboard, integrating Stage 4 GIS map results with Stage 5 inputs. The dashboard is interactive, allowing the user to select and view different priorities.

5.1.31. The outputs from Stage 5 represent an examination of core data indicators across the Strategic Zones structured around building characteristics, such as energy efficiency or heating type. They have been used to prepare the Delivery Area maps set out in the Delivery Plan.

## **5.2. LHEES Considerations**

5.2.1. The guidance issued by the Scottish Government stipulates that the Edinburgh LHEES should be framed around the “LHEES Considerations”.<sup>xvii</sup> These form the basis for understanding, interpreting, and developing the pathways to decarbonisation. They cover the overarching priorities at the national level which should apply to each local authority, though in different ways and to different degrees. One of the main ways to view the Edinburgh LHEES is as a tool to fulfil each of these Considerations. The LHEES Considerations are set out in Table 04.

---

<sup>xvii</sup> Referred to as “LHEES Priorities” in earlier versions of the LHEES Methodology.

**Table 04: LHEES Considerations**

Theme	Consideration	Description
Heat decarbonisation	Off-gas grid buildings	Transitioning from heating oil and LPG in off-gas areas
Heat decarbonisation	On-gas grid buildings	On-gas grid heat decarbonisation
Heat decarbonisation	Heat networks	Decarbonisation with heat networks
Energy efficiency and other outcomes	Poor building energy efficiency	Poor building energy efficiency
Energy efficiency and other outcomes	Poor building energy efficiency as a driver for fuel poverty	Poor building energy efficiency as a driver for fuel poverty
Energy efficiency and other outcomes	Mixed-tenure, mixed-use and historic buildings	Mixed-tenure, mixed-use buildings, listed buildings, and buildings in conservation areas

5.2.2. The scope of the Edinburgh LHEES with regards to each consideration is as follows:

- Off-gas grid buildings: identifying “low regrets” pathways and opportunities for converting properties not connected to the gas grid that currently use high emissions alternatives to gas (for example, oil, liquefied petroleum gas, and solid fuels) for heating to zero direct emissions alternatives.<sup>xviii</sup> This entails categorising properties based upon their suitability for heat pump retrofit, ranging from properties that already have a low or zero direct emissions heating system to properties that have tertiary potential due to needing significant fabric upgrade to be heat pump ready or otherwise being less suited to heat pump technology.
- On-gas grid heat decarbonisation: identifying pathways and opportunities for converting properties currently heated using natural gas to zero direct emissions alternatives. Similarly to the prior Consideration, this entails categorising properties based upon their suitability for heat pump retrofit.
- Heat networks: identifying zones within Edinburgh where heat networks are judged to present a potential option for decarbonisation based on factors such as heat demand density, the presence of anchor loads, and specific opportunities or constraints. This analysis will form the basis of the formal designation of Heat Network Zones in Edinburgh in line with the Heat Networks (Scotland) Act 2021.
- Poor building energy efficiency: identifying areas of Edinburgh with poor building energy efficiency and identifying pathways and opportunities for addressing this.
- Poor building energy efficiency as a driver of fuel poverty: identifying areas of Edinburgh where poor building energy efficiency is a driver of fuel poverty to ensure that area-based energy efficiency and heat decarbonisation projects are effective in reducing fuel poverty, and to identify areas of extreme fuel poverty where further support may be required.

<sup>xviii</sup> For the avoidance of doubt, homes currently heated via electrical means with no direct emissions are not in the scope of this Consideration.

- Mixed-tenure, mixed-use and historic buildings: identifying areas of Edinburgh where there are buildings of mixed-tenure, buildings of mixed-use, historic buildings, and conservation areas to identify the appropriate interventions in each case.

5.2.3. To focus limited resources, the Council has opted to prioritise on aspects of these Considerations for the Edinburgh LHEES, as set out in Table 05:

**Table 05: Prioritisation of LHEES Considerations**

Consideration	Prioritisation
Off-gas grid buildings / on-gas grid buildings	Category 1 properties (properties suitable for a zero-emission heating system, e.g. a heat pump). This will help build momentum with less complicated retrofits.
Heat networks	Heat networks present a major opportunity for Edinburgh to decarbonise at scale and provide homes and businesses with access to affordable energy. Edinburgh is well placed to reap the benefits of a city-wide heat network (or “network of networks”).
Poor energy efficiency / poor energy efficiency as a driver of fuel poverty	Edinburgh has a significant number of buildings with poor energy efficiency. However, these have to be targeted to arrive at a more manageable volume for the short-mid-term. These should be homes where poor energy efficiency is a driver for fuel poverty since these homes are in most urgent need of support.
Mixed-tenure, mixed-use and historic buildings	There is a large volume of these building types in Edinburgh. The Council has an existing programme of supporting retrofit of mixed-tenure and mixed-use buildings focused on areas with high fuel poverty. This is currently limited in scale due to the complexities of dealing with these properties. This work will be used as the basis for future expansion as resources permit.

### 5.3. Areas of strategic importance

5.3.1. The Council has identified multiple regions of strategic importance, all of which have been incorporated into various aspects of the Edinburgh LHEES:

- City Plan 2030 development areas
- Areas with ongoing or planned infrastructure development
- Areas of economic importance
- Business and industrial areas
- Areas of future planned retrofit scheme delivery
- Areas with planned retrofits by the Council on its own stock

5.3.2. Each of these areas are relevant in their own way to one or multiple aspects of the Edinburgh LHEES, including delivery area selection and development, and prospective Heat Network Zones. They have fed into the analysis and are key influencers in the development of delivery areas. Moving forward, these areas and the Edinburgh LHEES will continue to feed into each other to maximise synergies between Council policies and projects as well as encourage efficient use of public resources.

## 5.4. Consultation and engagement

- 5.4.1. As an area-wide plan which concerns everyone in Edinburgh, it is imperative that the Edinburgh LHEES has cross-stakeholder buy-in. While the Edinburgh LHEES is a data-driven and evidence-based strategy, it is also subject to interpretation and prioritisation which feed into the decisions taken. The Council has taken steps, including a public consultation, to ensure people can provide their input and feedback on proposals. This section describes the stakeholder consultation and engagement work undertaken to date.
- 5.4.2. The approach to engagement and consultation has been developed based on the LHEES Guidance, which emphasises continuous stakeholder engagement, albeit while reflecting the significant practical constraints of the statutory timescale for preparation of the Edinburgh LHEES which have obliged the duration and extent of consultation to be curtailed.
- 5.4.3. In November 2022, the Council formed an internal working group for the Edinburgh LHEES and for heat networks. The working group brings together staff from the Council's Edinburgh Waterfront; Housing and Regeneration; Neighbourhood Environmental; Planning; Policy and Insight; Shared Repairs; Strategic Asset Planning; and Sustainable Construction Delivery service areas. The working group has been used to raise awareness of the Edinburgh LHEES within the Council, share information on projects between key staff, and as a sounding board for emerging proposals.
- 5.4.4. From January 2023 to November 2023, the Council attended a series of "Clean Heat Forum" events organised by Transition Edinburgh, a community-led network that "connects and supports community groups, and initiates practical projects that strive for a greener, fairer, healthier and more resilient Edinburgh". The event was used to raise awareness of the Edinburgh LHEES and share information on the emerging proposals around heat networks.
- 5.4.5. In April 2023, the Council delivery team met with Scottish Government officers to discuss the emerging Edinburgh LHEES. During the meeting, the Council identified certain challenges associated with the development and delivery of the Edinburgh LHEES, including timescales; the lack of certainty as to the availability of funding following 2026/27; the rapidly evolving policy and regulatory context; the potential requirement for a Strategic Environmental Assessment; and uncertainty around the regulatory provisions for heat networks.
- 5.4.6. In May 2023, the Council hosted an event to provide tenement owners with information on maintenance, management, shared repairs, retrofit, and energy efficiency within tenements in Edinburgh. Speakers at the event included Home Energy Scotland and the charity Under One Roof (which provides advice on tenement maintenance and management). The event was utilised to raise awareness of the Edinburgh LHEES and share information on the support available to tenement owners.
- 5.4.7. In June 2023, the Council presented on the Edinburgh LHEES to the Edinburgh Association of Community Councils.
- 5.4.8. As part of stage 1 (policy and strategy review), key stakeholders germane for the Edinburgh LHEES were mapped. The ultimate outputs of this exercise are set out in [section 11.4](#). These stakeholders were targeted as part of the wider public consultation exercise.
- 5.4.9. For stage 2 (data and tools library), the Council identified and engaged with stakeholders responsible for datasets required support the preparation of the Edinburgh LHEES. This primarily included Scottish Government (Scotland Heat Map); Energy Saving Trust (Home

Analytics, Non-Domestic Analytics and PEAT data); Scottish Power Energy Networks (Grid capacity data), the Edinburgh Climate Change Institute and Net Zero Edinburgh (consolidated GIS data of Edinburgh’s infrastructure and environment required to achieving net zero), and others. This stage also entailed executing information sharing agreements with the Council’s consultant team and updating licence agreements with the Energy Saving Trust accordingly.

- 5.4.10. For stage 3 and 4 the Council invited numerous stakeholders to review the maps and other outputs as part of a series of virtual sounding boards, workshops, one-on-one meetings, and public events. Stakeholders helped to sense check emerging outputs and highlight any data that had been omitted, and to identify any indicators or areas that are considered to be strategically important for Edinburgh. This included workshops on emergent Heat Network Zones where stakeholders advised on the scale of the ambition and fed back on boundaries of these zones.

## 5.5. Strategic Environmental Assessment

- 5.5.1. The Environmental Assessment (Scotland) Act 2005 sets a statutory requirement for Scottish public bodies to carry out a Strategic Environmental Assessment (SEA) of the expected environmental impacts of strategies expected to have a significant environmental impact.

- 5.5.2. The Council prepared a Screening Report for the Edinburgh LHEES and Edinburgh LHEEDP, which was submitted to the SEA Gateway on 10<sup>th</sup> May 2023. The Council’s view was that an SEA was not required in this case as the Edinburgh LHEES and Edinburgh LHEEDP were not expected to have a significant environmental impact. This view was based on the following:

- The Edinburgh LHEES will not introduce any new powers, initiate any legislation, or allocate any significant resources. It is primarily an information document that identifies opportunities.
- The Edinburgh LHEES does not itself set headline targets, as these are set nationally. The Edinburgh LHEES will rather identify the optimal pathways for achieving said national targets – for example, it will identify which buildings in Edinburgh are better suited to connecting to heat networks and which are better suited to being served by heat pumps, based on technical data.
- The Council’s 2030 Climate Strategy has been subject to a full SEA.<sup>39</sup> The Climate Strategy sets out strands of work required to make Edinburgh a net zero city, one of which is “net zero energy generation and energy efficient buildings”. This strand of work includes “improving the energy efficiency of Edinburgh’s existing homes”, “developing heat networks”, and “develop[ing] a mechanism for unlocking and enabling domestic and small business energy retrofit at pace and scale”. These items cover the key areas of focus of the Edinburgh LHEES. This strand is therefore considered to cover the same ground as the Edinburgh LHEES, meaning an SEA of the Edinburgh LHEES would largely duplicate the recent SEA for the 2030 Climate Strategy.
- The national Heat in Buildings Strategy – which sets out the goal of achieving net zero emissions in Scotland’s buildings which the Edinburgh LHEES is to deliver – has also been subject to a full SEA.<sup>40</sup>

- 5.5.3. In June 2023, the Council received screening responses from the Consultation Authorities (Historic Environment Scotland, NatureScot, and the Scottish Environment Protection

Agency). Each of the authorities concluded that the Edinburgh LHEES is unlikely to have significant environmental effects. Accordingly, on 21<sup>st</sup> June 2023, the Council wrote to the SEA Gateway to advise that, as the Responsible Authority under the Environmental Assessment (Scotland) Act 2005, the Council had determined that SEA was not required.

- 5.5.4. It is anticipated that an SEA may be required for the statutory Heat Network Zone designation process, expected to take place in the first half of 2024.

## 6. Policy and strategy context

### 6.1. Summary of key targets and regulations

#### Targets

6.1.1. Key headline targets relative to the Edinburgh LHEES are summarised below:

- Decarbonise the heating of all buildings in Scotland by 2045.
  - Decarbonise the heating of one million homes across Scotland by 2030.
  - Decarbonise the heating of 50,000 non-domestic buildings across Scotland by 2030.
  - All publicly owned buildings to meet zero direct emissions heating requirements by 2038.
  - All new homes developed by local authorities or Registered Social Landlords to be zero emissions by 2026.
  - The vast majority of Scottish off-gas homes switching to zero direct emissions heat.
  - One million Scottish on-gas homes switching to zero direct emissions heat.
- Supply 6.0 terawatt hours of heat energy from heat networks in Scotland by 2030.<sup>xix</sup>
  - Supply 2.6 terawatt hours of heat energy from heat networks in Scotland by 2027.
- No more than 5% of households in Scotland in fuel poverty by 2040 (and no more than 1% in extreme fuel poverty).
  - No more than 15% of households in Scotland in fuel poverty by 2030 (and no more than 5% in extreme fuel poverty).
  - No more than 10% of households in Scotland in fuel poverty by 2035 (and no more than 3% in extreme fuel poverty).
- Net zero greenhouse gas emissions by 2045.
  - A 75% reduction in Scottish greenhouse gas emissions by 2030.
  - A 90% reduction in Scottish greenhouse gas emissions by 2040.

#### Regulations

6.1.2. Key existing and proposed regulations relative to the Edinburgh LHEES are set out below. It is noted that this is a high-level summary and, in most cases, certain exemptions or relaxations are in place.

- All homes in Scotland to achieve a minimum Energy Performance Certificate rating of 'C' by 2033.<sup>xx</sup>
  - All private rented homes marketed to new tenants to have a minimum Energy Performance Certificate rating of 'C' as of 2025.

---

<sup>xix</sup> For context, the current figure is 1.18-terawatt hours.

<sup>xx</sup> "Where technically and legally feasible and cost-effective."



- All private rented homes actively rented to have a minimum Energy Performance Certificate rating of 'C' as of 2028.
- All social housing in Scotland to achieve a minimum Energy Performance Certificate rating of 'B' by 2032.
- No social housing in Scotland with an Energy Performance Certificate rating below 'D' to be re-let from December 2025.
- All homes in Scotland with households in fuel poverty to achieve a minimum Energy Performance Certificate rating of 'B' by 2040.
- All homes in Scotland with households in fuel poverty to achieve a minimum Energy Performance Certificate rating of 'C' by 2030.
- All homes in Scotland to use zero direct emissions heating systems by 2045.
  - Prohibiting the use of direct emissions heating systems in new buildings in Scotland from 1 April 2024.
  - Proposals to require the installation of zero (or very near zero) direct emissions heating systems in existing buildings from 2025, with a backstop of 2045.
- All non-domestic buildings in Scotland to be net zero by 2045.
  - All publicly owned buildings to use zero direct emissions heating systems by 2038.

## 6.2. National policy landscape

6.2.1. The policy landscape for carbon reduction and energy efficiency in Scotland is complex with multiple relevant policies and rapidly evolving targets. National policies give rise to a series of ambitious goals around energy efficiency improvements and reductions in fuel poverty.

### Climate change

- 6.2.2. The Scottish Government has set headline targets for the reduction of greenhouse gas emissions. The **Climate Change (Emissions Reduction Targets) (Scotland) Act 2019** sets statutory targets around reducing Scotland's emissions of all greenhouse gases to net zero. These includes a headline target of net zero by 2045, with intermediate target reductions of 56% by 2020, 75% by 2030, and 90% by 2040.
- 6.2.3. The **Climate Change Plan (2018, 2020)** sets out targets for emissions reductions by 2032 in view of energy requirements for electricity generation, buildings, and industry. The Plan sets an overall target of reducing emissions by 28% by 2032. For buildings, a target of a 33% reduction in emissions between 2018 and 2032 is set. By 2032, emissions from domestic buildings are targeted to decrease by 23%, and emissions from non-domestic buildings are targeted to reduce by 53%.
- 6.2.4. Within the "electricity" section of the Climate Change Plan, targets are set linked to renewable energy production and decarbonisation. From 2020 onwards, Scotland's electricity grid intensity is targeted to be below 50 grammes of CO<sub>2</sub> per kilowatt hour, with at least 1 gigawatt of renewable energy in community or local ownership. Going forward, a target is set of Scotland's electricity demand being "largely" generated from renewable sources (including onshore wind, offshore wind, hydro, solar, marine and bioenergy) by 2032. This is linked to the rising demand in electricity for home usage, as homes switch from gas to

electricity. As set out by SP Energy Networks, there are two primary factors driving increased electricity consumption: people switching to electric to heat their homes, and people generally using more electricity, for example for electric vehicle charging. SP Energy Networks has identified a requirement to increase peak demand capacity fourfold by 2050.

- 6.2.5. Within the buildings section of the Climate Change Plan, Scotland’s statutory fuel poverty targets require that by 2040 no more than 5% of households are in fuel poverty; that no more than 1% of households are in extreme fuel poverty; and the fuel poverty gap is reduced to £250 (adjusted for 2015 prices). This is in line with the **Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019**. The Plan notes that the current rate of conversions to low and zero direct emissions systems – for example, heat pumps, heat networks, and (potentially) hydrogen – need to be substantially increased to meet targets.
- 6.2.6. The latest iteration of the **Climate Change Plan**, as revised in 2020, integrates the targets set in the **Climate Change Act 2008** as amended in 2019. The revised Plan notes the continued need to invest in renewable generation, heat networks, and related infrastructure to ensure greenhouse gas emissions. The Plan also notes increased homeworking and how this changes the profile of heating and electricity demand (including increased risk of fuel poverty and energy debt due to increased domestic energy use at home) and the potential to support jobs in low/zero heat and energy efficiency-related sectors.
- 6.2.7. The most recent **Programme for Government (2022)** sets out several actions linked to supporting heat and energy policy. Several targets are linked to reducing the effects of fuel poverty through financial support towards heating costs. This includes the £214 Child Winter Heating Assistance (which supports families of severely disabled children and young people with their energy costs); the Winter Heating Payment (which guarantees a £50 annual payment to around 400,000 low-income households); doubling the Fuel Insecurity Fund to £20 million to help households at risk of self-disconnection or self-rationing of energy use in response to OFGEM energy price cap rises; and expanding Home Energy Scotland advice centres. These actions do not directly relate to the Edinburgh LHEES but will support a reduction in the immediate impact of fuel poverty. More directly linked to the Edinburgh LHEES, the Programme expands the criteria for the Warmer Homes Scotland fuel poverty programme (through lowering the youngest required age to 60 years old) and introduces a Scotland-wide public information campaign to highlight help and support available to households as well as energy efficiency measures for households to minimise heating costs.

#### **Energy efficiency and zero direct emissions heating**

- 6.2.8. The **Heat in Buildings Strategy (2021)** sets out how buildings in Scotland will be heated to meet greenhouse gas reduction targets whilst addressing fuel poverty. The Strategy updates the Energy Efficient Scotland route map and commits to putting in place standards and regulation for heat and energy efficiency to ensure that all buildings are energy efficient by 2035 and use zero direct emissions heating and cooling systems by 2045. The Strategy sets out 107 actions and proposals that the Scottish Government will take to work towards target and aspirations. By 2030, over one million homes and over 50,000 non-domestic buildings are targeted to have converted to using zero or low emissions heating systems. The Strategy further sets a target of all public sector buildings in Scotland using zero direct emissions heating by 2038.

- 6.2.9. The **Heat in Buildings Bill** is a bill announced by the Scottish Government that will “set out our initial proposals for the role that regulations can play in driving better energy efficiency standards and zero direct emissions heating in Scotland’s existing buildings from 2025”.<sup>41</sup> The Bill is expected to introduce more stringent energy efficiency standards. Consultation on the Bill is expected to begin by the end of 2023.
- 6.2.10. The Scottish Government had originally proposed that all private rented homes in Scotland would be required to achieve a minimum EPC rating of ‘D’ by 2025. This has been revisited in light of recognition of the disruption caused by the COVID-19 pandemic, it is now proposed that, as of 2025, any home marketed for private rent must have a minimum EPC rating of ‘C’, while all actively privately rented homes must have a minimum EPC rating of ‘C’ by 2028 (albeit with exemptions where a ‘C’ rating is not cost effective or technically feasible).
- 6.2.11. The **Energy Efficiency Standard for Social Housing post 2020** (EESH2) sets out a raised standard for the energy efficiency of social housing in Scotland in order to reduce carbon emissions and eradicate poor energy efficiency as a driver for fuel poverty. EESH2 sets out a milestone of all social rented homes in Scotland achieving at least EPC ‘B’, or otherwise being as energy efficient as practically possible, by the end of December 2032 (“within the limits of cost, technology and necessary consent”). EESH2 further sets out that no social housing below EPC ‘D’ should be re-let from December 2025 (subject to temporary specified exemptions).<sup>42</sup> A new milestone to replace the 2032 target is currently being developed.
- 6.2.12. There are not currently minimum EPC standards for non-domestic properties in Scotland.<sup>xxi</sup> However, the Scottish Government has started that it will introduce regulations in 2025 requiring all non-domestic buildings to meet zero direct emissions heating requirements by 2045 (and all publicly owned buildings to meet zero direct emissions heating requirements by 2038).<sup>43</sup> In August 2023, the commercial property consultancy Knight Frank carried out analysis on Scotland’s office stock in which it concluded that properties with an EPC rating of ‘F’ and ‘G’ accounted for 13% of total floor area, which would in principle be unlettable if the same standards were in place in Scotland as in England and Wales. Properties with an EPC rating below ‘C’ accounted for 55% of floor area, while properties with an EPC rating below ‘B’ accounted for 79% of the floor area; this implies that, were the same standards in place in Scotland as in England and Wales, 55% of office floor space in Scotland would be unlettable as of 2027 and 79% as of 2030, underscoring the quantity of work likely to be required.<sup>44</sup>
- 6.2.13. **Energy Efficient Scotland** (2018) is a 20-year route map aimed at making Scotland’s buildings net zero carbon by 2050, in a way that is socially and economically feasible. Two main objectives are set out in the route map: remove poor energy efficiency as a driver for fuel poverty, and reduce greenhouse gas emissions through more energy efficient buildings and the decarbonisation of heat supply. The road map aims to have all Scottish homes achieve at least an EPC ‘C’ rating by 2040 (where technically and financially feasible), with a target set for fuel poor households of all homes in this category reaching at least an EPC ‘C’ rating by 2030. For homes, the aim is to achieve a 15% heat demand reduction and 35% heat from low carbon sources by 2032. For non-domestic properties, the aim is to achieve 20% heat demand reduction and meet 70% of heat demand from low carbon sources by 2032.

---

<sup>xxi</sup> The “Minimum Energy Efficiency Standards” in place in England and Wales make it an offence for a landlord to lease out a non-domestic property with an EPC rating of ‘F’ or ‘G’ unless an exemption is in place. It is expected that the minimum EPC rating will be raised to ‘C’ in 2027 and ‘B’ in 2030.

- 6.2.14. The UK Government’s **Clean Growth Strategy** (2017) sets a goal of getting as many homes as possible to at least an EPC rating of ‘C’ by 2035 (2030 for rental homes and fuel poor homes). These are the same target ratings, as set out in the Energy Efficient Scotland roadmap, but with different timescales. The Clean Growth Strategy also sets out a pathway for expanding heat networks, setting out a scenario of heat networks supplying up to 17% of heat demand in residential properties and 24% of heat demand in (non-industrial) non-residential properties by 2050 (compared to approximately 1% of all buildings in the UK presently).
- 6.2.15. The UK Government has stated that it intends to ban the sale of gas boilers from 2035, albeit with an exemption for “households who will most struggle to make the switch to heat pumps or other low-carbon alternatives” – expected to cover around 20% of homes in the UK. The UK Government has further stated that it intends to ban the installation of oil and LPG boilers and coal heating in off-gas grid homes from 2035.<sup>45</sup>
- 6.2.16. The Scottish Government’s **Hydrogen Action Plan** (2022) suggests that hydrogen “can be used to decarbonise many parts of our economy, including industry, transport, power and heat [...] Transported through the gas grid it could help decarbonise commercial premises and make a contribution to decarbonising home energy use.” Actions set out in the Plan include “maintain dialogue with SGN and National Grid to understand the role hydrogen can play in meeting our heat decarbonisation targets.”<sup>46</sup>
- 6.2.17. The Scottish Government has announced the establishment of a **National Public Energy Agency, Heat and Energy Efficiency Scotland**, to “provide the leadership and coordination needed to accelerate delivering the decarbonisation of heat across Scotland”. The Agency is planned to be operational on a standalone basis by September 2025. The Agency will accelerate transformational change in the heating of buildings; aid public understanding and awareness; and coordinate delivery of investment. A pledge to establish a new public energy company has been put on hold.<sup>47</sup>
- 6.2.18. The Scottish Government has convened a **Green Heat Finance Taskforce** with the remit of developing “a portfolio of innovative financial solutions for building owners in Scotland to ensure that by 2045, our homes and buildings no longer contribute to climate change, as part of the wider just transition to net zero”.<sup>48</sup> It is understood that the Taskforce will publish its findings in two sequential reports: the first “setting out the heating finance landscape in Scotland and barriers to the growth of private financing” and making “recommendations to support scaling of individual products like green mortgages”, and the second focusing on “communal, or area based mechanisms, including heat as a service models” and “options for social housing”.

### **Fuel poverty**

- 6.2.19. The **Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019** establishes a revised definition of fuel poverty as well as setting statutory targets to be achieved by 2040: no more than 5% of households in Scotland in fuel poverty and no more than 1% of households in Scotland in extreme fuel poverty. Intermediary targets are also set for 2030 and 2035. The new definition of fuel poverty in Scotland is as follows: a household is in fuel poverty if the household’s fuel costs (necessary to meet the requisite temperature and amount of hours as well as other reasonable fuel needs) are more than 10% of the household’s adjusted net income and after deducting these fuel costs, benefits received for a care need or disability, childcare costs, the household’s remaining income is not enough to maintain an acceptable

standard of living. This also include a definition of acceptable levels of heating, and the number of hours which this covers for an average household.

### Heat networks

- 6.2.20. Heat networks in the UK have historically been largely unregulated. The **Heat Network (Metering and Billing) Regulations 2014** place obligations on heat suppliers to notify the Office for Product Safety and Standards about any new heat networks on or before the day the heat network becomes operational, to install metering devices (where cost effective), and bill off-takers based on actual consumption. The UK Government is currently preparing UK-wide **Heat Networks Technical Assurance Standards**.
- 6.2.21. Heat networks have been identified as a key technology for meeting emission reduction targets as set in out in the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019. The **Heat Networks (Scotland) Act 2021** aims to encourage greater use of heat networks in Scotland through the introduction of a regulatory system. The Act, and the subsequent **Heat Networks (Heat Network Zones and Building Assessment Reports) (Scotland) Regulations 2023**, put in place regulations on heat networks, including introducing a consent and license regime; making provision for Heat Network Zones and a permit system giving operators exclusivity; and giving licence holders powers such as wayleaves. The Act aims to encourage consumer confidence through an improved regulatory system and ensure greater certainty for investors. The practical steps for implementing the regulatory regime and supporting the development of heat networks are outlined in the Scottish Government's **Heat Networks Delivery Plan (2022)**.
- 6.2.22. The key elements of the regulatory regime introduced by the Heat Networks (Scotland) Act are as follows:
- Operators of heat networks must secure a license to ensure they are “solvent, fit and proper” and that heat networks are developed and maintained to high standards. Licence holders will be granted new rights such as wayleaves, compulsory purchase powers, and road work and surveying rights. OFGEM is proposed to serve as the licensing authority for Scotland, with consumer protection powers around matters such as fair pricing; quality and reliability of service; transparency of information; and additional protections for vulnerable customers. Licences will be awarded to companies rather than on a site-by-site basis.
  - Developers/operators of heat networks must secure consent before building or operating a heat network. A consent is a site-specific permission to develop and operate a heat network. The Scottish Government's Energy Consents Unit will be the consent authority by default; local authorities may request to be the consent authority (or may be designated as such by the Scottish Government).
  - Developers/operators of a heat network must hold a permit to build or operate a heat network in a given Heat Network Zones. Permits bestow exclusive rights upon developers/operators. The Scottish Government will be the permit authority, and will award permits on a competitive basis. Consideration is required as how permits will interface with existing heat networks and with existing concession agreements.
  - Asset schedules and transfer schemes will be put in place to provide for the transfer of operational rights for heat networks to a different operator to avoid supply interruptions if an operator ceases to operate a heat network.

- Certain areas will be designated as Heat Network Zones: areas particularly suitable for heat networks. These zones will form the basis of the heat network permits regime.
- 6.2.23. The Act sets a statutory target of heat networks supplying 2.6 terawatt hours of thermal energy by 2027 and 6.0 terawatt hours by 2030 (compared to approximately 1.18 terawatt hours per annum currently). This is equivalent to 3% and 8% of current total demand. This is equivalent to approximately 120,000 additional homes by 2027 and 400,000 additional homes by 2030; on a pro rata basis, this would translate to around 11,500 additional homes in Edinburgh by 2027 and 38,400 additional homes in Edinburgh by 2030 (albeit the Act does not specify the source of the demand so in practice some of this demand will relate to non-domestic properties).
- 6.2.24. The Act requires the owners of public sector non-domestic buildings with an annual heat demand of at least 73 megawatt-hours per year to produce “building assessment reports” (BARs) – summary reports on the heating systems and demand of buildings. It is anticipated that the duty to complete BARs will eventually be extended to private sector building owners. BARs must be completed on a five-yearly basis. Completed BARs are to be submitted to local authorities and to the Scottish Government to inform the development of heat networks and the designation of Heat Network Zones by enabling potential anchor loads to be identified.<sup>xxii</sup>
- 6.2.25. The Scottish Government has established the **Heat Network Support Unit (HNSU)** with the remit of helping overcome challenges associated with the deployment of heat networks in Scotland, including providing support/expertise and grant funding.
- 6.2.26. As noted in [section 6.4](#), City Plan 2030 introduces a requirement for all new developments to connect to a heat network where possible. At present, there is no requirement in law for existing properties to connect to a heat network.
- 6.2.27. The UK Government’s **Energy Bill** (formerly known as the **Energy Security Bill**), introduced to Parliament in June 2022, introduces a UK-wide regulatory regime for heat networks. With respect to Scotland, the Bill enables the UK Government to designate the Gas and Electricity Markets Authority (GEMA) as the licensing authority for heat networks in Scotland as set out in the Heat Networks (Scotland) Act 2021. The Bill further empowers the UK Government to amend the Heat Networks (Scotland) Act 2021 to make provision for monitoring compliance with, and enforcing conditions of, heat network licences in Scotland.

### **New builds**

- 6.2.28. The Scottish Government has stated that “with very few exceptions” new homes built in accordance with the **Building (Scotland) Amendment Regulations 2015** will achieve an EPC rating of at least ‘C’, with around 95% of homes expected to achieve ‘B’ or better.<sup>49</sup>
- 6.2.29. The **Building (Scotland) Amendment Regulations 2022** were put in place in December 2022 to drive further improvements to building performance. These regulations require developers to reduce energy emissions for new buildings. The amended regulations are aligned to the proposal to prohibit direct emissions heating systems from April 2024.

---

<sup>xxii</sup> Local authorities are therefore required both to prepare BARs for their own estate and also to collate the data from all BARs produced within their area.

- 6.2.30. Following these increased regulations on energy efficiency in new homes, the **New Build Heat Standard** (scheduled to be in effect by April 2024) will prohibit the use of direct emissions systems for the heating (or cooling) of any new buildings for which a building warrant is required, both domestic and non-domestic. Past this date, only zero direct emissions systems (for example, heat pumps, heat networks, and direct electrical heating) will be allowed in new buildings. This represents a significant pivot away from the longstanding use of gas boilers as the heat system of choice in Scotland.
- 6.2.31. The **Domestic Building Environmental Standards (Scotland) Bill** introduces new minimum environmental design standards for all new-build housing to meet the Passivhaus standard (or a Scottish equivalent) in order to improve energy efficiency and thermal performance. The bill was lodged in 2022, with plans to make subordinate legislation within two years to give effect to the proposal. Passivhaus standards consider a whole building approach focusing on energy efficiency and ensuring buildings maintain an almost constant temperature through solutions such as triple glazing and additional insulation. In December 2022, the Scottish Government stated that it intended to make secondary legislation within two years to enact minimum design standards for all newly built housing requiring it to achieve the equivalent of Passivhaus standard.
- 6.2.32. The **Net Zero Public Sector Buildings Standard** (2021) is a voluntary building standard which supports public bodies to meet net zero standard for their new build and refurbishment infrastructure projects. This standard has guidance for six stages of the project lifecycle to support quality assurance.
- 6.2.33. The **Performance of Non-domestic Buildings (Scotland) Regulations 2016** requires that non-domestic buildings with a floor area of more than 1,000 square metres produce an Energy Action Plan at the point of sale or rental. The Energy Action Plan must set out how building owners will improve energy efficiency and reduce the building's greenhouse gas emissions.

### Energy planning

- 6.2.34. A fundamental challenge to the decarbonisation of heating is the cost of electricity relative to gas. In the UK, unit prices for electricity have traditionally stood at around three times those of gas. As noted in [section 4.5](#), this has made the economics of switching from gas boilers to electricity-based heat solutions (including heat pumps and direct electric heating) highly challenging. The **Independent Review of Net Zero** (2022) called for a “rebalancing” of gas and electricity prices. The Independent Review states, “the past approach of levying policy costs and taxes onto electricity bills keeps the price of electricity artificially high and can stifle the signal for the use of low-carbon technologies, from electrifying industrial fuel use to vehicles and heat pumps” and “keeping the relative price of electricity vs. gas consistently competitive on a long-term basis will be the single biggest determinant of ensuring that the transition brings a significant amount of savings to the average household”.<sup>50</sup> This recommendation was accepted by the UK Government, which in its 2023 policy paper **Powering Up Britain: Energy Security Plan** committed to setting out proposals in 2023/24 for the rebalancing of electricity and gas costs to reduce electricity costs and “generate the clear short-term price signal necessary to shift both households and businesses to lower-carbon, more energy efficient technologies like heat pumps”.<sup>51</sup>
- 6.2.35. The **Scottish Energy Strategy** (2017) sets a 2050 vision for energy in Scotland: to provide a “flourishing, competitive local and national energy sector, delivering secure, affordable, clean

energy for Scotland’s households, communities and businesses”. The Strategy sets out three central principles: take a whole-system view, have an inclusive energy transition, and a smarter local energy model. Two main targets are set by this Strategy: for the equivalent of 50% of the energy for Scotland’s heat, transport, and electricity consumption to be supplied from renewable sources by 2030, and for the productivity of energy use across the Scottish economy to be increased by 30% in by 2030.

- 6.2.36. In January 2023, the Scottish Government published the first draft of the national **Energy Strategy and Just Transition Plan**. The Energy Strategy sets out plans for transitioning Scotland to a climate friendly energy system. It sets targets including increasing renewable electricity generation capacity by 20 gigawatts by 2030 and for hydrogen to meet 15% of Scotland's energy needs by 2030. Key actions (some existing and others new) identified in the Energy Strategy with strong relevance to the Edinburgh LHEES include:
- Boosting the Home Energy Scotland advice service and widening the eligibility criteria of the Warmer Homes Scotland fuel poverty programme.
  - Providing a tailored package of support to remote and rural off grid communities through the Community and Renewable Energy Scheme, helping them to upgrade their energy systems.
  - Through Climate Action Hubs and Climate Action Towns, providing a vehicle for communities to work to identify local solutions and build a pipeline of investible projects and opportunities at a regional level.
  - Investing over £1.8 billion in decarbonising homes and buildings through Heat and Energy Efficiency Scotland over the course of the 2021-2026 Parliament.
  - Establishing a new regulatory regime for heat networks in Scotland and appropriate financial mechanisms.
- 6.2.37. The **Hydrogen Policy Statement** (2020) sets out a vision for Scotland to become a leading producer of reliable, competitive, and sustainable hydrogen. The Statement includes support for the development of a low-cost hydrogen capability to meet an initial ambition of producing five gigawatts of renewable and low-carbon hydrogen by 2030. The Statement identifies a potential role for hydrogen in decarbonising heat.
- 6.2.38. The **British Energy Security Strategy** (2022) sets out a package of measures intended to deliver “secure, clean and affordable British energy for the long term”. The Strategy sets out a 10-point plan; points of relevance to the Edinburgh LHEES are driving the growth of low carbon hydrogen; greener buildings; and green finance and innovation. Measures set out in the Strategy include zero-rating VAT on the installation of energy saving materials for five years; promoting the manufacture of heat pumps in the UK; promoting “green mortgages”;<sup>xxiii</sup> and seeking to generate 10 gigawatts of low carbon hydrogen by 2030.
- 6.2.39. The UK Government’s **Energy Bill** (formerly known as the **Energy Security Bill**) was introduced to Parliament in June 2022. The Bill sets out multiple measures relating to the generation of energy (with a reduced reliance on imported fossil fuels) and the regulation of the energy market. Key measures introduced in the Bill include:

---

<sup>xxiii</sup> Preferential mortgage terms offered on properties with greater energy efficiency.



- Enabling a large-scale hydrogen heating trial to inform strategic decisions on the role of hydrogen scheduled to be taken in 2026.
- Scaling-up heat pump manufacturing and installation.
- Introducing a regulatory regime for fusion energy.

## Housing

- 6.2.40. The **Housing to 2040** strategy (2021) sets out a vision “where new homes are designed to be energy-efficient and use zero emissions heating systems and where existing homes are retrofitted to improve their energy efficiency and decarbonise their heating systems, whilst making fuel poverty a thing of the past”, along with a route map for how to achieve this vision. The strategy sets a target of delivering 100,000 new affordable homes by 2031/32 (70% of these social rent) and retrofitting existing homes so their occupants can benefit from improved energy efficiency and decarbonised heating. This is linked to the aims of the Heat in Buildings strategy. The strategy reiterates the target of emissions from heating buildings in Scotland reaching zero by 2045. The strategy notes that this will necessitate changing the heating systems in over two million homes and over 100,000 non-domestic buildings, and that this will require investment from the public sector, homeowners, private and social landlords, and others.
- 6.2.41. **Scotland's Sustainable Housing Strategy** (2013) notes Scotland's requirement for warm, high-quality, affordable, and low carbon homes. It details the delivery of the Home Energy Efficiency Programmes for Scotland (HEEPS); appropriate use of standards and regulation; and market transformation. The Strategy sets out a route map to 2027 with targets to achieve a reduction in fuel poverty, and a reduction in housing emissions.
- 6.2.42. The **Tenements (Scotland) Act 2004** regulates tenement flats in Scotland. This covers ownership, duties, and demolition. The Tenement Management Scheme, as outlined in schedule 1 of the Act, lists the “scheme property” (explaining what parts for the tenement every flat owner should maintain) and explains how owners are to come to arrangements about maintenance (“scheme decisions”) and how costs are to be shared. The Climate Change (Scotland) Act 2009 amends the Tenement Management Scheme to reclassify the installation of insulation as a maintenance measure rather than an improvement, allowing works to be approved via a majority rather than unanimously as previously.

## Supply chain

- 6.2.43. The Scottish Government’s **Heat in Buildings Supply Chains Delivery Plan (2022)** sets out actions for developing the supply chain required for a transition to a “green heat” basis. Actions include allocating funding for research and development; using public procurement to maximise supply chain impacts; and developing a supplier-led incentives scheme to provide a route to market for new business models and consumer propositions. The Plan states that “the Green Heat supply chain is largely balanced at existing levels of demand” but notes a need for “skilled workers to support future deployment rates of heat pumps, heat networks, thermal insulation and direct electric heating systems”.
- 6.2.44. The **Climate Emergency Skills Action Plan 2020-2025** published by the Scottish Government and Skills Development Scotland sets out actions to meet skills demand associated with the transition to net zero, including those in energy transition and construction. In terms of construction, the Plan notes “an anticipated increased demand for professional level skills for jobs in planning, design, surveying and management” and “a requirement for the

development of specialist knowledge and skills round retrofit, zero emissions heating systems and heat networks for professional, technical and craft roles, as well as data and smart systems skills for delivering energy management in buildings services”.

### 6.3. Local policy landscape

6.3.1. Local policies support the realisation of national goals through solutions which are adapted for Edinburgh’s local circumstances, including developing new sustainable homes and upgrading existing homes to become more energy efficient.

6.3.2. The 2030 Climate Strategy (2021) is the overall strategy for Edinburgh to become a net zero city by 2030. The Climate Strategy identifies seven priorities for action, of which two relate directly to the Edinburgh LHEES: “accelerate energy efficiency in homes and buildings” and “enable the development of a citywide programme of heat and energy generation and distribution”.

6.3.3. The Climate Strategy sets the following key targets of relevance to the Edinburgh LHEES:

- All new Council-led housing developments 2020-2030 to be net zero.
- Develop regional renewable energy solutions, 2024-2027.
- Identify Heat Network Zones across the city.
- Develop a plan for retrofitting social housing across the city to the highest energy standards, to reduce energy demand and tackle fuel poverty.
- Establish an Energy Efficient Public Buildings Partnership.

6.3.4. The City of Edinburgh Council’s **Council Emissions Reduction Plan** (2021) sets out proposals for reducing all the Council’s emission sources, including building energy usage.

### 6.4. Planning policy context

6.4.1. Section 3F of the **Town and Country Planning (Scotland) Act 1997** requires all Scottish planning authorities to include policies in their local development plans requiring all developments to be designed to “avoid a specified and rising proportion of the projected greenhouse gas emissions from their use, calculated on the basis of the approved design and plans for the specific development, through the installation and operation of low and zero-carbon generating technologies”.

6.4.2. The **Edinburgh Local Development Plan** (ELDP) (2016) is the Council’s currently adopted LDP, however its successor, the emerging **City Plan 2030**, is the settled view of the Council having been consulted upon, approved by the Council, and submitted for examination; as such, it should be afforded material weight.

6.4.3. The **National Planning Framework 4** (NPF4) was adopted by Scottish Ministers in February 2023. It sets the context for development planning in Scotland and provides a framework for the spatial development of Scotland as a whole.

#### **Edinburgh Local Development Plan**

6.4.4. Policy Des 6 – “Sustainable Buildings” of the ELDP states that planning permission will only be granted for new developments where it has been demonstrated that the carbon dioxide emissions reduction target has been met (with at least half of this reduction to be achieved through the use of low/zero carbon generating technologies such as solar panels, heat pumps, and heat network infrastructure) and that other features are incorporated that will

reduce or minimise environmental resource usage and impact (for example, green roofs and measures to promote water conservation). The Council sets out specific current requirements in an “S1 Sustainability Form” which applicants for planning permission must complete to demonstrate they have complied with the policy.

- 6.4.5. Policy RS 1 – “Sustainable Energy” of the ELDP states that planning permission will be granted for development of low and zero carbon energy schemes (for example solar panels, district heating, energy-from-waste plants, and small-scale wind turbine generators) will be granted where these do not cause significant harm to the local environment (in terms of natural heritage and area character) or to amenity). The policy further states that proposals to fit micro-generation equipment onto existing buildings will be assessed using policy RS 1 along with non-statutory planning guidance for householders, and that where the development of energy-from-waste plants or biomass is proposed, the opportunity for local reuse of heat energy is expected to be explored.

### **City Plan 2030**

- 6.4.6. Policy Env 7 – “Sustainable Developments” of City Plan 2030 mandates that all detailed proposals involving the construction or change of use of one or more buildings must incorporate “all reasonably practicable measures to address the climate emergency”. For change of use proposals, the applicant must set out how the proposal incorporates “measures to increase resilience to future climate change and minimise greenhouse gas emissions such as built fabric efficiency improvement and low and zero carbon generating technology”.
- 6.4.7. Policy Env 8 – “New Sustainable Buildings” of City Plan 2030 mandates that new building developments for which a building warrant is required must “[achieve], predominantly through ultra-high fabric energy efficiency, a ‘net zero’ level of operational greenhouse gas emissions”, with this requirement to be controlled via planning conditions. The policy further states that “all new development requires to embed ultra-high fabric energy efficiency into its design and construction, with the optimal approach being for it to be built to Passivhaus standards” and that “the incorporation of low and zero carbon generating technologies into the new development is also supported.”
- 6.4.8. Policy Inf 16 – “Sustainable Energy and Heat Networks” of City Plan 2030 states that the development of “low and zero carbon energy schemes including small-scale wind turbine generators, solar panels, ground and air source heat pumps, water source heat and power, heat and/or power networks where energy comes from a renewable/low carbon source, and energy storage schemes that help support low and zero carbon energy schemes” will be supported where these do not harm natural heritage, area character, or amenity. The policy further states that proposals to fit micro-generation equipment onto existing buildings will be assessed using the above policy and non-statutory guidance for householders.
- 6.4.9. Policy Inf 16 further states that “all new developments should connect to an existing or planned heat network or other significant heat source wherever possible to do so”, that “where this is not possible then all substantial development must, subject to a viability and feasibility study, instead include a source of renewable/low carbon heat generation [...] and associated heat network”, and that any developments not heated through heat networks must be future proofed to allow a future connection to be made.

#### **National Planning Framework 4**

- 6.4.10. Policy 1 – “Tackling the climate and nature crises” of NPF4 encourages development that addresses climate and nature crises. It states, “when considering all development proposals significant weight will be given to the global climate and nature crises.” The policy requires local authorities’ Local Development Plans to ensure spatial strategies will reduce emissions.
- 6.4.11. Policy 2 – “Climate mitigation and adaptation” of NPF4 promotes development that minimises emissions. It includes the provisions that “development proposals will be sited and designed to minimise lifecycle greenhouse gas emissions as far as possible” and that “development proposals to retrofit measures to existing developments that reduce emissions or support adaptation to climate change will be supported”. The policy requires Local Development Plans to set spatial strategies to reduce, minimise, or avoid greenhouse gas emissions.
- 6.4.12. Policy 11 – “Energy” of NPF4 encourages renewable energy development onshore and offshore. The policy sets out a range of provisions, including that “development proposals for all forms of renewable, low-carbon and zero emissions technologies will be supported”. The policy further sets out that “grid capacity should not constrain renewable energy development. It is for developers to agree connections to the grid with the relevant network operator”. Local Development Plans are required to identify a range of opportunities for energy development.
- 6.4.13. Policy 12 – “Zero waste” of NPF4 encourages development consistent with the waste hierarchy. It sets out a range of provisions, including that development proposals for new or extended landfill sites will only be supported where waste heat and/or electricity generation is included, and that development proposals for energy-from-waste facilities will not be supported except under limited circumstances, including that a functional heat network can be delivered.
- 6.4.14. Policy 19 – “Heating and Cooling” of NPF4 promotes development that supports decarbonised solutions to heat and cooling demand. It sets out a range of provisions, including that “development proposals within or adjacent to a Heat Network Zone identified in a LDP will only be supported where they are designed and constructed to connect to the existing heat network”; that “where a heat network is planned but not yet in place, development proposals will only be supported where they are designed and constructed to allow for cost-effective connection at a later date”; and that “national and major developments that will generate waste or surplus heat and which are located in areas of heat demand, will be supported providing wider considerations, including residential amenity, are not adversely impacted”. Local Development Plans are required to take account of the relevant LHEES.
- 6.4.15. NPF4 promotes using empty buildings and developing on brownfield sites – particularly in the Central Belt of Scotland. Areas where land has not been used for decades, or where the land is accessible by sustainable modes, should be prioritised. There are several areas in Edinburgh which fit these requirements, such as Granton Waterfront. Within the heating and cooling policy section, the Edinburgh LHEES is referenced as the point of reference as well as Heat Network Zones. Within the quality homes section, net zero homes are noted as supporting a green economy and tackling fuel and child poverty. There are no energy-focused actions linked specifically to Edinburgh.

### **Permitted Development Rights**

- 6.4.16. Under the Town and Country Planning (General Permitted Development) (Scotland) Order 1992 (as amended) householders in Scotland possess Permitted Development Rights that enable them to carry out certain developments without requiring planning permission. These rights include the installation of solar panels; air, ground, and water source heat pumps; free-standing wind turbines; and biomass heating systems.<sup>52</sup> Certain non-domestic properties benefit from the same Permitted Development Rights.
- 6.4.17. As set out in the Heat in Buildings Strategy, the Scottish Government is considering introducing Permitted Development Rights for heat networks and extending existing Permitted Development Rights for micro-renewable technologies.

## 7. Ongoing activity in Edinburgh

### 7.1. Edinburgh context

- 7.1.1. Edinburgh is one of four local authorities in Scotland with a predominantly urban character. The city proper is relatively compact and densely populated, with tenement buildings and blocks of flats being the most common housing type.
- 7.1.2. Edinburgh has a significant degree of built heritage, with two UNESCO World Heritage Sites (one of which covers much of the city centre), 50 Conservation Areas, and around 5,000 listed buildings and structures, ranging from Georgian and Victorian tenements to medieval castles. This heritage presents challenges for decarbonisation, both in terms of practicalities (for example, the inability to deploy cavity wall insulation to solid wall buildings) and policy (for example, the inability to replace sash-and-case windows with more thermally efficient uPVC windows). The retrofitting of historic buildings is a challenge in and of itself.
- 7.1.3. Edinburgh is home to a range of large and complex buildings, including an international airport; football and rugby stadia; major hospitals; military installations; a prison; and multiple rail stations. These buildings will each present their own challenges in terms of achieving net zero.
- 7.1.4. The City of Edinburgh Council is the largest property owner in Edinburgh. Its estate includes over 20,000 social homes; 124 schools; and multiple other operational buildings including nurseries, libraries, museums, galleries, offices, depots, storage facilities, community centres, sporting facilities, a crematorium, a mortuary, greenhouses, and public toilets. The Council is also the owner of a sizeable investment estate including industrial units, shops, and offices. The Council's ownership of these properties naturally gives it far greater ability to take forward works to decarbonise these properties. However, it equally means that the costs of these works will in the first instance fall to the Council, representing a significant financial burden at a time of ongoing budgetary pressures.
- 7.1.5. Edinburgh has seen significant development in recent years. From 2013 to 2022, 21,767 new homes were completed in Edinburgh.<sup>53</sup> With each passing year, the property stock of Edinburgh is becoming gradually more modern as newly built properties make up an increasing proportion of all properties. This represents an opportunity to improve the overall performance of the city's building stock in terms of energy efficiency and heat decarbonisation by designing for these issues from the outset, which is inevitably more straightforward than making changes retroactively.

### 7.2. 2030 Climate Strategy

- 7.2.1. The 2030 Climate Strategy (2021) is the overall strategy for transitioning Edinburgh to a net zero carbon city. The Edinburgh LHEES sits below the Climate Strategy, being the strategy for transitioning the heating of buildings in Edinburgh to net zero.
- 7.2.2. The Climate Strategy sets out 27 actions to be progressed under the theme of "net zero energy generation and energy efficient buildings". These actions, and the current progress against each, are set out below.
  - "Set progressive planning policies to increase energy standards in new buildings" – as set out in [section 6.4](#), City Plan 2030 sets rigorous standards for new development in Edinburgh. In particular the policy requires new developments in Edinburgh to

achieve “a ‘net zero’ level of operational greenhouse gas emissions”. This means that all new developments in Edinburgh following the adoption of City Plan 2030 will require to be developed to net zero carbon standard. Further, City Plan 2030 requires all new developments in Edinburgh to connect to a heat network “wherever possible”. This policy will help drive the expansion of heat networks in Edinburgh by providing investors/operators with some assurance as to future connections.

- “Require the use of low and zero emissions technologies to heat and power the city’s buildings” – this action from the Climate Strategy is closely linked to one of the central purposes of the Edinburgh LHEES. A focus of the Edinburgh LHEES is on the decarbonisation of buildings in Edinburgh, which would necessitate the use of zero direct emissions heating systems. Low emissions heating systems still contribute to carbon emissions and therefore will not be an acceptable means of delivering the Edinburgh LHEES. City Plan 2030 mandates that all new buildings in Edinburgh achieve “a ‘net zero’ level of operational greenhouse gas emissions”, and requires them to connect to a heat network "if practical". This will be complemented by the proposed ban on gas boilers in new buildings in Scotland and other national regulations. The process for transitioning existing buildings to low and zero direct emissions heating technologies will be more complex and will require a "carrot and stick" mix of obligations (e.g. regulatory requirements) and incentives.
- “Convene a City Heat and Energy Partnership” – a City Heat & Energy Efficiency Board was established in 2022 with the remit of developing joint investment and heat masterplans for Edinburgh. The Board is co-led by the University of Edinburgh and SP Energy Networks in collaboration with the Council; businesses; community groups; the third sector, the education and culture sector; utilities; and other stakeholders.
- “Develop a city-wide heat and energy masterplan” – the Edinburgh LHEES will in effect form the first iteration of a city-wide heat and energy masterplan, with the City Heat & Energy Efficiency Board to carry out further work subsequently.
- “Develop a long-term city partner shared investment strategy to deliver the citywide heat and energy masterplan” – the shared investment strategy will follow on from the Edinburgh Heat and Energy Masterplan. It is envisaged that it will build upon investment proposals emerging from the Edinburgh LHEES. The Edinburgh Climate Change Institute is mapping the investment plans of all members of the City Heat & Energy Efficiency Board.
- “Agree appropriate delivery mechanisms for the energy investment strategy” – the shared investment strategy will follow on from the Edinburgh Heat and Energy Masterplan.
- “Establish a strategic partnership with SP Energy Networks” – the Council has established a senior working relationship with SP Energy Networks that enables both parties to raise matters for consideration. SP Energy Networks also co-chairs the City Heat & Energy Efficiency Board.
- “Align current and future grid development to the city’s projected energy needs” – the aforementioned partnership with SP Energy Networks gives the Council the

ability to seek to influence grid investments to align them with development activity in Edinburgh.

- “Develop regional renewable energy solutions which draw on the area’s wind, geothermal, hydro and solar assets” – by dint of its urban character, comparatively small area, and geology, Edinburgh has fewer intrinsic opportunities for renewable energy generation than elsewhere in Scotland. However, the city has seen deployment of small-scale schemes such as hydropower at Harlow Reservoir and Saughton Park. Edinburgh Airport and Edinburgh Zoo are among the landowners in Edinburgh with plans for solar meadows. Other potential opportunities include the extraction of heat from the Firth of Forth and from disused mine workings.
- “Learn from the H100 hydrogen pilot” – the Council is maintaining a watching brief on the H100 hydrogen pilot and on the wider developments in the hydrogen sphere. It is recognised that there are considerable differences of opinion as to the scope for hydrogen to play a meaningful role in space heating.
- “Collaborate with regional partners to decarbonise the region’s energy infrastructure” – some small-scale collaboration has been carried out to date, for example dialogue between the Council and Midlothian Council / East Lothian Council around a potential cross-boundary Heat Network Zone in southeast Edinburgh. It is envisaged that further dialogue will take place around the scope to utilise heat from disused mine workings.
- “Identify Heat Network Zones across the city” – this action is closely linked to the central purpose of the Edinburgh LHEES. Some initial analysis has been undertaken to identify areas within Edinburgh with strong potential for the development of a heat network, and several potential strategic heat networks are in various stages of development. Building upon the work to date, the Edinburgh LHEES provides robust analysis on the areas of Edinburgh with the greatest potential for Heat Network Zones. This analysis, along with additional data from building assessment reports, will form the basis of recommendations around the formal designation of Heat Network Zones in Edinburgh in line with the emerging regulatory regime stemming from the Heat Networks (Scotland) Act 2021.
- “Ensure all Council-led infrastructure investment plans seek opportunities to connect to heat networks, beginning with our learning estate programme” – City Plan 2030 requires all new buildings in Edinburgh to connect to a heat network “if practical”. In terms of existing buildings, where heat networks are present or are planned to be delivered, the scope to connect to these will be explored. This will begin with Granton Waterfront where existing Council operational properties are proposed to connect to the heat network once operational.
- “Work with communities and developers to deliver heat networks which meet the needs of key public sector buildings and major new developments across the city, beginning with Granton Waterfront and the BioQuarter” – as set out in [section 7.3](#), the Council and its partners are developing a suite of heat network projects, with Granton Waterfront and Edinburgh BioQuarter the two furthest advanced projects.
- “Collaborate on place-based joint energy infrastructure projects which maximise opportunities to deliver low-cost, clean, renewable energy to neighbourhoods and



communities, with a focus on areas experiencing inequalities” – no projects of this nature have been delivered to date. Consideration would need to be given to energy sources, funding models, and other practicalities.

- “Align strategic investment in the electricity grid with development plans, to support increased local energy generation” – as noted above, the Council has established a strategic relationship with SP Energy Networks.
- “Explore the potential for creating local energy generation communities as part of proposed net zero communities’ pilots” – phase two of the Net Zero Communities pilot will include an evaluation of community energy generation potential using “Green Heat in Green Spaces” data.
- “Develop a city-wide programme of community energy generation investment opportunities” – this programme has not yet been developed. Phase two of the Net Zero Communities pilot will inform development of this.
- “Develop a Whole House Retrofit delivery programme for retrofitting social housing across the city to the highest energy standards, to reduce energy demand and tackle fuel poverty” – as set out in [section 7.3](#), an investment programme is underway to retrofit the Council’s housing stock in line with the Energy Efficiency Standard for Social Housing 2.
- “Establish an Energy Efficient Public Buildings Partnership to collaborate on retrofit, align investment plans and encourage confidence in, and planning for, the business and skills supply chain needed to deliver” – this partnership has been established as part of the City Heat & Energy Efficiency Board.
- “Ensure retrofit programmes create green jobs and fair work opportunities for citizens, targeting those at greatest risk of poverty” – Council-led retrofit programmes will deliver community benefits as part of the procurement process.
- “Call on the Scottish Government to work with city partners to identify and deploy sufficient resources to deliver net zero public buildings” – the Scottish Government has deployed the Scottish Central Government Energy Efficiency Grant Fund, Scottish Public Sector Energy Efficiency Loan Scheme, and Scotland’s Public Sector Heat Decarbonisation Fund to support the costs of retrofitting national public sector bodies’ buildings. However, the costs of fully retrofitting all public sector buildings in Edinburgh is unlikely to be capable of being funded by the public sector directly, and so it is anticipated that mechanism will require to be developed to leverage institutional funds into retrofit in Edinburgh. Further, as set out in the Delivery Plan, greater certainty over long-term funding is necessary.
- “Develop a new mechanism and business plan to support small businesses, owner occupiers and private landlords to affordably retrofit their properties” – while grant funding from bodies such as Home Energy Scotland and Business Energy Scotland is available, it is recognised that these bodies will not be able to meet all the costs of retrofitting properties in Edinburgh. The scale of investment required is likely to require institutional funding. As above, a mechanism will require to be developed to support this investment.
- “Develop electricity grid infrastructure and capacity to respond to increased demand from electric-powered heat” – as noted above the Council has established a strategic

relationship with SP Energy Networks. The Edinburgh LHEES identifies the Strategic Zones where heat pumps are most likely to present a good solution.

- “Work with SP Energy Networks and the Scottish Government to identify measures to reduce the cost of electricity and support citizens to transition away from gas” – a reduction in electricity prices is likely to be pivotal to the decarbonisation of heat in Edinburgh, as presently the high cost of electricity relative to gas can make the viability of solutions such as heat pumps and direct electric heating a challenge. Reducing electricity prices is largely outwith the competencies of the Council. However, there is scope to reduce dependency on high grid prices via increased generation within Edinburgh (ranging from micro-renewable installations on buildings to larger projects such as solar meadows and hydropower) coupled with storage.
- “Call on the Scottish Government to bring forward at speed improved schemes to support citizens to fund energy efficiency upgrades and decarbonise of heat in their homes” – support for households to improve energy efficiency and decarbonise heating is provided by Home Energy Scotland and via Area-Based Schemes, as well as via others schemes such as Warmer Houses Scotland and ECO4 / the Great British Insulation Scheme. The lack of long-term certainty around these schemes has been identified by the Council as a challenge in terms of developing a long-term strategy for decarbonising homes. As noted above, institutional funds are likely to be required to achieve retrofit and decarbonisation of all homes.
- “Scope and test innovative approaches to retrofit in challenging mixed-tenure settings, to develop models and accelerate progress” – as part of the retrofit of its social housing stock and operational estate, the Council has developed models for the retrofit of various building archetypes.

### 7.3. Council estate and Council-led area interventions

#### Refurbishment of existing social housing

- 7.3.1. The Council is the largest registered social landlord in Edinburgh and one of the largest in Scotland with a growing portfolio of approximately 19,000 social homes.
- 7.3.2. The Energy Efficiency Standard for Social Housing 2 (ESSH2) sets a milestone of all social housing in Scotland achieving an Energy Performance Certificate rating of ‘B’ or better, or being “as energy efficient as practically possible”, by the end of 2032 (“within the limits of cost, technology and necessary consent”). The ESSH2 further states “no social housing below EPC Band D should be re-let from December 2025, subject to temporary specified exemptions.” The ESSH2 is currently being reviewed by the Scottish Government. As of March 2023, 12% of the Council’s social homes met ESSH2.
- 7.3.3. The Council’s investment in housing is underpinned by the Housing Revenue Account Business Plan for the 30-year period 2023/24 to 2052/53. The Business Plan projects that, based on annual rent increases of 2.5%, 81% of the Council’s portfolio of social housing could be brought up to ESSH2 standard over the lifetime of the Business Plan, i.e. by 2053. Accelerating this transformation would require increased rent or grant income.<sup>54</sup> Conversely, should rent income increase by less than this, the ability of the Council to achieve this target would be impeded.

### **Whole House Retrofit**

- 7.3.4. The Council fully adopted a “Whole House Retrofit” (WHR) approach to the retrofit of high-rise housing blocks in 2023. This entails a “fabric first” approach to improving energy efficiency, designing-out poor performance (e.g. reducing heat loss, removing thermal bridges/cold spots, and reducing the build-up of moisture via an appropriate ventilation strategy) whilst ensuring all elements complement one another rather than work against one another. The Council has predicted that a WHR approach can reduce energy demand for the average home by 50% to 75%.
- 7.3.5. To support the delivery of the WHR programme, the Council is recruiting additional staff, upskilling existing staff, and delivering apprenticeships.
- 7.3.6. The cost of delivering the WHR programme is estimated to average approximately £56,000 per home. However, some properties are likely to prove significantly more expensive to address; the refurbishment of the residential blocks Inchmikery Court and Oxcars Court (representing a total of 151 homes) via the installation of a new external building envelope sitting 1.5 metres outwith the existing frame to improve the energy efficiency of the buildings (with a targeted improved Energy Performance Certificate rating of ‘B’) is projected to cost £25 million to £30 million: approximately £166,000 to £199,000 per home.
- 7.3.7. As noted, the WHR programme takes a fabric first approach. The Council does not currently plan to replace existing heating systems until they are nearing the end of their working lives., but the interventions carried out under the WHR programme will support the move to zero direct emissions heating systems at a future date. As noted below, all new build Council housing developments use zero direct emissions heating systems.

### **Mixed Tenure Improvement Service**

- 7.3.8. The Council’s Mixed Tenure Improvement Service (MTIS) delivers improvements to energy efficiency (as well as common repairs and maintenance) in mixed tenure buildings where there are a mix of properties owned by private owners and the Council. The costs of common works are shared amongst the respective owners in line with the title deeds of the buildings in question and the Tenements (Scotland) Act 2004. MTIS organises, plans, and oversees works with input from tenants and private owners.
- 7.3.9. In 2021, the MTIS began a £30 million programme of upgrades to the Wester Hailes neighbourhood of Edinburgh, with the Council investing £20 million and private owners and Area-Based Scheme funding making up the remainder of contributions. The first two years of the works saw energy efficiency upgrades carried out to over 900 homes, including over 670 Council-owned homes and 230 privately-owned homes.
- 7.3.10. Following on from the Wester Hailes pilot, the MTIS service is planned to be expanded to cover other areas of Edinburgh, initially Lochend and Restalrig.

### **Area-Based Schemes**

- 7.3.11. Area-Based Schemes (ABS) provide grant-in-aid for private households at risk of fuel poverty, prioritising harder to treat homes that require solid wall insulation or complex cavity wall insulation. The aim of the scheme is to bring all homes up to EPC ‘C’ standard by 2030.
- 7.3.12. ABS are funded by the Scottish Government and designed and procured by local authorities. The City of Edinburgh Council was offered £5.16 million of funding for 2022/23.

- 7.3.13. ABS are focused on homes in economic disadvantaged areas (Council Tax bands A to C and low-ranking SIMD areas) with an EPC rating below 'C'. Eligibility for the ECO3 scheme can be used as a proxy for eligibility.
- 7.3.14. ABS have been found to be a good solution for mixed tenure and multi-occupancy properties.
- 7.3.15. Between 2013/14 and 2023/14, a total of 11,072 interventions were carried out across Edinburgh under ABS, including 5,226 instances of cavity wall insulation; 4,005 instances of solid wall insulation; and 519 instances of loft insulation.

#### **Development of new social housing**

- 7.3.16. The Council resumed the development of new social housing in 2008 via its 21<sup>st</sup> Century Homes programme. In 2017, the Council set a target of delivering 10,000 new social homes by 2027.
- 7.3.17. In 2020, the Council adopted a housing sustainability approach. As part of this, no new Council homes are fitted with gas boilers, and homes are built to Passivhaus standard.
- 7.3.18. As of January 2023, the Council had 613 social homes under construction, with a further 1,044 in design or pre-construction. The housebuilding capital budget for 2023/24 was approximately £100 million. Current major ongoing and planned developments are:
  - D1 – 75 homes (including 48 social homes) heated via an air source heat pump-based communal heating system.
  - Fountainbridge – 464 homes (including 186 social homes) heated via individual air source heat pumps.
  - Granton Waterfront, phases 1 to 4 – 2,864 homes (including circa 700 social homes) heated via a 4-megawatt sewer-source heat pump (with a ground-mounted solar photovoltaic array helping meet the heat pump's electricity requirements).
  - Greendykes K and L – 140 homes (including 74 social homes) heated via a mix of individual air source heat pumps and individual exhaust air source heat pump.
  - Meadowbank – 680 homes (including 240 social homes) heated via individual air source heat pumps, supplemented via mechanical ventilation with heat recovery.
  - Murrayburn Gate – 73 homes (including 41 social homes) heated via individual air source heat pumps.
  - Powderhall – 259 homes (including 107 social homes) heated via individual air source heat pumps, supplemented by electric radiators, with rooftop mounted solar photovoltaics.
  - Silverlea – 142 homes (including 91 social homes) heated via individual air source heat pumps.
  - Western Villages – 444 homes (including 195 social homes) heated via an air source heat pump-based communal heating system.
- 7.3.19. The development of new social housing by the Council is steadily increasing the stock of energy efficient homes in Edinburgh.

## **Operational estate**

- 7.3.20. The Council has a large and complex operational estate of over 400 buildings, many of them of advanced age. The Scottish Government's Heat in Buildings Strategy sets a target of all publicly owned buildings in Scotland meeting zero direct emissions heating requirements by 2038. The Council has set a target of all operational properties achieving net zero status by 2030.
- 7.3.21. In 2019, the Council adopted an Energy Management Policy that set out three aims with regards to the estate: to minimise energy consumption; to achieve ongoing improvements through recording, benchmarking, monitoring, and reporting on energy usage; and to promote the conservation of energy.<sup>55</sup> The Council's Corporate Property Strategy align lifecycle investment in the Council's operational estate with works to decarbonise properties.
- 7.3.22. Key identified challenges associated with decarbonisation of the operational estate include:
- The greater unit cost of electricity relative to gas, meaning a transition from natural gas to electricity will, all other things being equal, increase running costs of buildings.
  - Electricity grid constraints associated with a move from natural gas-based to electricity-based heating solutions.
  - Practical challenges associated with retrofitting certain buildings.
  - Financial challenges where retrofit does not present a conventional payback.
- 7.3.23. New Council operational buildings are built to Passivhaus standard by default to minimise energy consumption. For existing buildings, the Council has adopted an EnerPHit-informed standard as the most appropriate standard for deep energy retrofits.
- 7.3.24. In 2022, the Council approved the EnerPHit Tranche 1 Programme: a £61.83 million programme to retrofit 12 Council operational buildings to an EnerPHit-informed standard over the period 2022/23 to 2027/28.<sup>56</sup> This programme is intended to serve as a pathfinder for the retrofit of further Council properties.
- 7.3.25. In June 2023, the Council submitted a planning application for Brunstane Primary School, the first operational building to be piloted via the EnerPHit Tranche 1 Programme. Surveys of the school identified multiple challenges including a lack of insulation, poor U-values, poor airtightness, and significant thermal bridges. The measures that will be undertaken in response to these challenges are replacing doors and windows, adding new external wall insulation, adding roof insulation, replacing curtain walling with rainscreen cladding, and installing air source heat pumps providing space heating. The retrofit is planned to achieve a 73% reduction in energy usage, while increasing user comfort via providing more consistent temperatures and improved fresh air circulation.

## **Investment portfolio**

- 7.3.26. The Council also has a large investment portfolio of over 1,000 buildings which are leased out to provide an income stream to the Council. By dint of this the Council is one of the largest commercial property landlords in Edinburgh.
- 7.3.27. The portfolio is highly diverse, with the main categories of property being (in descending order of quantity) industrial units, retail units, offices, and leisure properties (hotels, bars, and restaurants). It varies considerably in terms of age, condition, and other factors. The

portfolio experiences growth via a combination of acquisitions, new developments, and repurposing of existing Council assets as investment properties.

- 7.3.28. The Council's Portfolio Strategy sets a goal of managing the portfolio in accordance with the Council's climate and sustainability commitments.<sup>57</sup> The Strategy identifies that some elements of the investment portfolio require improvements in energy performance. The Strategy sets an action of preparing improvement plans to identify the necessary measures to improve the sustainability to the portfolio, with the relevant works to be undertaken when relevant funding has been identified.
- 7.3.29. New developments instructed by the Council as additions to the investment estate will be developed to achieve extremely high levels of energy efficiency. For example, the Hyatt Centric Edinburgh Haymarket hotel currently being developed for the Council (as head tenant) will be heated entirely using electricity, and is expected to achieve the best energy performance of any hotel of this scale in Scotland.

### **Parks and greenspaces**

- 7.3.30. The Council has participated with Greenspace Scotland in the ParkPower project, which aims to leverage urban green and blue spaces to decarbonise energy in Scotland.
- 7.3.31. Saughton Park in Edinburgh has been transformed into Scotland's first "green-powered park". The park now incorporates a micro-hydro scheme to generate electricity and ground-source heat pumps to generate heat.
- 7.3.32. In June 2020, the consultancy Ramboll prepared a report for the Council on the energy potential of greenspaces in Edinburgh.<sup>58</sup> A total of 165 greenspaces were reviewed, of which two sites were identified as having the greatest potential:
- Inverleith Park – identified as a potential heat export site, with opportunities for both water-source heat pumps and ground-source heat pumps.
  - Jack Kane Centre and Park – identified as a potential heat island site, where the energy demand of buildings on site could be met on site.
- 7.3.33. In August 2020, Ramboll prepared a follow-up report for the Council.<sup>59</sup> The follow-up report set out a techno-economic appraisal of the potential for low carbon heat projects at Inverleith Park and the Jack Kane Centre and Park. The report identified the following:
- Inverleith Park – potential for 6.37-megawatt capacity heat pumps.
  - Jack Kane Centre and Park – potential for 0.16-megawatt capacity heat pumps.
- 7.3.34. Further development of this progress is pending management resource and funding.

## **7.4. Heat networks**

### **Overview**

- 7.4.1. The City of Edinburgh Council is currently supporting the development of multiple heat networks projects in Edinburgh. Of the 17 heat network projects being supported by the Scottish Government as of March 2023, four were in Edinburgh.<sup>60</sup>
- 7.4.2. In addition to its role as a developer and customer of heat networks, the Heat Networks (Scotland) Act 2021 and The Heat Networks (Heat Network Zones and Building Assessment

Reports) (Scotland) Regulations 2023 introduce a number of duties for the Council with regards to heat networks. These are as follows:<sup>xxiv</sup>

- Conducting a review to consider whether one or more areas within Edinburgh is likely to be particularly suitable for the construction and operation of a heat network (and publishing the results of the review).
- Designating areas deemed particularly suitable for the construction and operation of a heat network as “Heat Network Zones”.
- Acting as “consent authority” for Edinburgh, i.e. awarding (and revoking) consents for the development of heat networks in Edinburgh.<sup>xxv</sup>
- Producing “building assessment reports” (BARs) for non-domestic buildings owned by the Council with an annual heat demand of at least 73 megawatt-hours per year, providing data on heat sources and demand, to inform whether areas are suitable for the development of heat networks.

### Existing heat networks

7.4.3. Data from the Scotland Heat Map indicates that there were 153 heat networks and communal heating systems in Edinburgh as of 2023 – around 14% of the Scottish total. These are listed in [Table 48](#) and illustrated in [Figure 01](#).

7.4.4. Based on the Scotland Heat Map data, the following statements can be made about the 153 heat networks and communal heating systems:

- 127 (83%) of the heat networks / communal heating systems ran off a (gas) boiler; 11 (7%) ran off a combined heat and power plant; and one (1%) ran off trigeneration, with 18% (12%) running off an unknown technology.
- Three (3%) of the heat networks / communal heating systems were micro (less than 45 kilowatts); 113 (74%) were small to medium-sized ( $\geq 45$  kilowatts to  $< 1$  megawatt); and 20 (13%) were large ( $\geq 1$  megawatt) with 17 (11%) being of unknown size.
- The neighbourhoods of Edinburgh (defined using intermediate areas) with the greatest number of heat networks / communal heating systems were “Old Town, Princes Street and Leith Street” (18 / 12%); “South Gyle” (10 / 7%); “Tollcross” (12 / 8%); “Deans Village” (12 / 8%); and “Meadows and Southside” (10 / 7%).

7.4.5. It is understood that many of the existing heat networks / communal heating systems are serving multiple units within a single building, or form part of a university campus or other cluster of buildings under a single ownership. It is further understood that most of the existing heat networks / communal heating systems run off mains gas and therefore would not currently contribute to the fulfilment of the targets set out in the Edinburgh LHEES. It is therefore envisaged that work will be required to decarbonise most of the existing heat networks.

7.4.6. It is noted that many of the existing heat networks fall within prospective Heat Network Zones. Dialogue with the Scottish Government has indicated that the emerging permit

---

<sup>xxiv</sup> The Act also empowers the Scottish Government to designate bodies as the “permit authority” or “licensing authority”. It is possible that the Council could be designated the permit authority and/or the licensing authority for Edinburgh.

<sup>xxv</sup> Subject to the Council writing to the Scottish Government to request it be designated as the consent authority, or the Scottish Government designating the Council as the consent authority.

regime will not apply to existing heat networks, i.e. existing heat networks that fall within a Heat Network Zone will not require to secure a permit in order to continue operating, nor will permit holders have the ability to “take over” existing heat networks within the Heat Network Zone in question. However, the introduction of the permitting system may nonetheless give rise to some challenges where there are existing heat networks, for example:

- If an existing heat network operator within a Heat Network Zone does not hold the permit for that zone, this may impede them from being able to expand their network.
- Where a heat network developer has secured a permit for a Heat Network Zone, the presence of existing heat networks within the zone may mean that the available demand is less than envisaged, for example where one or more anchor loads are already connected to an existing heat network.

### **First National Assessment**

- 7.4.7. The First National Assessment of Potential Heat Network Zones was published by the Scottish Government in 2022.<sup>61</sup> The assessment utilises data on heat demand to identify potential Heat Network Zones in Scotland; it does not account for considerations such as future developments, existing heat networks, sources of heat, and practical barriers. The analysis set out in the Edinburgh LHEES therefore builds upon the First National Assessment by incorporating a wider raft of considerations.
- 7.4.8. The prospective Heat Network Zones identified in the First National Assessment are primarily based upon linear heat densities of 4,000 kilowatt hours per metre (of pipe) per year as a baseline, or 8,000 kilowatt hours per metre (of pipe) per year as a more stringent approach.
- 7.4.9. The First National Assessment (baseline analysis) identified a total of 647 potential Heat Network Zones across Scotland with a notional combined heat demand of 25,672,514 megawatt hours per annum.<sup>xxvi</sup> Anchor loads account for 14.1 terawatt hours per year – 54.9% of total demand.
- 7.4.10. Within Edinburgh, the First National Assessment identified a total of 41 potential Heat Network Zones. A map of the zones is shown at [Figure 02](#). The 41 zones represented a total of 51,206 properties (38,649 residential and 10,942 non-domestic), with a total combined heat demand of 3,404,609 megawatt hours per annum.<sup>xxvii</sup> 569 anchor loads accounted for 43% of heat demand. Significantly, 24,531 (48%) of the properties were identified as “heritage” properties.
- 7.4.11. The single largest zone in Edinburgh identified in the First National Assessment is zone “CE-309-St1”, which is centred on the city centre, with spurs stretching southwest to Marchmont and Morningside, southeast to Newington, northwest to Orchard Brae, and northeast to Shrubhill. A map of this zone is shown at [Figure 03](#). The zone includes 14,024 properties with a combined annual demand of 1,011,845 megawatt hours per annum.<sup>xxviii</sup> 79% of the properties are “heritage” properties.

---

<sup>xxvi</sup> I.e., 25,673 gigawatt hours or 25.7 terawatt hours

<sup>xxvii</sup> I.e., 3,405 gigawatt hours or 3.4 terawatt hours

<sup>xxviii</sup> I.e., 1,012 gigawatt hours or 1.0 terawatt hours



7.4.12. The First National Assessment provides a useful illustration of where Heat Network Zones are most likely to be viable, and the potential scale of heat networks that could be realised in Edinburgh. Some of the Heat Network Zones identified in the First National Assessment may be unviable due to the practical considerations set out above, but conversely other zones may emerge due to pipeline property developments not captured by the First National Assessment.

### **Granton Waterfront**

7.4.13. The Granton Waterfront is a 140-hectare brownfield ex-industrial neighbourhood. Over the next 10-15 years, the Council will take forward a major mixed-use regeneration of the area delivering thousands of homes, a primary school, a medical centre, and significant new commercial space. In line with the target of Edinburgh achieving net zero carbon by 2030, the Council is seeking to deliver a low carbon heat network that will supply cost-competitive heat from low carbon sources to Granton Waterfront and the surrounding area.

7.4.14. The Council has assessed various options for delivering a low carbon heat network at Granton Waterfront. In March 2022, the Council finalised an options appraisal and detailed technical feasibility study that identified a preferred solution for the heat source: a 4-megawatt heat pump utilising heat from the sewer running beneath Granton Waterfront, supplemented by two 10 megawatt electric boilers for resilience, with a 1-megawatt ground-mounted solar photovoltaic array helping meet the network's electricity requirements.

7.4.15. The anchor loads for the heat network would be 12 existing and new public sector buildings totalling over 86,900m<sup>2</sup>, along with 3,383 domestic properties and a further 9,000m<sup>2</sup> of commercial space. There is scope to add additional connections.

7.4.16. Building on this preferred technical solution, the Council finalised an outline business case in March 2023. As part of this, a full options appraisal was carried out with a commercial advisor. Based on the size, scale and complexity of the network, and the risks around managing the timescales to meet the first connections along with securing enough heat demand to ensure its viability, it was determined that the preferred route to delivering the heat network is a concession model. This would see the Council enter into a 40-year design, build, operate, finance, and maintain concession agreement with a private sector concessionaire, ensuring a partner with a proven track record in managing networks takes this forward whilst achieving a high degree of risk transfer to the private sector while retaining Council control over key aspects including price controls and capped returns.

7.4.17. The projected capital expenditure required to deliver the heat network is £81.048 million. Grant funding of £19.892 million from the Heat Network Fund would achieve an internal rate of return of 10%, making the project commercially attractive.

7.4.18. The techno-economic model developed for the project indicates that, for a typical household with an assumed annual demand of 3,670 kilowatt hours, the heat network would achieve a fixed tariff of £621 and a variable tariff of £287, representing an indicative total annual cost of £909. This compares to a projected annual cost of £821 for gas boilers with 85% efficiency and low maintenance needs and £971 for gas boilers with 85% efficiency and high maintenance needs.

7.4.19. The next step for the Granton Waterfront heat network is to procure a concessionaire. It is planned that the heat network will be operational in late-2025 to coincide with the occupation of the first new homes delivered by the Granton Waterfront regeneration.

## **Edinburgh BioQuarter**

- 7.4.20. Edinburgh BioQuarter is a major life sciences development in the Little France neighbourhood of Edinburgh centred on the Royal Infirmary of Edinburgh and the Royal Hospital for Children & Young People. The Edinburgh BioQuarter partnership – comprising the Council, NHS Lothian, Scottish Enterprise, and the University of Edinburgh – has developed proposals for a mixed-use expansion of Edinburgh BioQuarter delivering two million square feet of commercial innovation space and 2,000 homes. Work is currently ongoing to appoint a private development partner to take forward the future development of Edinburgh BioQuarter.
- 7.4.21. A sustainability strategy developed for Edinburgh BioQuarter requires all new buildings to be direct zero carbon by 2030 (and all existing buildings by 2040).
- 7.4.22. In March 2023, the consultancy Ramboll published a feasibility study on the scope to develop a heat network serving Edinburgh BioQuarter.<sup>62</sup> The study concluded the preferred solution was a fourth-generation heat network and district cooling network utilising waste heat from the Millerhill Recycling and Energy Recovery Centre supplemented by peaking electric boilers.
- 7.4.23. The study found that the proposed heat network would achieve a variable heat charge tariff of circa 7.5 pence per kilowatt hour. It would achieve carbon savings relative to the business-as-usual scenario (which assumes a mix of gas boiler and building-level air source heat pumps) of 5,700 to 14,300 tonnes of carbon dioxide equivalent over the 40-year project period – 9.8% to 24.6%.
- 7.4.24. The next step for the project is for the various off-takers (including the Council) to develop business cases for connecting their properties to the proposed heat network.

## **Gracemount**

- 7.4.25. In 2022, the Council appointed Buro Happold to prepare a feasibility study on the scope for a new heat network in the Gracemount neighbourhood of Edinburgh.<sup>63</sup> The proposed network would serve a cluster of Council-owned buildings – Gracemount High School; Gracemount Leisure Centre, Gracemount Nursery; Gracemount Primary School; Kaimes School; Libertus Services; St Catherine’s RC Primary School; and the South Neighbourhood Office and Library – and the NHS Medical Practice.
- 7.4.26. The feasibility study assessed various options based on air source heat pumps and ground source heat pumps which were compared with a counterfactual option of building-level air source heat pumps. The preferred option was identified as being a closed loop 750-kilowatt ground source heat pump with a 2,300-kilowatt electric boiler top-up and a 25,000m<sup>3</sup> thermal store.
- 7.4.27. The heat network would achieve a heat sales tariff of 13.3 pence per kilowatt hour, which is comparable to that achieved by building-level air-source heat pumps but higher than the current cost of gas (circa 7.5 pence per kilowatt hour). However, it is noted that future increases in gas prices would narrow this gap, while there is scope to achieve lower electricity prices via (for example) private purchasing agreements.
- 7.4.28. The heat network would achieve carbon savings of 35,426 tonnes of carbon dioxide equivalent over a 40-year period relative to gas – savings of 96.5%. Further reductions could be achieved by sourcing green electricity.

7.4.29. The projected cost of delivering the heat network is £4.2 million, which represents a negative net present value. Grant funding of £1.62 million would achieve a positive internal rate of return of 4%.

7.4.30. The next step for the Gracemount heat network will be to prepare an outline business case.

#### **Seafield**

7.4.31. In 2023, the Council appointed a design team led by 7N Architects to prepare a masterplan for the regeneration of the Seafield Regeneration Area (SRA) in Edinburgh. As part of the commission, the design team was charged with producing “a low/zero carbon energy strategy for the SRA, to include an initial technical assessment of the scope to utilise heat from the Seafield Waste Water Treatment Works and the Firth of Forth for a district heating scheme”.

7.4.32. The design team has produced initial proposals for a heat network serving the SRA that would utilise wastewater discharged from the Treatment Works at a temperature of 15°C. The heat network could potentially be scaled further to serve other properties in the vicinity.

7.4.33. This proposal is at an early stage but offers scope to incorporate a low carbon heat network solution into a comprehensive regeneration project from the outset, potentially delivering significant efficiencies and informing other new developments.

#### **Cross-boundary Heat Network Zones**

7.4.34. In 2022, Zero Waste Scotland and Buro Happold – in conjunction with the City of Edinburgh Council, East Lothian Council, and Midlothian Council – carried out analysis on potential cross-boundary heat network opportunities in the three aforementioned local authority areas.<sup>64</sup> The analysis identified three potential cross-boundary zones King’s Buildings; Millerhill and Shawfair; and the Royal Infirmary of Edinburgh and Edinburgh BioQuarter.

7.4.35. The designation of cross-boundary Heat Network Zones is likely to add complexity in terms of the emerging licencing and permitting regime, albeit section 52 of the Heat Networks (Scotland) Act 2021 makes provision for Heat Network Zones spanning two or more local authority areas.

#### **Communal heating systems**

7.4.36. Multiple existing Council buildings have communal heating systems. The current communal heat source is primarily natural gas fired boilers, with some buildings being augmented by gas-fired combined heat and power machines or solar thermal storage vessels.

7.4.37. In 2023, the Council inaugurated a new framework for the operation, management, and maintenance of communal heating systems for Council homes. The framework covers design development guidance and support in addition to operational, maintenance, metering, and billing services for existing and new build housing developments that are served by communal heating or local heat networks.

7.4.38. The framework has been utilised for the Council’s D1 development in Granton Waterfront, which comprises 75 flats heated via a communal heating system fed by two air source heat pumps and two water-to-water heat pumps, achieving a flow temperature of 65°C and a return temperature of 57°C. Each flat will be fitted with smart meters. Under the terms of the framework, Vitali Energy will operate and maintain the communal heating system on behalf of the Council.

## 7.5. Solar installations

- 7.5.1. The City of Edinburgh Council (in partnership with the Edinburgh Community Solar Co-operative) has carried out multiple solar installations, primarily on the roofs of Council-owned buildings. These have typically been relatively small-scale and are dependent on the orientation of the building's roofs. Additionally, installing solar panels on building roofs has in some cases caused issues when the roofs in question required maintenance, with cost and disruption associated with relocating the panels. This has led the Council to explore the potential of larger-scale ground-mounted solar installations.
- 7.5.2. Initial investigation has been undertaken on several Council-owned sites to assess their readiness for solar installations, in particular the readiness of grid connections.
- 7.5.3. The replacement of Feed-in Tariffs with the Smart Export Guarantee means that developing solar installations for the purposes of exporting electricity is now unlikely to be financially viable. Given this, solar installations are likely to be most viable where the electricity generated can be used to supply buildings in the vicinity.
- 7.5.4. There is considered to be good potential for solar installations in Edinburgh, but further investigation into technical and commercial viability is required. A map of homes in Edinburgh identified as having good solar suitability is shown at [Figure 25](#).

## 7.6. Energy for Edinburgh

- 7.6.1. In 2016, the Council incorporated Energy for Edinburgh Limited ("EFE"), an arm's length energy services company. A business plan prepared at this time identified three immediate areas of focus for EFE: solar photovoltaics, heat networks, and non-domestic energy efficiency. The company has not traded since being incorporated. The company currently has approximately £190,000 of funding available for energy project activities.
- 7.6.2. In April 2023, the Council prepared an options appraisal on the future of EFE. The appraisal concluded that there is currently no clear role for EFE but that it could potentially be used to progress heat network projects subject to further, more detailed, assessment. In August 2023, the Council's Policy and Sustainability Committee agreed that, following the publication of the Edinburgh LHEES, the Council should develop a business case looking at the scope for EFE to deliver heat network projects on a joint venture approach, to include exploration of embedding cooperative principles and community wealth building into EFE.

## 7.7. Conservation areas adaptation

- 7.7.1. On 2 November 2022, the City of Edinburgh Council's Planning Committee agreed to establish a short-term working group to assess the additional challenges associated with the adaptation of homes in conservation areas to improve their energy efficiency, reflecting the need to balance making these improvements with protecting Edinburgh's built heritage.
- 7.7.2. In response to the decision, in spring 2023 the Council carried out consultation with residents living in listed buildings and/or conservation areas in Edinburgh on the challenges associated with adapting their homes to make them more efficient. The Council subsequently established a working group comprising planning officers; elected members; bodies with an interest in the historic environment, energy saving, and/or fuel poverty; and residents to review the feedback from the consultation and develop potential solutions. The

outcome of the working group was to improve communication of guidance and policies around retrofit works to historic buildings in Edinburgh.

## 7.8. Net zero communities

- 7.8.1. The 2030 Climate Strategy introduced a commitment to pilot a “net zero communities” approach: identifying a scalable approach to the retrofit of private housing across a community. The aim of the pilot is to improve understanding of building typologies; assess the level of opportunity for net zero projects within the community; enable community collaboration and decision making; identify existing funding packages; explore more strategic approaches to funding; and explore supply chains.
- 7.8.2. The Net Zero Communities pilot has been carried out on behalf of the Council by Changeworks. The second phase of the pilot will deliver the following:
- A technical feasibility assessment with detailed archetype modelling of measures and costs of net zero interventions for bungalows and one other typology, including evaluation of community energy generation potential.
  - An engagement plan setting out community barriers and needs to support further community buy-in for community-led retrofit.
  - High level toolkits and data for wider community use and deep modelling of “comfort as a service” potential to inform a scalable business case.
- 7.8.3. The Council is also involved in the Net Zero Neighbourhoods initiative led by the Cities Commission for Climate Investment (3Ci), which is exploring neighbourhood-level decarbonisation programmes. 3Ci has convened a Net Zero Investment Taskforce that is investigating the opportunities, challenges, and solutions around bringing additional private investment into neighbourhood-level decarbonisation projects.

## 7.9. Supply chain development and procurement

- 7.9.1. As set out in [section 4.5](#), there are significant pressures on the availability of skills associated with heat decarbonisation, in particular a lack of heat pump installers in the market.
- 7.9.2. The Council has held discussions with Scottish Enterprise (Scotland’s national enterprise agency) around the strengthening of the supply chain for net zero heating solutions. Scottish Enterprise’s primary focus is on manufacturers, technologists, and solution providers, but the agency will also support installers/contractors who have with innovative approaches that can reduce costs and disruption. Consideration has been given to staging “meet the buyer” events to stimulate the supply chain. Scottish Enterprise wishes to understand how the delivery of Local Heat and Energy Efficiency Strategies across the 32 Scottish local authorities will impact on the market.
- 7.9.3. Scotland Excel has developed a framework for procurement associated with Local Heat and Energy Efficiency Strategies. The framework is planned to be active from 2024 and is divided into three lots as follows:
- Lot 1 – Local Heat and Energy Efficiency Strategies (provision of services for Scottish local authorities related to Local Heat and Energy Efficiency Strategies).
  - Lot 2 – Heat Network Zoning (provision of services for Scottish local authorities related to heat network zoning, supporting local authorities to review and evaluate the potential for heat networks at a strategic, area-wide level and to further the

development of Heat Network Zones from this strategic level towards project identification and feasibility assessment).

- Lot 3 – Local Area Energy Planning (the provision of services for Scottish local authorities related to Local Area Energy Plans, supporting local authorities to complete the technical analysis required for Local Area Energy Plans to enable net zero planning).

7.9.4. As set out in [section 4.5](#), various government schemes are in place to help develop the supply chain, particularly with regards to heat pumps. While technological innovation is outwith the scope of the Edinburgh LHEES, it is recognised that this support has the potential to improve deliverability of heat decarbonisation.

## 7.10. City Heat & Energy Efficiency Board

7.10.1. A City Heat & Energy Efficiency Board for Edinburgh was established in 2023. This sits below the wider Edinburgh Infrastructure and Investment Programme Board (IIPB), now rebranded as the Net Zero Edinburgh Leadership Board, which was established to “support collaborative development of strategic city infrastructure in line with Edinburgh’s net zero target by 2030”.

7.10.2. The City Heat & Energy Efficiency Board is one of four thematic boards feeding in to the IIPB. Its aim is to “develop a whole city strategic approach for new build and retro fit of domestic and public buildings to meet [Edinburgh’s] future energy needs” and to “ultimately deliver a Heat and Energy Masterplan that supports inclusive growth, workforce opportunities”.

7.10.3. The goals of the Board are to:

- Develop a whole city strategic approach for new build and retrofit of domestic and public buildings while building new financial models for estates transformation.
- Complete an analysis of large building retrofit needs across the city.
- Deliver a Heat and Energy Masterplan.
- Develop an energy project pipeline.
- Share learning from feasibility studies and pilot retrofit projects.

## 8. Baseline analysis

### 8.1. Overview of building stock

8.1.1. This chapter of the Edinburgh LHEES provides a thematic overview of Edinburgh’s building stock in the context of heat decarbonisation and energy efficiency. It profiles the stock in terms of characteristics such as energy performance; fuel type; tenure; type; and age. The data used to populate this chapter is primarily drawn from the Domestic Baseline Tool and Non-Domestic Baseline Tool, which themselves are based upon Home Analytics and Non-Domestic Analytics databases.

#### Emissions

8.1.2. Table 06 sets out the emissions of Edinburgh as of 2020. In total, Edinburgh produced 2,046 kilo-tonnes (i.e. 2.046 million metric tonnes) of emissions expressed as carbon dioxide equivalents (CO<sub>2</sub>e). The domestic sector (households) accounted for the plurality of emissions in Edinburgh. The next largest sector was transport, which is outwith the scope of the Edinburgh LHEES. The third largest sector by emissions was the commercial sector (the use of electricity and gas by businesses, other than where this falls into other sectors).

8.1.3. Edinburgh accounted for 5.4% of overall Scottish emissions. For context, Edinburgh accounted for 0.3% of Scotland’s land area and 9.6% of its population as of mid-2021.<sup>xxix</sup> The breakdown of emissions for Edinburgh is considerably different to that of Scotland, reflecting Edinburgh’s character as a largely urbanised local authority area with a service sector focused economy. The domestic, commercial, and public sectors accounted for a disproportionately large share of emissions in Edinburgh relative to Scotland, while the agriculture, industry, and land use sector accounted for a disproportionately small share.

**Table 06: Breakdown of emissions in Edinburgh and Scotland by end user sector (kt CO<sub>2</sub>e) (2020)**

Sector	Edinburgh emissions	Edinburgh percentage	Scotland emissions	Scotland percentage
Domestic	698	34.1%	8,236	21.7%
Transport	597	29.2%	8,496	22.4%
Commercial	247	12.1%	2,024	5.3%
Industry	176	8.6%	6,644	17.5%
Public	164	8.0%	1,208	3.2%
Waste management	124	6.0%	1,477	3.9%
Agriculture	29	1.4%	7,635	20.1%
Land use, land use change, and forestry	11	0.5%	2,223	5.9%
<b>Total</b>	<b>2,046</b>	<b>100%</b>	<b>37,945</b>	<b>100%</b>

[Source: Department for Business, Energy and Industrial Strategy, UK Local Authority and Regional Greenhouse Gas Emissions](#)

<sup>xxix</sup> National Records of Scotland: Land area and population density by administrative area, Scotland, mid-2021

8.1.4. Table 07 sets out the change in emissions in Edinburgh between 2010 and 2020 by sector. Overall, emissions fell by 44.6%. The commercial sector saw the largest fall in emissions, while the transport and domestic sectors saw the lowest reduction.

**Table 07: Emissions in Edinburgh by end use sector (kt CO<sub>2</sub>e) (2010 to 2020)**

Sector	2010	2020	Change	% change
Domestic	1,135	698	-437	-38.5%
Transport	901	597	-304	-33.8%
Commercial	725	247	-477	-65.9%
Industry	352	176	-175	-49.8%
Public	289	164	-125	-43.3%
Waste management	N/A	124	N/A	N/A
Agriculture	N/A	29	N/A	N/A
Land use, land use change and forestry	18	11	-7	-40.2%
<b>Total</b>	<b>3,419</b>	<b>2,046</b>	<b>-1,526</b>	<b>-44.6%</b>

[Source: Department for Business, Energy and Industrial Strategy, UK Local Authority and Regional Greenhouse Gas Emissions](#)

### Housing stock

8.1.5. There is no single definitive count of the number of buildings in Edinburgh. In part this is due to the number of buildings continually fluctuating as buildings are constructed and demolished. In part it is due to whether certain structures (for example, outbuildings) are treated as separate buildings or whether they are treated as an ancillary element of another building; the approach to this differs by dataset. As of March 2023, the Lothian Valuation Joint Board recorded 262,616 domestic properties (homes) and 23,180 non-domestic properties in Edinburgh: a total of 285,796 buildings.

8.1.6. The analysis carried out found that there was an overall total of 266,144 homes in Edinburgh. Of these, 69% are flats and 30% are houses.

**Table 08: Breakdown of homes in Edinburgh by type**

Type	Number	Percentage
Flat	184,382	69.3%
...of which block of flats	74,754	28.1%
...of which flat in mixed-use building	36,654	13.8%
...of which large block of flats	36,630	13.8%
...of which small block of flats	36,344	13.7%
House	81,160	30.5%
...of which detached house	23,109	8.7%
...of which mid-terrace house	22,392	8.4%
...of which semi-detached house	21,648	8.1%
...of which end-terraced house	14,011	5.3%



Type	Number	Percentage
Other/unknown	602	0.2%
<b>Total</b>	<b>266,144</b>	<b>100%</b>

Source: Domestic Baseline Tool

8.1.7. Data from 2017 shows that, compared to Scotland overall, Edinburgh has a far greater proportion of flats, and a far lower proportion of terrace, semi-detached, and detached homes.

**Table 09: Breakdown of homes in Edinburgh and Scotland by type (2017)**

Type	Edinburgh number	Edinburgh percentage	Scotland number	Scotland percentage
Flats	168,500	67.8%	980,290	37.7%
Terraced	30,671	12.3%	532,963	20.5%
Semi-detached	24,751	10.0%	511,583	19.7%
Detached	24,215	9.7%	558,911	21.5%
Unknown	222	0.1%	19,427	0.7%
<b>Total</b>	<b>248,359</b>	<b>100%</b>	<b>2,603,174</b>	<b>100%</b>

[Source: National Records of Scotland, Dwellings by Type](#)

8.1.8. The 266,144 homes identified as part of the analysis had an average annual heat demand of 11,537 kilowatt hours, representing a total combined demand of 3.071 billion kilowatt hours per annum (3,071 million megawatt hours per annum).

8.1.9. 60% of homes in Edinburgh are owner-occupied. 21% are rented from private landlords, 11% are rented from the Council, and 8% are rented from housing associations.

**Table 10: Breakdown of homes in Edinburgh by tenure**

Type	Number	Percentage
Owner-occupied	158,172	59.4%
Rented	107,370	40.3%
...of which rented from private landlords	55,958	21.0%
...of which rented from the Council	21,065	7.9%
...of which rented from housing associations	30,347	11.4%
Unknown	602	0.2%
<b>Total</b>	<b>26,144</b>	<b>100%</b>

Source: Domestic Baseline Tool

8.1.10. Data from 2017 to 2019 shows that, relative to Scotland overall, Edinburgh had a broadly identical mix of owner occupied to rented properties. However, 61% of rental homes in Edinburgh were owned by private landlords and 39% were owned by social landlords, whereas at a Scottish level two-thirds of rental homes were owned by private landlords. The private rented sector therefore plays a far more significant role in Edinburgh than nationally. 95% of private rented homes (and 82% of social rented homes) in Edinburgh are flats.

**Table 11: Breakdown of homes in Edinburgh and Scotland by tenure (2017–2019)**

Type	Edinburgh number (000s)	Edinburgh percentage	Scotland number (000s)	Scotland percentage
Owner occupied	148	63%	1,530	62%
Rented	88	37%	949	38%
...of which private rented	54	23%	311	13%
...of which social rented	34	14%	638	26%
<b>Total</b>	<b>236</b>	<b>100%</b>	<b>2,479</b>	<b>100%</b>

Source: Scottish Government, Scottish House Condition Survey: 2017-2019 Local Authority Tables

- 8.1.11. 48.9% of homes in Edinburgh are located in mixed-tenure buildings. This introduces challenges around the decision-making when multiple owners must align their choices and timings to enable a retrofit.

**Table 12: Breakdown of homes in Edinburgh by mixed-tenure status**

Mixed-tenure status	Number	Percentage
Not mixed-tenure	135,331	50.8%
Mixed-tenure	130,211	48.9%
Unknown	602	0.2%
<b>Total</b>	<b>266,144</b>	<b>100%</b>

Source: Domestic Baseline Tool

- 8.1.12. Only 16% of homes in Edinburgh date from post-2002, i.e. 84% of the city's housing stock is over 20 years old. The largest age band of homes is older pre-1919 buildings (29%) which are hard to treat and require an affordable solution for their owners to decarbonise. Many of these buildings will be among the 10.2% of Edinburgh's domestic buildings which are listed, making it generally unviable to clad them with external wall insulation. It is understood that insulating these buildings (i.e. internal wall insulation which might be the only viable option) can be cost prohibitive, disruptive, and sometimes impractical.

**Table 13: Breakdown of homes in Edinburgh by age**

Type	Number	Percentage
Pre-1919	78,225	29.4%
1919-1949	35,643	13.4%
1950-1983	71,912	27.0%
1984-1991	14,589	5.5%
1992-2002	23,294	8.8%
Post-2002	41,879	15.7%
Unknown	602	0.2%
<b>Total</b>	<b>266,144</b>	<b>100%</b>

Source: Domestic Baseline Tool

8.1.13. Data from 2017 to 2019 shows that, relative to Scotland overall, Edinburgh had a significantly older housing stock, with around half of all homes pre-dating 1945.

**Table 14: Breakdown of homes in Edinburgh and Scotland by age (2017–2019)**

Age	Edinburgh	Scotland
Pre-1945	48%	30%
1945 onwards	52%	70%
<b>Total</b>	<b>100%</b>	<b>100%</b>

[Source: Scottish Government, Scottish House Condition Survey: 2017-2019 Local Authority Tables](#)

8.1.14. The analysis found that there were 27,282 listed homes in Edinburgh – approximately 10% of the overall stock. 69,095 homes sat within conservation areas – 26% of the total stock.

**Table 15: Breakdown of homes in Edinburgh by listed status**

Type	Number	Percentage
Listed	27,429	10.2%
...of which A listed	6,253	2.3%
... of which B listed	15,288	5.7%
... of which C listed	5,888	2.2%
Not listed	238,715	89.7%
<b>Total</b>	<b>266,144</b>	<b>100%</b>

Source: Domestic Baseline Tool

### Performance of housing stock

8.1.15. This section of the Edinburgh LHEES sets out baseline data on the city’s housing stock.

8.1.16. Table 16 breaks down the housing stock on Edinburgh by energy performance certificate (EPC) rating. As set out in [section 6.1](#), the Scottish Government has set a target of all homes in Scotland achieving a minimum EPC rating of ‘C’ by 2033 where “technically and legally feasible and cost-effective”, with regulations to be introduced to this effect. 144,604 homes in Edinburgh (54.3%) achieve an EPC rating of ‘C’ or above, while 120,938 (45.4%) do not.

**Table 16: Breakdown of homes in Edinburgh by energy performance certificate rating**

Type	Number	Percentage
A/B	33,263	12.5%
C	111,341	41.8%
D	87,144	32.7%
E	26,336	9.9%
F/G	7,458	2.8%
Unknown	602	0.2%
<b>Total</b>	<b>266,144</b>	<b>100%</b>

Source: Domestic Baseline Tool

8.1.17. Data from the Scottish House Condition Survey indicates that 53% of homes in Scotland achieved an EPC rating of 'C' or above as of 2021. While not directly comparable, this suggests Edinburgh has a similar performance as Scotland overall in terms of EPC ratings.

**Table 17: Breakdown of homes in Scotland by EPC rating (2021)**

Type	Number (000s)	Percentage
A/B	123	5%
C	1,185	48%
D	896	36%
E	248	10%
F/G	11	0%
<b>Total</b>	<b>2,463</b>	<b>100%</b>

Source: [Scottish House Condition Survey](#)

8.1.18. 51.0% of homes in Edinburgh have insulated walls, while 48.7% have uninsulated walls. There are approximately 129,706 homes in Edinburgh with uninsulated walls. Of these, 80,708 (62%) are solid brick or stone; 41,592 (32%) are cavity construction; 3,776 (3%) are timber frame; and 3,630 (3%) are system built.

**Table 18: Breakdown of homes in Edinburgh by wall construction and insulation**

Construction type	Number	Percentage
Insulated	135,836	51.0%
...of which cavity, insulated	89,450	33.6%
...of which solid brick/stone, insulated	7,895	3.0%
...of which system built, insulated	15,611	5.9%
...of which timber frame, insulated	22,880	8.6%
Uninsulated	129,706	48.7%
...of which cavity, uninsulated	41,592	15.6%
...of which solid brick/stone, uninsulated	80,708	30.3%
...of which system built, uninsulated	3,630	1.4%
...of which timber frame, uninsulated	3,776	1.4%
Unknown	602	0.2%
<b>Total</b>	<b>266,144</b>	<b>100%</b>

Source: Domestic Baseline Tool

8.1.19. Of the 41,592 homes with uninsulated cavity walls, 24,273 were classified as having hard-to-treat cavity walls, as set out in Table 19.

**Table 19: Breakdown of hard-to-treat cavity walls in Edinburgh by reason**

Construction type	Number	Percentage
Narrow uninsulated cavity risk	13,550	5.1%
Empty cavity: building likely greater than three storeys	10,697	4.0%

Construction type	Number	Percentage
Empty cavity: very severe or severe exposure zone	26	0.0%
<b>Total</b>	<b>24,273</b>	<b>9.1%</b>

Source: Domestic Baseline Tool

8.1.20. Data from the Scottish House Condition Survey indicates that 58% of homes in Scotland have insulated walls, while 42% have uninsulated walls. While not directly comparable, this suggests that Edinburgh performs somewhat worse than Scotland overall in terms of wall insulation.

**Table 20: Breakdown of homes in Scotland by wall construction / insulation (2021)**

Construction type	Number (000s)	Percentage
Insulated	1,478	58%
...of which cavity, insulated	1,371	54%
...of which solid/other, insulated	107	4%
Uninsulated	1,051	42%
...of which cavity, uninsulated	522	21%
...of which solid/other, uninsulated	529	21%
<b>Total</b>	<b>2,529</b>	<b>100%</b>

Source: Scottish House Condition Survey

8.1.21. 130,842 homes (49% of the total) in Edinburgh have lofts. Of these, 63,939 (48.9% of all homes with lofts) achieve the recommended level of loft insulation of 250 millimetres or more, while 66,903 (51.1% of all homes with lofts) have below the recommended level.

**Table 21: Breakdown of homes in Edinburgh by loft insulation**

Type	Number	Percentage
Loft	130,842	49.2%
...of which 99 mm ≤	25,823	9.7%
... of which 100 mm to 249 mm	41,080	15.4%
... of which ≥ 250 mm	63,939	24.0%
No loft	134,700	50.6%
Unknown	602	0.2%
<b>Total</b>	<b>266,144</b>	<b>100%</b>

Source: Domestic Baseline Tool

8.1.22. Data from the Scottish House Condition Survey indicates that, of the 76% of homes in Scotland that have lofts, 64% achieved at least 200 millimetres of insulation.

**Table 22: Breakdown of homes in Scotland by loft insulation (2021)**

Insulation	Number (000s)	Percentage
Loft	1,915	76%
...of which 99 mm ≤	130	5%

Insulation	Number (000s)	Percentage
... of which 100 mm to 199 mm	564	22%
... of which ≥ 200 mm	1,221	48%
No loft	614	24%
<b>Total</b>	<b>2,529</b>	<b>100%</b>

Source: [Scottish House Condition Survey](#)

8.1.23. 81% of homes in Edinburgh have double or triple glazing, while 19% have single (or partial) glazing.

**Table 23: Breakdown of homes in Edinburgh by window glazing**

Glazing	Number	Percentage
Double/triple	214,263	80.5%
Single/partial	51,279	19.3%
Unknown	602	0.2%
<b>Total</b>	<b>266,144</b>	<b>100%</b>

Source: Domestic Baseline Tool

8.1.24. 91% of homes in Edinburgh are connected to the gas grid, while 9% are not. Data from the Scottish House Condition Survey for 2017-2019 indicates that around three times as many properties were not connected to the gas grid at a Scottish level as in Edinburgh.

**Table 24: Breakdown of homes in Edinburgh by gas grid connection**

Gas grid connection status	Number	Percentage
Connected	241,396	90.7%
Not connected	23,735	8.9%
Unknown	1,013	0.4%
<b>Total</b>	<b>266,144</b>	<b>100%</b>

Source: Domestic Baseline Tool

8.1.25. 85.5% of homes in Edinburgh are heated using mains gas, while 12.4% are heated using electricity. Fewer than 1% of homes use other fuels such as liquified petroleum gas, oil, and biomass/solid fuels. 1.2% of homes have no fuel. A further 13.6% of homes use mains gas as a secondary fuel, indicating that in total 99.1% of homes in Edinburgh have some degree of reliance upon mains gas as a fuel type.

**Table 25: Breakdown of homes in Edinburgh by primary and secondary fuel type**

Type	Primary number	Primary percentage	Secondary number	Secondary percentage
Mains gas	227,550	85.5%	36,317	13.6%
Electricity	33,110	12.4%	33,659	12.6%
Oil	622	0.2%	15	0.0%
Biomass/solid fuels	602	0.2%	6,884	2.6%

Type	Primary number	Primary percentage	Secondary number	Secondary percentage
Liquefied petroleum gas	512	0.2%	64	0.0%
No fuel	3,146	1.2%	N/A	N/A
No secondary system	N/A	N/A	188,603	70.9%
Unknown	602	0.2%	602	0.2%
<b>Total</b>	<b>266,144</b>	<b>100%</b>	<b>266,144</b>	<b>100%</b>

Source: Domestic Baseline Tool

8.1.26. Data from the Scottish House Condition Survey indicates that 11% of homes in Scotland are heated via electricity, while 80% use mains gas.

**Table 26: Breakdown of homes in Scotland by main fuel type (2021)**

Type	Number	Percentage
Mains gas	2,027	80%
Electricity	270	11%
Oil	146	6%
Liquefied petroleum gas	26	1%
Biomass/solid fuels	26	1%
Communal heating system	32	1%
<b>Total</b>	<b>2,527</b>	<b>100%</b>

[Source: Scottish House Condition Survey](#)

8.1.27. Table 27 sets out the main heating system of homes in Edinburgh. The vast majority of homes utilise a boiler. A very small proportion of homes are currently heating via heat networks / communal heating systems or heat pumps.

**Table 27: Breakdown of homes in Edinburgh by main heating system**

Type	Number	Percentage
Boiler	223,294	83.9%
Storage heaters	20,883	7.8%
Room heaters	8,584	3.2%
Communal	6,768	2.5%
No heating or hot water system	2,883	1.1%
Other	1,878	0.7%
Heat pump	1,252	0.5%
Unknown	602	0.2%
<b>Total</b>	<b>266,144</b>	<b>100%</b>

Source: Domestic Baseline Tool

8.1.28. Data from 2017 to 2019 shows that, relative to Scotland overall, Edinburgh had a broadly similar proportion of homes with full central heating. Private rented homes were significantly more likely to lack full central heating.

**Table 28: Homes in Edinburgh and Scotland with central heating by tenure (2017–2019)**

Tenure	Edinburgh central heating	Edinburgh no central heating	Scotland central heating	Scotland no central heating
Owner occupied	96%	4%	96%	4%
Private rented	90%	10%	91%	9%
Social rented	98%	2%	98%	2%
<b>Total</b>	<b>95%</b>	<b>5%</b>	<b>96%</b>	<b>4%</b>

[Source: Scottish Government, Scottish House Condition Survey: 2017-2019 Local Authority Tables](#)

8.1.29. Of the 266,144 homes in Edinburgh, it is calculated that 54,932 households (20.6%) are in fuel poverty, while 18,364 (6.9%) are in extreme fuel poverty.<sup>xxx</sup> The Scottish House Condition Survey suggests that, as of 2021, 19.6% of households in Scotland were in fuel poverty, while 9.5% were in extreme fuel poverty. These figures are likely to have been exacerbated due to the ongoing cost of living crisis.

#### **Non-domestic stock**

8.1.30. Table 29 sets out a breakdown of non-domestic properties in Edinburgh by classification as of March 2023. It can be seen that the four largest categories – offices; shops; industrial subjects; and hotels – together account for 76.4% of all non-domestic properties in Edinburgh. Relative to Scotland overall, Edinburgh has a significantly higher proportion of offices and hotels, and a significantly lower proportion of industrial and leisure properties.

**Table 29: Breakdown of non-domestic properties in Edinburgh and Scotland by type (March 2023)**

Type	Edinburgh number	Edinburgh percentage	Scotland number	Scotland percentage
Offices	7,009	30.2%	44,536	17.2%
Shops	5,785	25.0%	54,597	21.0%
Industrial subjects	3,147	13.6%	57,445	22.1%
Hotels etc	1,780	7.7%	5,657	2.2%
Public houses	503	2.2%	3,535	1.4%
Leisure, etc	419	1.8%	27,384	10.5%
Religious	400	1.7%	5,908	2.3%
Public service subjects	352	1.5%	9,219	3.6%
Other	3,785	16.3%	51,303	19.8%
<b>Total</b>	<b>23,180</b>	<b>100%</b>	<b>259,584</b>	<b>100%</b>

[Source: Lothian Valuation Joint Board, General Statistics](#)

<sup>xxx</sup> Fuel poverty is here defined as fuel bills accounting for over 10% of household income, while extreme fuel poverty is defined as fuel bills accounting for over 20% of household income.



8.1.31. Table 30 sets out non-domestic properties in Edinburgh as enumerated by the Non-Domestic Baseline Tool. This returns a considerably lower figure for the number of properties in Edinburgh, which is a result of differing methodologies for identifying properties. The proportion of each property is also considerably different. The data from the Non-Domestic Baseline Tool gives a total of 19,094 properties in Edinburgh, with over half of these being retail properties.

**Table 30: Breakdown of non-domestic properties in Edinburgh by type**

Classification	Number	Percentage
Retail	10,401	54.5%
Offices	3,072	16.1%
Cafés, pubs, restaurants, and takeaways	1,689	8.8%
Residential	1,606	8.4%
Storage / distribution	444	2.3%
Hotels	363	1.9%
Education	307	1.6%
Clubs and community centres	296	1.6%
Health	220	1.2%
Light manufacturing / industry / workshop	137	0.7%
General sports and leisure	82	0.4%
Museums, art galleries, libraries, law courts	50	0.3%
Heavy manufacturing / industry	36	0.2%
Large entertainment sites (e.g. theatres, cinemas, conference centres)	22	0.1%
Emergency services	11	0.1%
Other / screened out	358	1.9%
<b>Total</b>	<b>19,094</b>	<b>100%</b>

Source: Non-Domestic Baseline Tool

8.1.32. Table 31 breaks down the non-domestic stock by floor area. Properties of up to 500 square metres (5,382 square feet) represent over 80% of the stock.

**Table 31: Breakdown of non-domestic properties in Edinburgh by floor area**

Floor area <sup>xxxi</sup>	Number	Percentage
0-100 m <sup>2</sup>	7,478	39.2%
101-500 m <sup>2</sup>	8,125	42.6%
501-1,000 m <sup>2</sup>	1,332	7.0%
>1,001 m <sup>2</sup>	2,159	11.3%
<b>Total</b>	<b>19,094</b>	<b>100%</b>

Source: Non-Domestic Baseline Tool

<sup>xxxi</sup> The categories in the Non-Domestic Baseline Tool overlap, e.g. “0-100 m<sup>2</sup>, 100-500 m<sup>2</sup>”. Dialogue with Changeworks has indicated that the categories are rolling.

8.1.33. Table 32 breaks down the non-domestic stock by the Scottish Government’s Urban Rural Classification (8-fold). Reflecting the primarily urban nature of Edinburgh, over 95% of properties are classified as being located in large urban areas. The remainder are located in accessible small towns (primarily properties in South Queensferry) and accessible rural areas (primarily the outskirts of Edinburgh proper and outlying villages such as Balerno, Dalmeny, Kirkliston, Newbridge, and Ratho).

**Table 32: Breakdown of non-domestic properties in Edinburgh by urban-rural classification**

Classification	Number	Percentage
1: Large urban areas	18,171	95.2%
2: Other urban areas	0	0%
3: Accessible small towns	265	1.4%
4: Remote small towns	0	0%
5: Very remote small towns	0	0%
6: Accessible rural areas	658	3.4%
7: Remote rural areas	0	0%
8: Very remote rural areas	0	0%
<b>Total</b>	<b>19,094</b>	<b>100%</b>

Source: Non-Domestic Baseline Tool

#### Performance of non-domestic stock

8.1.34. Table 33 breaks down the non-domestic stock of Edinburgh by heating system. Relative to domestic properties, a significantly greater proportion of properties are heated by electricity, which is the main fuel type for over half the non-domestic properties in Edinburgh.

**Table 33: Breakdown of non-domestic properties in Edinburgh by main fuel type**

Type	Number	Percentage
Mains gas	6,417	33.6%
Electricity	10,836	56.6%
Oil	134	0.7%
Other	1,707	8.9%
<b>Total</b>	<b>19,094</b>	<b>100%</b>

Source: Non-Domestic Baseline Tool

8.1.35. The 19,094 properties had a total combined annual heat demand of 828,229 kilowatt hours per annum.

8.1.36. Due to the lack of data for the non-domestic stock there are many unknowns around the building stock performance.

#### Headline findings

8.1.37. The headline findings from the baseline analysis are set out below:

- **69%** of homes in Edinburgh are flats – a far greater proportion than Scotland overall.
- Private landlords account for **21%** of homes in Edinburgh – again far greater than Scotland overall.

- Around half of all homes in Edinburgh are located in mixed-tenure buildings.
- Homes in Edinburgh are significantly older than the Scottish average, with a tenth being listed and a quarter lying within conservation areas.
- **120,938** homes in Edinburgh have an EPC rating worse than 'C' and will require upgrading to achieve the target of all homes attaining this by 2033.
- To achieve recommended levels of energy efficiency, **129,706** homes in Edinburgh will require wall insulation (including 80,708 homes with hard-to-treat solid walls); **66,903** homes in Edinburgh will require (improved) loft insulation; and **52,279** homes will require improved glazing: a total of **248,888** interventions.
- To achieve decarbonisation of heat, at least **229,798** homes in Edinburgh will need their existing fossil fuel-based heating systems replaced, the vast majority of them (227,550) homes currently heated using gas boilers.
- At least **6,551** non-domestic buildings in Edinburgh will need their existing fossil fuel-based heating systems replaced.

### Challenges and opportunities

8.1.38. The assessment of the baseline stock identifies both challenges and opportunities in terms of heat decarbonisation. The key challenges identified are:

- Edinburgh's very high proportion of flats (including its traditional tenements) and mixed-tenure buildings will greatly increase the challenge of implementing solutions. Unlike standalone homes with a single owner, where decisions can be straightforwardly taken, taking forward interventions to blocks of flats and other mixed-tenure buildings will require securing agreement from a range of stakeholders, including difficult to engage with parties such as absentee landlords. Given that coordinating even relatively uncontroversial matters such as essential repairs has historically proven challenging in some cases, it is envisaged that securing agreement from all necessary stakeholders for potentially complex and costly interventions will be particularly challenging, and in many cases unrealistic without further guidance and regulation from the Scottish Government. The high prevalence of flats also gives rise to practical challenges, for example a lack of space in which to install heat pumps and limited potential to install solar panels to offset electricity costs.<sup>xxxii</sup> However, with the appropriate financing options and a clear regulatory landscape there is a major opportunity for rolling out large-scale archetype-based retrofit projects.
- As a predominantly urban local authority, the vast majority of homes in Edinburgh are connected to the gas grid, as compared to other local authorities where a greater proportion of residents are reliant on alternative heating solutions such as oil. When secondary fuels are included, over 99% of homes in Edinburgh use gas. This is likely to increase the challenge of migrating homes to zero direct emissions heating sources, as gas heating offers many benefits: it is relatively cheap; offers a high flow temperature; is well understood in the marketplace; and it has a well-developed supply chain. As set out in [section 10.3](#), the move to zero direct emissions heating

---

<sup>xxxii</sup> By their nature, flats have a low ratio of roof space to internal floor space, while the roofs of modern blocks of flats are often used for plant.

will need to make financial sense for building users. Heat networks can potentially play a major role in retaining many of the benefits associated with gas, with the added benefits of delivering maintenance cost savings and screening customers against energy price volatility whilst providing net zero heat.

- Relative to Scotland overall, Edinburgh has a very high proportion of rental homes owned by private landlords: more than one in every five homes. Conversely, Edinburgh has a considerably smaller social housing sector. This means that the City of Edinburgh Council (and other social housing providers) have far less direct influence over housing stock than other Scottish local authorities. Additionally, this means that achieving net zero will require securing buy-in from a large cohort of private landlords, who are likely to be primarily profit-driven and who do not have a direct incentive to improve energy efficiency of their properties (e.g. compared to owner-occupiers who can benefit from lower bills and increased comfort).
- Relative to Scotland overall, Edinburgh has a considerably older housing stock, with close to a third of homes being over a century old. One in 10 homes are listed. As set out elsewhere in this document, this historicity gives rise to both practical and policy challenges to carrying out interventions.
- Edinburgh has a higher proportion of homes with uninsulated walls than Scotland (over two-fifths), and in particular has a high proportion of hard-to-treat solid stone walls. One in five homes in Edinburgh do not have double/triple glazing.

8.1.39. No specific opportunities have been identified from the baseline analysis. As a more general point, it is noted that Edinburgh is a generally affluent city with a buoyant housing and commercial property market, meaning investment in upgrading properties may be more forthcoming than in areas with less buoyant markets. Edinburgh is also a compact, densely-populated city which may give rise to economies of scale and efficiencies around the roll-out of some solutions, for example heat networks. Edinburgh also benefits from the presence of many public sector bodies, universities, and other organisations who are expected to be key partners in delivering the Edinburgh LHEES.

## 9. Generation of Strategic Zones and pathways

### 9.1. Overview

- 9.1.1. This chapter of the Edinburgh LHEES sets out Strategic Zones for each of the six LHEES Considerations, identifying what needs to be done at a strategic level to adapt buildings (and the relevant infrastructure) in Edinburgh over the next 15-20 years to achieve the central aims of the Edinburgh LHEES – the “pathways” for decarbonising each element of the building stock.
- 9.1.2. This analysis sets a starting point for the generation of, and prioritisation, of Delivery Areas, as well as for further engagement and actions in the Delivery Plan.
- 9.1.3. Through stakeholder engagement and data analysis, the Council has identified the following priority areas of focus:
- Fuel poverty
  - Heat networks
  - Heat pump ready properties

### 9.2. Off-gas grid buildings

#### Introduction

- 9.2.1. This Consideration concerns the strategy for decarbonising buildings that are not currently connected to the gas grid. As set out in [Chapter 8](#), approximately 9% of homes in Edinburgh are not currently connected to the gas grid. Buildings that are not currently connected to the gas grid represent a natural focus for heat pumps.
- 9.2.2. The focus of this Consideration is upon categorising the areas of Edinburgh not currently served by the gas grid based upon their readiness for heat pump retrofit. Properties falling into category 1 are deemed to have the greatest potential, followed by those in Category 2. Therefore, the category 1 Strategic Zones are the logic areas of focus for the deployment of heat pumps.
- 9.2.3. The Delivery Plan identifies Delivery Areas within the category 1 Strategic Zones that are proposed to be short-term areas of focus for heat pump retrofit.
- 9.2.4. Properties falling in Category 3 are assessed as having the lowest potential for heat pump retrofit. Some of these properties fall into prospective Heat Network Zones, and therefore connection to a heat network may be a viable alternative in these cases. Category 3 properties that do not fall into prospective Heat Network Zones represent the greatest challenge in terms of heat decarbonisation. Depending on the existing heating solution for these buildings, options may include direct electric heating or bioenergy.

#### Process

- 9.2.5. Within this Consideration, indicators have been identified for each of the four categories into which properties are to be grouped in terms of readiness for heat pump retrofit.

- Off gas grid – properties to be assessed under this Consideration are initially identified by using the Home Analytics dataset to identify properties not connected to the gas grid.<sup>xxxiii</sup>
- 9.2.6. Category 0 properties are those currently have a low or zero direct emissions heating system, or are connected to a heat work.
  - Properties falling under category 0 are identified by using the Home Analytics dataset to identify properties currently heated using a heat pump or via a heat network.<sup>xxxiv</sup>
- 9.2.7. Category 1 properties are those considered as being highly suited for heat pump retrofit, being well insulated properties with wet heating systems.
  - Category 0 property – properties that fall into category 0 are excluded. Data for this indicator is derived from the Home Analytics dataset.
  - Listed property – properties that are listed are excluded from category 1, as listed buildings entail additional considerations for retrofit (such as listed building consent). Data for this indicator is derived from the Home Analytics dataset.
  - Conservation Area – properties that are within a Conservation Area are excluded from category 1, as Conservation Areas entail additional considerations for retrofit. Data for this indicator is derived from the Home Analytics dataset.
  - Insulated walls – properties must have insulated walls to be included in category 1, as this is required to achieve the energy efficiency required for heat pumps. Data for this indicator is derived from the Home Analytics dataset.
  - Double/triple glazed windows – properties must have double or triple glazed windows to be included in category 1, as this is required to achieve the energy efficiency required for heat pumps. Data for this indicator is derived from the Home Analytics dataset.
  - Loft insulation 99mm+ – properties must have at least 99mm of loft insulation to be included in category 1, as this is required to achieve the energy efficiency required for heat pumps. Data for this indicator is derived from the Home Analytics dataset.
  - Main heating LPG, oil or biomass/solid – properties must be heated using liquefied petroleum gas, oil, or biomass/solid fuel, i.e. a “wet” system, to be included in category 1. This is as wet systems are considerably easier to transition to heat pumps than electric heating systems (or properties with no existing heating system). Data for this indicator is derived from the Home Analytics dataset.
- 9.2.8. Category 2 properties are those considered as having secondary potential for heat pump retrofit, needing moderate fabric upgrades and/or the addition of wet distribution systems.
  - Category 0 or 1 property – properties that fall into category 0 or 1 are excluded from category 2. Data for this indicator is derived from the Home Analytics dataset.
  - Insulated walls – properties that have uninsulated solid walls, or are system built, or have timber frames are excluded from category 2, as insulating these wall types to

---

<sup>xxxiii</sup> This is done by selecting properties where the value for “off gas grid” is “yes”, or where the value for “off gas grid” is “unknown” and the value for “main fuel type” is not “mains gas”.

<sup>xxxiv</sup> This is done by selecting properties where the value for “main heating system” is “communal” or “heat pump”.

an appropriate standard is considered beyond a moderate upgrade. Data for this indicator is derived from the Home Analytics dataset.

- Risk of narrow uninsulated cavity – properties that have narrow uninsulated cavities are excluded from category 2, as these walls will be challenging to bring up to the energy efficiency required for heat pumps. Data for this indicator is derived from the Home Analytics dataset.

9.2.9. Category 3 properties are those identified as having the least current potential for heat pump retrofit, i.e. significant fabric upgrades would be required to make them heat pump ready.

- Category 3 properties are identified as off-gas properties that do not fall into category 0, 1, or 2 as part of the above assessment.
- Main heating fuel is oil or LPG – properties must be heated using liquefied petroleum gas or oil to be included in category 3. This is as solid fuel-based systems are considered to be more suited to switching to biomass in these circumstances. Data for this indicator is derived from the Home Analytics dataset.

### Outputs

9.2.10. Of the 24,146 homes in Edinburgh not currently connected to the gas grid, 2,218 (9.2%) fall into category 0, i.e. they already have a low or zero direct emissions heating system, or are connected to a heat network. 9,470 properties (39.2%) fall into category 1, i.e. are identified as having the greatest potential for heat pump retrofit, while a further 7,223 properties (29.9%) fall into category 2, i.e. have secondary potential for heat pump retrofit. The remaining 5,235 (21.7%) properties fall into category 3, having the lowest potential for heat pump retrofit. Overall, therefore, approximately 78% of homes in Edinburgh not currently connected to the gas grid already have decarbonised heating or have good/reasonable potential to migrate to heat pumps, while 22% would require significant works to effectively migrate to heat pumps.

**Table 34: Breakdown of off-gas domestic properties in Edinburgh by category and tenure**

Category	Local authority	Housing association	Owner occupied	Private rented	Total
0	210	653	654	701	2,218
1	1,711	1,249	4,308	2,202	9,470
2	143	365	4,574	2,141	7,223
3	1,157	188	1,870	2,020	5,235
<b>Total</b>	<b>3,221</b>	<b>2,455</b>	<b>11,406</b>	<b>7,064</b>	<b>24,146</b>

Source: Domestic Baseline Tool

9.2.11. The number of off-gas homes falling into each category for each datazone of Edinburgh is visualised in [Figure 16](#), [Figure 17](#), [Figure 18](#), and [Figure 19](#). It can be seen that there is limited geographical patterning to the distribution of category 1 off-gas homes in Edinburgh, with pockets of category 1 properties throughout the city. Interventions in relation to this consideration are therefore likely to be focused on specific neighbourhoods rather than wider areas of the city. Homes in category 3, i.e. those homes that are least suited to be adapted to heat pumps, are somewhat concentrated in the city centre.

9.2.12. The 10 datazones with the highest counts of category 1 off-gas homes are set out in Table 35. These areas may be strong candidates for early-stage interventions to retrofit homes for the installation of heat pumps.

**Table 35: Edinburgh datazones with highest counts of category 1 off-gas homes**

Datazone	Name	Cat 1 off-gas homes	Total off-gas homes	% off-gas homes Cat 1
S01008770	Western Harbour and Leith Docks – 03	316	596	53.0%
S01008658	Dalry and Fountainbridge – 08	277	1,197	23.1%
S01008478	Stenhouse and Saughton Mains – 06	266	712	37.4%
S01008569	Moredun and Craigour – 01	264	420	62.9%
S01008456	The Calders – 03	263	537	49.0%
S01008932	Muirhouse – 04	254	423	60.1%
S01008462	Murrayburn and Wester Hailes North – 04	249	357	69.8%
S01008843	Broughton South – 04	200	1,069	18.7%
S01008929	Muirhouse – 01	195	635	30.7%
S01008516	Morningside and Craighouse – 03	175	673	26.0%

Source: Domestic Baseline Tool

9.2.13. The 10 datazones with the highest proportions of category 1 off-gas homes owned by the City of Edinburgh Council are set out in Table 36. This indicates the geographical areas where the Council has the greatest influence in terms of being able to roll-out heat pumps.

**Table 36: Edinburgh datazones with highest % of local authority-owned category 1 off-gas homes**

Datazone	Name	Council-owned Cat 1 off-gas homes	Total off-gas homes	% off-gas homes Council owned Cat 1
S01008462	Murrayburn and Wester Hailes North – 04	235	259	65.8%
S01008569	Moredun and Craigour – 01	260	273	61.9%
S01008456	The Calders – 03	259	273	48.2%
S01008929	Muirhouse – 01	194	380	30.6%
S01008906	West Pilton – 03	115	135	29.1%
S01008455	The Calders – 02	129	136	23.9%
S01008562	Hyvots and Gilmerton – 04	50	58	10.3%
S01008903	Drylaw – 05	24	27	5.0%
S01008702	Craigmillar – 02	16	22	5.0%
S01008679	Old Town, Princes Street and Leith Street – 06	39	256	5.0%

Source: Domestic Baseline Tool

9.2.14. Overall, the analysis carried out against this Consideration indicates that a significant proportion of homes in Edinburgh not currently connected to the gas grid offer strong



potential for conversion to heat pumps. However, the properties with the greatest potential are largely scattered across the city, with limited obvious focal points.

- 9.2.15. The most realistic and pragmatic approach for Edinburgh is to begin with less complicated and simpler decarbonisation projects, moving into more complex retrofits as the Council, supply chain, stakeholders and property owners expand their learning. As such, the Council proposes that early interventions should focus on category 1 properties which are most “heat pump ready”. The Delivery Plan highlights Delivery Areas with a focus on category 1 properties.

## 9.3. On-gas grid buildings

### Introduction

- 9.3.1. This Consideration concerns the strategy for decarbonising buildings that are currently connected to the gas grid. As set out in [Chapter 8](#), the vast majority of domestic properties and the majority of non-domestic properties in Edinburgh are currently heated via mains gas. The decarbonisation of the heating of buildings in Edinburgh will necessitate every property served by gas being retrofit with an alternative heating solution.
- 9.3.2. The focus of this Consideration is upon categorising the areas of Edinburgh currently served by the gas grid based upon their readiness for heat pump retrofit. Properties falling into category 1 are deemed to have the greatest potential, followed by those in category 2. Therefore, the category 1 Strategic Zones are the logic areas of focus for the deployment of heat pumps.
- 9.3.3. The Delivery Plan identifies Delivery Areas within the category 1 Strategic Zones that are proposed to be short-term areas of focus for heat pump retrofit.
- 9.3.4. Properties falling in Category 3 are assessed as having the lowest potential for heat pump retrofit. Some of these properties fall into prospective Heat Network Zones, and therefore connection to a heat network may be a viable alternative in these cases. Category 3 properties that do not fall into prospective Heat Network Zones represent the greatest challenge in terms of heat decarbonisation. Green/blue hydrogen may be a potential solution for these properties, albeit as set out in [section 4.5](#) the prospects for hydrogen are still unclear.

### Process

- 9.3.5. Within this Consideration, indicators have been identified for each of the four categories into which properties are to be grouped in terms of readiness for heat pump retrofit.
- On gas grid – properties to be assessed under this Consideration are initially identified by using the Home Analytics dataset to identify properties connected to the gas grid.<sup>xxxv</sup>
- 9.3.6. Category 0 properties are those already connected to a heat network (or communal heating system), which are deemed to be highly suited to a heat pump solution.
- Properties falling under category 0 are identified by using the Home Analytics dataset to identify properties currently connected to a heat network.<sup>xxxvi</sup>

---

<sup>xxxv</sup> This is done by selecting properties where the value for “main heating system” is “communal”.

<sup>xxxvi</sup> This is done by selecting properties where the value for “off gas grid” is “no”, or where the value for “off gas grid” is “unknown” and the value for “main fuel type” is “mains gas”.

- 9.3.7. Category 1 properties are those considered as being highly suited for heat pump retrofit, being well insulated properties with wet heating systems.
- Category 0 property – properties that fall into category 0 are excluded. Data for this indicator is derived from the Home Analytics dataset.
  - Listed property – properties that are listed are excluded from category 1, as listed buildings entail additional considerations for retrofit (such as listed building consent). Data for this indicator is derived from the Home Analytics dataset.
  - Conservation Area – properties that are within a Conservation Area are excluded from category 1, as Conservation Areas entail additional considerations for retrofit. Data for this indicator is derived from the Home Analytics dataset.
  - Insulated walls – properties must have insulated walls to be included in category 1, as this is required to achieve the energy efficiency required for heat pumps. Data for this indicator is derived from the Home Analytics dataset.
  - Double/triple glazed windows – properties must have double or triple glazed windows to be included in category 1, as this is required to achieve the energy efficiency required for heat pumps. Data for this indicator is derived from the Home Analytics dataset.
  - Loft insulation 99mm+ – properties must have at least 99mm of loft insulation to be included in category 1, as this is required to achieve the energy efficiency required for heat pumps. Data for this indicator is derived from the Home Analytics dataset.
- 9.3.8. Category 2 properties are those considered as having secondary potential for heat pump retrofit, needing moderate fabric upgrades and/or the addition of wet distribution systems.
- Category 0 or 1 property – properties that fall into category 0 or 1 are excluded from category 2. Data for this indicator is derived from the Home Analytics dataset.
  - Insulated walls – properties that have uninsulated solid walls, or are system built, or have timber frames are excluded from category 2, as insulating these wall types to an appropriate standard is considered beyond a moderate upgrade. Data for this indicator is derived from the Home Analytics dataset.
  - Risk of narrow uninsulated cavity – properties that have narrow uninsulated cavities are excluded from category 2, as these walls will be challenging to bring up to the energy efficiency required for heat pumps. Data for this indicator is derived from the Home Analytics dataset.
- 9.3.9. Category 3 properties are those identified as having the least current potential for heat pump retrofit, i.e. significant fabric upgrades would be required to make them heat pump ready.
- Category 3 properties are identified as on-gas properties that do not fall into category 0, 1, or 2 as part of the above assessment.

### **Outputs**

- 9.3.10. Of the 241,396 homes in Edinburgh currently connected to the gas grid, 4,778 (2.0%) fall into category 0, i.e. they already have a low or zero direct emissions heating system, or are connected to a heat network. 107,847 properties (44.7%) fall into category 1, i.e. are identified as having the greatest potential for heat pump retrofit, while a further 33,603 properties (13.9%) fall into category 2, i.e. have secondary potential for heat pump retrofit. The remaining 95,168 (39.4%) properties fall into category 3, having the lowest potential for heat pump retrofit. Overall, therefore, approximately 61% of homes in Edinburgh currently connected to the gas grid already have decarbonised heating or have good/reasonable

potential to migrate to heat pumps, while 39% would require significant works to effectively migrate to heat pumps. This indicates that the migration of on-gas homes to heat pumps is likely to prove considerably more challenging than the migration of off-gas homes.

**Table 37: Breakdown of on-gas domestic properties in Edinburgh by category and tenure**

Category	Local authority	Housing association	Owner occupied	Private rented	Total
0	957	2,403	726	692	4,778
1	20,291	10,174	63,905	13,477	107,847
2	2,278	2,522	22,561	6,242	33,603
3	3,600	3,511	59,574	28,483	95,168
<b>Total</b>	<b>27,126</b>	<b>18,610</b>	<b>146,766</b>	<b>48,894</b>	<b>241,396</b>

Source: Domestic Baseline Tool

9.3.11. The number of on-gas homes falling into each category for each datazone of Edinburgh is visualised in [Figure 20](#), [Figure 21](#), [Figure 22](#), and [Figure 23](#). It can be seen that there is limited geographical patterning to the distribution of category 1 on-gas homes in Edinburgh, with pockets of category 1 properties throughout the city. Interventions in relation to this consideration are therefore likely to be focused on specific neighbourhoods rather than wider areas of the city. Homes in category 3, i.e. those homes that are least suited to be adapted to heat pumps, are somewhat concentrated in the city centre.

9.3.12. The 10 datazones with the highest counts of category 1 on-gas homes are set out in Table 38. These areas may be strong candidates for short-term interventions to retrofit homes for the installation of heat pumps.

**Table 38: Edinburgh datazones with highest counts of category 1 on-gas homes**

Datazone	Name	Cat 1 on-gas homes	Total on-gas homes	% on-gas homes Cat 1
S01008549	Gilmerton South and the Murrays – 03	2,263	2,577	87.8%
S01009002	Dalmeny, Kirkliston and Newbridge – 06	1,328	1,597	83.2%
S01008704	Craigmillar – 04	1,240	1,661	74.7%
S01008768	Western Harbour and Leith Docks – 01	1,077	1,515	71.1%
S01008720	Jewel, Brunstane and Newcraighall – 04	766	885	86.6%
S01008931	Muirhouse – 03	709	808	87.8%
S01008920	Granton and Royston Mains – 01	685	1,111	61.7%
S01008908	West Pilton – 05	681	823	82.8%
S01008701	Craigmillar – 01	643	744	86.4%
S01008771	Western Harbour and Leith Docks – 04	627	642	97.7%

Source: Domestic Baseline Tool

9.3.13. The 10 datazones with the highest proportions of category 1 on-gas homes owned by the City of Edinburgh Council are set out in Table 39. This indicates the geographical areas where the Council has the greatest influence in terms of being able to roll-out heat pumps. It can be seen

that the Granton South and Wardieburn and the Murrayburn and Wester Hailes North areas of Edinburgh may offer good potential for Council-led retrofit projects.

**Table 39: Edinburgh datazones with highest % of Council-owned category 1 on-gas homes**

Datazone	Name	Council-owned Cat 1 on-gas homes	Total off-gas homes	% on-gas homes Council owned Cat 1
S01008918	Granton South and Wardieburn – 03	257	298	86.2%
S01008919	Granton South and Wardieburn – 04	226	267	84.6%
S01008461	Murrayburn and Wester Hailes North – 03	412	557	73.7%
S01008460	Murrayburn and Wester Hailes North – 02	277	380	72.9%
S01008463	Murrayburn and Wester Hailes North – 05	251	364	69.0%
S01008471	Broomhouse and Bankhead – 04	238	360	66.1%
S01008459	Murrayburn and Wester Hailes North – 01	275	426	63.7%
S01008712	Bingham, Magdalene and The Christians – 01	363	580	61.0%
S01008917	Granton South and Wardieburn – 02	237	395	59.0%
S01008930	Muirhouse – 02	414	653	57.2%

Source: Domestic Baseline Tool

- 9.3.14. Overall, the analysis carried out against this Consideration indicates that a significant proportion of homes in Edinburgh currently connected to the gas grid offer strong potential for conversion to heat pumps, albeit with a substantial majority of homes falling in category 3. However, the properties with the greatest potential are largely scattered across the city, with limited obvious focal points. Several areas of the city where the Council has extensive ownership of category 1 on-gas homes may be logical locations for early intervention.
- 9.3.15. The most realistic and pragmatic approach for Edinburgh is to begin with less complicated and simpler decarbonisation projects, moving into more complex retrofits as the Council, supply chain, stakeholders and property owners expand their learning. As such, the Council proposes that early interventions should focus on category 1 properties which are most “heat pump ready”. The Delivery Plan highlights Delivery Areas with a focus on category 1 properties.

## 9.4. Heat networks

### Introduction

- 9.4.1. This Consideration concerns the decarbonisation of space heating using heat networks. The Strategic Zones relating to this Consideration are the areas of Edinburgh that are deemed to be particularly suitable locations for the development of a heat network.
- 9.4.2. Edinburgh has a relatively high heat density, good availability of heat sources, and many buildings with high energy use intensity which can serve as “anchor loads” increasing the viability of a heat network. All of these have resulted in Edinburgh being ranked as the third-highest Scottish local authority area for potential of heat delivered by a heat network. There

may be scope to deliver a city-wide heat network (or “network of networks”) covering much of Edinburgh’s population.

- 9.4.3. This Consideration is of particular significance in that the Strategic Zones identified for it will form the basis of a statutory exercise that will be undertaken in line with the Heat Networks (Scotland) Act 2021 and Heat Networks (Heat Network Zones and Building Assessment Reports) (Scotland) Regulations 2023 to legally designate Heat Network Zones in Edinburgh. Therefore, unlike the other Considerations, the Strategic Zones associated with this Consideration will eventually have legal status, albeit the definitions of the Strategic Zones may evolve between the publication of the Edinburgh LHEES and the completion of the statutory exercise that will subsequently be undertaken. As noted in [section 6.2](#), the Heat Network Zones will form the basis of a permitting regime that is intended to catalyse investment in heat networks by providing heat network operations with exclusive access to the consumer base within a Heat Network Zone.
- 9.4.4. To distinguish between the Strategic Zones relating to the heat networks consideration that are identified as part of the Edinburgh LHEES and the Heat Network Zones that will be designated as part of the subsequent statutory exercise, the former are hereafter referred to as “prospective Heat Network Zones” and the latter as “statutory Heat Network Zones”.
- 9.4.5. It is important to note that a location not falling within a designated Heat Network Zone does not preclude the development of a heat network in that area; conversely, a location falling within a Heat Network Zone does not guarantee that a heat network will be developed there. Heat network zones purely identify areas that are assessed as having the greatest potential for heat networks, i.e. where heat networks are expected to be most viable. The Heat Network Zones set out in the Edinburgh LHEES are not an exhaustive schedule of the locations in Edinburgh where a heat network may prove viable, but rather the areas where heat networks are judged to have the greatest viability and/or to be of the greatest strategic importance.
- 9.4.6. Consideration has been given to potential heat sources for heat networks in Edinburgh. It is recognised that the best solution for a given heat network will depend upon site-specific technical and commercial factors, and therefore the Edinburgh LHEES is not prescriptive about heat sources. However, potential sources have been identified and highlighted to inform subsequent work to deliver heat networks. Key potential sources of heat in Edinburgh include:
- Air source heat pumps – producing heat centrally using air source heat pumps.
  - Sewer source heat pumps – capturing heat from the sewers running beneath Edinburgh. Scottish Water has advised that only sewers above 300mm in diameter and with potential sewage flow rates of 40 litres per second or faster are likely to be suitable. A plan showing these sewers in Edinburgh has been provided. A map of potential wastewater extraction opportunities is shown at [Figure 05](#).
  - Water source heat pumps – capturing heat from watercourses such as the Firth of Forth or the Almond River. Smaller watercourses such as the Water of Leith or Union Canal are unlikely to offer significant potential due to the environmental impact of extracting heat being proportionately greater.
  - Seafeld Waste Water Treatment Works – capturing heat from the treatment works, which currently discharges water into the Firth of Forth at a temperature of 15°C.

- Mine water heat – capturing heat from disused mine workings under Edinburgh. A map of known workings is shown at [Figure 04](#). The Coal Authority has been appointed to prepare a more detailed initial opportunity map for Edinburgh.
- Waste heat – capturing heat generated as a byproduct of activities in Edinburgh.<sup>65</sup> Analysis of Scotland Heat Map data shows 63 potential waste heat sources in Edinburgh – comprising seven bakeries; two breweries; three data centres; one distillery; 48 supermarkets; and two wastewater treatment plants – with a total combined waste heat potential of 127,372 megawatt hours. A map of potential waste heat sources is shown at [Figure 06](#).
- Millerhill Recycling and Energy Recovery Centre – utilising heat generated from the incineration of waste at the MRERC in Millerhill, Midlothian, which has the potential to offer a maximum heat export of 20 megawatt thermal to a heat network.

### Process

- 9.4.7. Analysis has been undertaken to identify the locations in Edinburgh where it is judged that heat networks may represent a viable heat option. It is noted that the Edinburgh LHEES does not itself formally designate Heat Network Zones; rather, it sets out an evidence base that will support the formal designation of zones via a statutory process at a later date.
- 9.4.8. Analysis to identify the potential Heat Network Zones was undertaken on behalf of the Council by Ramboll. In line with the LHEES Methodology, Ramboll imported heat demand data from the Scotland Heat Map and created buffer zones around specific linear heat density levels. Detailed information on the methodology is set out in [section 5.1](#).
- 9.4.9. In July 2023, a workshop facilitated by Ramboll and Turner & Townsend was held with key Council officers along with representatives of the Scottish Government’s Heat Networks Regulation Team; SP Energy Networks; the University of Edinburgh; and Edinburgh World Heritage Trust.<sup>xxxvii</sup> The purpose of the workshop was as follows:
- To review the shortlisted options and determine which was the most appropriate on which to establish a baseline map.
  - To review the baseline map and suggest any modifications and refinements based upon the knowledge and experience of the workshop attendees.
- 9.4.10. Key points raised in the workshop included:
- The emerging Heat Network Zones serve many of the most densely populated areas of Edinburgh.
  - Heat networks may prove challenging to deliver in areas of archaeological significance, for example the Old Town. Conversely, however, heat networks may be a better solution than heat pumps for many tenemental properties due to avoiding the need for as extensive retrofitting and the need to find a location to install the heat pumps.
  - Overly large Heat Network Zones raise the risk that property owners do not invest in zero direct emissions heating systems due to anticipating that they will be served by a heat network (which may take some time to manifest) whereas overly small heat

---

<sup>xxxvii</sup> It was determined that it would not be appropriate to invite heat network developers/operators to the workshop as the Council was in the process of tendering for a concessionaire to deliver a heat network serving Granton Waterfront and therefore a conflict of interest could potentially arise.

networks raise the risk of stranded assets if zero direct emissions heating systems are installed serving properties that are later connected to a heat network.

- Having a single Heat Network Zone or a small number of zones poses the risk that heat networks will take a very long time to be delivered due to the right to develop the heat network resting with a single developer.
- To operate effectively, heat networks are likely to require a means of storing heat.

9.4.11. Further consultation with key stakeholders identified the following points:

- There is a risk that heat network delivery models will drive unwanted behaviour, e.g. if contracts require off-takers to pay for a minimum quantity of heat, thus compromising efforts to minimise energy usage.
- Fifth generation (ambient) heat networks have the potential to minimise waste by balancing heating and cooling loads. This may work most effectively in areas where there are residential properties and commercial properties in close proximity. Commercial properties such as offices, data centres, and supermarkets may have significantly coolth requirements which can be offset against the heat requirements of residential properties.
- The development of a heat network in the Old Town of Edinburgh may prove challenging due to the solid rock making the deployment of pipework costly.

9.4.12. Following the workshop, the map was further refined to reflect considerations such as alignment with physical barriers (e.g. railway lines).

9.4.13. It is noted that the prospective Heat Network Zones have been informed primarily by technical considerations. Additional work would be required to refine the zones to reflect commercial considerations, for example the minimum size/demand required for a zone to be viable.

### Outputs

9.4.14. Based upon the analysis and consultation set out above, 17 prospective Heat Network Zones in Edinburgh have been identified. Table 40 presents summary information on the 17 prospective Heat Network Zones (extracted from the Heat Network Zone Summary tool). A map of the zones is shown at [Figure 22](#).

**Table 40: Summary of prospective Heat Network Zones in Edinburgh**

ID	Name <sup>xxxviii</sup>	Screening criteria	Annual heat demand (MWh / year)	Anchor loads
01	New Town	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	112,025	37
02	Leith Walk	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / meter / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	439,127	43

<sup>xxxviii</sup> Names are purely illustrative.

ID	Name <sup>xxxviii</sup>	Screening criteria	Annual heat demand (MWh / year)	Anchor loads
03	Old Town & Southside	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	706,174	149
04	Gorgie & Dalry	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	630,021	14
05	Craigeleith	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	287,103	33
06	Granton	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	190,383	26
07	Leith	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	119,369	32
08	Portobello & Seafield	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	88,143	10
09	Morningside	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	283,938	17
10	South East Edinburgh	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	187,528	38
11	Colinton Mains	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	11,675	5
12	South West Edinburgh	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	119,474	27
13	Heriot-Watt	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	68,751	17
14	Sighthill & Gyle	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	138,136	45
15	Ingliston	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	90,287	34
16	South Queensferry	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	75,742	8



ID	Name <sup>xxxviii</sup>	Screening criteria	Annual heat demand (MWh / year)	Anchor loads
17	Second New Town	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre /year</li> <li>▪ LHD anchor load prioritisation count: ≥ 2</li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	185,446	10

Source: Heat Network Zone Summary

- 9.4.15. The 17 zones cover a significant proportion of Edinburgh. Collectively, they represent 3,733,322 megawatt hours of heat demand.<sup>xxxix</sup> This is a similar quantum to the First National Assessment, which, as set out in [section 7.4](#), identified 41 zones with a total combined heat demand of 3,404,609 megawatt hours per annum.
- 9.4.16. The zones cover a range of areas, including densely populated inner-city neighbourhoods; suburban residential areas; industrial areas; Edinburgh Airport; and Heriot-Watt University's campus. They encompass a significant proportion of the city's population and the vast majority of its key employment areas.
- 9.4.17. Further analysis and consultation will be required to fully assess the opportunities presented by each zones. However, the following observations are made:
- The Council is currently in the process of tendering for a concessionaire to build and operate a heat network within the Granton zone.
  - Other projects are at various stages of development within the Ingliston; South East Edinburgh; and Portobello & Seafield zones.
  - The Old Town & Southside zone has by far the largest heat demand, followed by the Gorgie & Dalry zone and the Leith Walk zone.
- 9.4.18. Strategic challenges to the roll-out of heat networks in these zones are expected to include:
- Potential difficulties in developing cost competitive proposition for off-takers, particularly for as long as mains gas remains an alternative option.
  - Potential difficulties securing connections, particularly while there is no legal requirement for any existing buildings to connect to heat networks.
  - Challenges associated with sub-ground conditions, for example the presence of archaeological remains or bedrock.
  - Challenges securing appropriate sites for energy centres and substations, particularly in the more central zones which are densely developed and are generally sensitive places to develop in terms of aesthetics.
- 9.4.19. It is noted that the Council will require to go through a further statutory process to formally designate Heat Network Zones. Given this, the prospective Heat Network Zones set out in the Edinburgh LHEES are likely to evolve somewhat.
- 9.4.20. Further information on the delivery of heat networks in Edinburgh is set out in the Delivery Plan.

---

<sup>xxxix</sup> i.e., 1,419 gigawatt hours or 1.4 terawatt hours

## 9.5. Poor building energy efficiency

### Introduction

- 9.5.1. This Consideration identifies strategic areas of focus in Edinburgh in terms of poor energy efficiency, identifying where interventions are required to drive reductions in heat demand.
- 9.5.2. Poor energy efficiency has been assessed based on three indicators: single glazed windows, no/minimal loft insulation, and uninsulated walls.

### Process

- 9.5.3. Three indicators have been identified for this LHEES Consideration:
- Single glazed windows – this indicator has a 33.333% weighting. It is a binary indicator used to identify properties with single glazed windows, which contributes to low energy efficiency. Data for this indicator is derived from the Home Analytics dataset.
  - Loft insulation – this indicator has a 33.333% weighting. It is a binary indicator used to identify properties with no/minimal loft insulation, which contributes to low energy efficiency. Data for this indicator is derived from the Home Analytics dataset.
  - Wall insulation – this indicator has a 33.333% weighting. It is a binary indicator used to identify properties with uninsulated walls, which contributes to low energy efficiency. Data for this indicator is derived from the Home Analytics dataset.

### Outputs

- 9.5.4. Analysis was conducted on the 265,542 homes in Edinburgh with a confirmed heat demand above zero to identify which suffered from poor energy efficiency, utilising the metrics set out above. The data indicates that uninsulated walls is by far the biggest driver of poor energy efficiency, with close to half of all homes in Edinburgh affected by this issue. Slightly under one-fifth of homes have single glazed windows. A significant number of homes (44,403 – 16.7% of the total stock) have both uninsulated walls and single glazed windows. 6,156 homes – 2.3% of the total stock – were afflicted with all three characteristics; these homes could be expected to represent the absolute poorest stock in terms of energy efficiency.

**Table 41: Breakdown of poor energy efficiency homes in Edinburgh by characteristic(s)**

Characteristic(s)	Number	Percentage
Loft insulation <100 mm	25,823	9.7%
Single glazed windows	51,279	19.3%
Uninsulated walls	129,706	48.8%
Single glazed windows / loft insulation <100 mm	6,686	2.5%
Single glazed windows / uninsulated walls	44,403	16.7%
Uninsulated walls / loft insulation <100 mm	15,598	5.9%
Uninsulated walls / loft insulation <100 mm / single glazed windows	6,156	2.3%

Source: Domestic Baseline Tool

- 9.5.5. The number of homes with uninsulated walls in each datazone of Edinburgh is visualised in [Figure 26](#). It can be seen that these homes are concentrated in the city centre and in the neighbourhoods to the south, with additional pockets in the north and east of Edinburgh.

[Figure 27](#) shows the distribution of homes with solid stone/brick walls, which are likely to prove particularly challenging to insulate; again these are clustered around the city centre.

9.5.6. The 10 datazones with the highest number of homes with uninsulated walls owned by the City of Edinburgh Council are set in Table 42. This indicates the geographical areas where the Council has the greatest influence in terms of being able to roll-out wall insulation.

**Table 42: Edinburgh datazones with highest count of Council-owned homes with uninsulated walls**

Datazone	Name	Council-owned homes with uninsulated walls	Total homes	% homes Council-owned with uninsulated walls
S01008929	Muirhouse – 01	227	635	35.7%
S01008746	Northfield and Piershill – 04	198	604	32.8%
S01008787	Great Junction Street – 03	190	212	89.6%
S01008675	Old Town, Princes Street and Leith Street – 02	186	785	23.7%
S01008760	Restalrig and Lochend – 05	158	513	30.8%
S01008757	Restalrig and Lochend – 02	143	417	34.3%
S01008809	Hillside and Calton Hill – 04	141	543	26.0%
S01008785	Great Junction Street – 01	139	533	26.1%
S01008801	Easter Road and Hawkhill Avenue – 04	121	730	16.6%
S01008703	Craigmillar – 03	118	482	24.5%

Source: Domestic Baseline Tool

9.5.7. The 10 datazones with the highest proportions of homes with all three characteristics of poor energy efficiency are set out in Table 43. This indicates the geographical areas with the greatest issues in terms of energy efficiency. It can be seen that the areas in question are largely more affluent areas of the city with significant elements of build heritage. This suggests that poor energy efficiency in Edinburgh is largely a product of the city’s aged housing stock.

**Table 43: Edinburgh datazones with highest count of homes with all three characteristics of poor energy efficiency**

Datazone	Name	Homes with three characteristics	Total homes	% homes with three characteristics
S01008676	Old Town, Princes Street and Leith Street – 03	221	661	33.4%
S01008868	Deans Village – 01	105	673	15.6%
S01008882	Murrayfield and Ravelston – 02	105	446	23.5%
S01008861	Stockbridge – 05	98	414	23.7%
S01008593	Blackford, West Mains and Mayfield Road – 07	84	327	25.7%
S01008627	Morningside – 04	83	262	31.7%

Datazone	Name	Homes with three characteristics	Total homes	% homes with three characteristics
S01008685	Canongate, Southside and Dumbiedykes – 06	82	1235	6.6%
S01008852	New Town West – 04	73	642	11.4%
S01008600	Newington and Dalkeith Road – 02	71	337	21.1%
S01008850	New Town West – 02	70	465	15.1%

Source: Domestic Baseline Tool

9.5.8. The analysis against this Consideration has identified the quantity of interventions that will be required to achieve good energy efficiency across Edinburgh’s residential stock. It has also identified the geographical areas where the greatest number of interventions are expected to be required. The analysis shows that the required interventions are concentrated in areas of Edinburgh with significant levels of historic buildings, suggesting that taking forward these interventions will in many cases require a more specialised approach.

9.5.9. The datazones with the greatest proportion of Council-owned homes with poor wall insulation may represent logical candidates for early intervention.

## 9.6. Poor building energy efficiency as a driver for fuel poverty

### Introduction

9.6.1. This Consideration identifies strategic areas of focus in Edinburgh in terms of poor energy efficiency where this is a driver of fuel poverty, identifying where interventions are required to drive reductions in fuel poverty via reducing heat demand.

9.6.2. Poor energy efficiency as a driver of fuel poverty was assessed based on four indicators: the assessed probability of the households of the home in question being in fuel poverty, coupled with three indicators pertaining to poor energy efficiency (single glazed windows, no/minimal loft insulation, and uninsulated walls).

9.6.3. The nature of interventions relating to this Consideration will be influenced by the tenure of the building.

### Process

9.6.4. Four indicators have been identified for this LHEES Consideration – one pertaining to fuel poverty and three pertaining to energy efficiency:

- Probability of fuel poverty – this indicator has a 50% weighting. It refers to the assessed probability of the household of the home in question being in fuel poverty. Data for this indicator is derived from the Home Analytics dataset.
- Single glazed windows – this indicator has a 16.666% weighting. It is a binary indicator used to identify properties with single glazed windows, which contributes to low energy efficiency. Data for this indicator is derived from the Home Analytics dataset.
- Loft insulation – this indicator has a 16.666% weighting. It is a binary indicator used to identify properties with no/minimal loft insulation, which contributes to low energy efficiency. Data for this indicator is derived from the Home Analytics dataset.

- Wall insulation – this indicator has a 16.666% weighting. It is a binary indicator used to identify properties with uninsulated walls, which contributes to low energy efficiency. Data for this indicator is derived from the Home Analytics dataset.

## Outputs

- 9.6.5. Analysis was conducted on the 265,542 homes in Edinburgh with a confirmed heat demand above zero to assess properties in fuel poverty and where poor energy efficiency was a likely contributor to that. It is estimated that 54,944 homes (20.7% of the total) in Edinburgh are in fuel poverty, while 18,367 (6.9%) are in extreme fuel poverty.
- 9.6.6. Incidences of high fuel poverty and poor energy efficiency (measured based on the proportion of uninsulated walls) in each datazone of Edinburgh are visualised in [Figure 28](#). It can be seen that the greatest concentration is shown to be in the historic city centre and the surrounding areas, as opposed to the areas of Edinburgh traditionally associated with deprivation. Given this, the Council has reservations about the robustness of these conclusions. Accordingly, the Council has opted not to focus on these conclusions for the purposes of interventions aimed at mitigating fuel poverty, but rather will continue to concentrate on areas of Edinburgh with high levels of deprivation as identified using the 2020 Scottish Index of Multiple Deprivation (SIMD), as this is judged to be a more robust approach. SIMD data is visualised in [Figure 29](#).
- 9.6.7. Addressing fuel poverty is a longstanding priority for the Council, and properties at risk of fuel poverty have been the focus of Area-Based Scheme and other initiatives. As and when resources and powers are made available for the delivery of the Edinburgh LHEES, the Council will potentially look to grow activities in these areas further by reaching various tenure types (and potentially also non-domestic buildings) to catalyse area-wide transformation of the building stock. The Delivery Plan identifies Delivery Areas identified for this Consideration.

## 9.7. Mixed-tenure, mixed-use, and historic buildings

### Introduction

- 9.7.1. This Consideration concerns the strategy for decarbonising buildings that are complex due to being mixed-tenure (i.e. with properties of different tenures within the same building, e.g. a block of flats with privately-owned and Council-owned flats), mixed-use (i.e. occupied by both domestic and non-domestic properties), and/or historic (i.e. listed and/or within a conservation area). These buildings are likely to prove challenging to decarbonise due to the range of stakeholders involved, their design, and planning policies that restrict interventions.
- 9.7.2. Mixed-tenure buildings present complexities due to the added challenge of securing buy-in from the different parties within the building. A primary example would be multi-storey buildings in which the Council still owns some properties, but others have passed to private owners under the Right to Buy policy (and may in turn have become private rented properties). In buildings such as this, the Council is unable to act unilaterally, but would require to secure buy-in for any interventions from all parties.
- 9.7.3. Mixed-use buildings, for example a block of flats with commercial units on the ground floor, present complexities due to the different owners/tenancies and design considerations associated with the different use classes.

9.7.4. Historic buildings present complexities due to their design generally not being conducive to the typical interventions that would be carried out to boost a building's energy efficiency, for example solid stone walls that cannot be treated with cavity insulation. This is compounded by planning policies which restrict the interventions that are permissible, for example prohibiting the replacement of traditional sash and cash windows with more energy efficient, but non-historically accurate, uPVC windows. Achieving a high standard of energy efficiency in a historic building can in some cases require complex bespoke interventions.

### **Process**

9.7.5. Within this Consideration, indicators have been identified for each of the sub-Considerations.

9.7.6. Three indicators have been identified for the mixed-tenure sub-Consideration:

- Dwellings in building – this indicator is used to identify if there is more than one dwelling within a building. This indicator has a 25% weighting. Data for this indicator is derived from the Home Analytics dataset.
- Mixed tenure – this indicator is used to identify if there are properties identified as being mixed tenure within a building. This indicator has a 25% weighting. Data for this indicator is derived from the Home Analytics dataset.
- Parent and child UPRNs – this indicator is used to identify buildings with a mix of domestic and non-domestic properties. This indicator has a 50% weighting. Data for this indicator is derived from the One Scotland Gazetteer.

9.7.7. One indicator has been identified for the listed buildings sub-Consideration:

- Identification of listed buildings: listed building grade – this indicator is used to identify if the domestic property in question is registered as a listed building (no data was available to identify listed non-domestic properties). Data for this indicator is derived from the Home Analytics dataset.

9.7.8. Two indicators have been identified for the Conservation Areas sub-Consideration:

- Identification of properties in Conservation Areas: Conservation Area – this indicator is used to identify if the domestic property in question falls within a Conservation Area. Data for this indicator is derived from the Home Analytics dataset.

Identification of properties in Conservation Areas: Conservation Area – this indicator is used to identify if the property in question falls within a Conservation Area. Data for this indicator is derived from the Scotland Heat Map.

### **Outputs – mixed-tenure and mixed-use**

9.7.9. Of the 266,144 homes in Edinburgh, 265,542 have a confirmed annual heat demand above zero. Of these 265,542 homes, 183,583 (69.1%) are located within buildings containing more than one dwelling and 130,211 (49.9%) are located within buildings with more than one tenure represented (i.e. buildings containing some combination of owner-occupied, privately rented, and/or socially rented homes). The former figure reflects the large proportion of flats in Edinburgh, which is characterised by its tenements. The latter figure represents the mix of ownerships across Edinburgh, with tenements often comprising a mix of owner-occupied homes and privately-rented homes, and blocks of flats developed by the public sector often comprising a mix of social housing and owned occupied/privately rented homes acquired as part of the Right to Buy Scheme. Buildings containing multiple homes and where multiple

tenures are represented are likely to prove considerably more challenging to retrofit than mono-ownership/mono-tenure buildings due to the added difficulties of securing agreements, allocating costs, and coordination.

- 9.7.10. Analysis of Unique Property Reference Numbers (UPRNs) in Edinburgh indicates that there are a total of 20,267 “parent shell” UPRNs (i.e. buildings), of which 18,642 (92.0%) are domestic, 1,162 (5.7%) are non-domestic, and 463 (2.3%) are “mixed”. Mixed tenure buildings therefore account for a relatively low proportion of the total building stock in Edinburgh. Mixed tenure buildings in Edinburgh will typically be tenements (or more modern blocks of flats) with commercial units on the ground floor. As with mixed-ownership and mixed-tenure buildings, mixed-use buildings are likely to prove more challenging to retrofit.
- 9.7.11. The number of homes within buildings within more than one dwelling and within mixed-tenure buildings for each datazone of Edinburgh is visualised in [Figure 30](#) and [Figure 31](#).
- 9.7.12. The 10 datazones with the highest number of homes within buildings with more than one dwelling are set out in Table 44.

**Table 44: Edinburgh datazones with highest number of homes in buildings with >1 dwelling**

Datazone	Name	Homes in buildings with >1 dwelling	Total homes	% homes in buildings with >1 dwelling
S01008549	Gilmerton South and the Murrays – 03	1,689	2,577	65.5%
S01008768	Western Harbour and Leith Docks – 01	1,395	1,515	92.1%
S01008651	Dalry and Fountainbridge – 01	1,311	1,311	100%
S01008673	Meadows and Southside – 08	1,302	1,328	98.0%
S01008685	Canongate, Southside and Dumbiedykes – 06	1,197	1,235	96.9%
S01008658	Dalry and Fountainbridge – 08	1,196	1,197	99.9%
S01008843	Broughton South – 04	1,052	1,069	98.4%
S01008665	Tollcross – 07	1,033	1,055	97.9%
S01008920	Granton and Royston Mains – 01	1,009	1,111	90.8%
S01008691	Meadowbank and Abbeyhill North – 03	908	912	99.6%

Source: Domestic Baseline Tool

- 9.7.13. The 10 datazones with the highest number of homes within mixed-tenure buildings are set out in Table 45.

**Table 45: Edinburgh datazones with highest number of homes in mixed-tenure buildings**

Datazone	Name	Homes in mixed-tenure buildings	Total homes	% homes in mixed-tenure buildings
S01008549	Gilmerton South and the Murrays – 03	1,277	2,577	49.6%
S01008673	Meadows and Southside – 08	993	1,328	74.8%
S01008658	Dalry and Fountainbridge – 08	815	1,197	68.1%

Datazone	Name	Homes in mixed-tenure buildings	Total homes	% homes in mixed-tenure buildings
S01008843	Broughton South – 04	778	1,069	72.8%
S01008806	Hillside and Calton Hill – 01	735	762	96.5%
S01008800	Easter Road and Hawkhill Avenue – 03	733	735	99.7%
S01008778	The Shore and Constitution Street – 01	704	797	88.3%
S01008691	Meadowbank and Abbeyhill North – 03	687	912	75.3%
S01008496	Gorgie West – 05	677	677	100%
S01008855	Canonmills and New Town North – 03	671	705	95.2%

Source: Domestic Baseline Tool

9.7.14. Overall, the analysis carried out against this Consideration sets out the high proportion of multi-occupancy and mixed-tenure buildings in Edinburgh, reflecting the prevalence of flats in the city and the diverse ownership thereof. With 69.1% of homes in Edinburgh being in multi-occupancy buildings and 49.9% being with mixed-tenure buildings, planning and execution the works necessary to achieve improved energy efficiency and heat decarbonisation is likely to be complex, costly, and challenging.

#### Outputs – historic buildings

9.7.15. Of the 266,144 homes in Edinburgh, 265,542 have a confirmed annual heat demand above zero. Of these 265,542 homes, 27,282 (10.3%) are located within listed buildings and 68,834 (25.9%) are located within conservation areas.

9.7.16. The number of homes within listed buildings and within conservation areas for each datazone of Edinburgh is visualised in [Figure 32](#) and [Figure 33](#). It can be seen that homes in listed buildings are heavily concentrated in central Edinburgh, reflecting the historicity of the Old Town and New Town of Edinburgh. Homes within conservation areas follow a broadly similar pattern, but with a wider spread that reflects the distribution of Edinburgh’s 50 conservation areas.

9.7.17. The 10 datazones with the highest number of homes in listed buildings are set out in Table 46. This indicates the geographical areas where retrofit activities are likely to be more challenging given the nature of the buildings in question and the relevant planning policies. It can be seen that Dean Village and the Old Town and New Town of Edinburgh are the areas with the highest counts of homes in listed buildings, with in some cases virtually all of the homes within the datazones being within listed buildings.

**Table 46: Edinburgh datazones with highest number of homes in listed buildings**

Datazone	Name	Homes in listed buildings	Total homes	% homes in listed buildings
S01008868	Deans Village – 01	651	673	96.7%
S01008852	New Town West – 04	621	642	96.7%
S01008869	Deans Village – 02	604	778	77.6%



<b>Datazone</b>	<b>Name</b>	<b>Homes in listed buildings</b>	<b>Total homes</b>	<b>% homes in listed buildings</b>
S01008677	Old Town, Princes Street and Leith Street – 04	586	679	86.3%
S01008871	Deans Village – 04	576	593	97.1%
S01008849	New Town West – 01	542	552	98.2%
S01008854	Canonmills and New Town North – 02	501	522	96.0%
S01008850	New Town West – 02	461	465	99.1%
S01008679	Old Town, Princes Street and Leith Street – 06	456	785	58.1%
S01008851	New Town West – 03	451	727	62.0%

Source: Domestic Baseline Tool

9.7.18. The 10 datazones with the highest number of homes in conservation areas are set out in Table 47. Again, this indicates the geographical areas where retrofit activities are likely to be more challenging given the relevant planning policies.

**Table 47: Edinburgh datazones with highest number of homes in conservation areas**

<b>Datazone</b>	<b>Name</b>	<b>Homes in conservation areas</b>	<b>Total homes</b>	<b>% homes in conservation areas</b>
S01008673	Meadows and Southside – 08	1,328	1,328	100%
S01008685	Canongate, Southside and Dumbiedykes – 06	1,089	1,235	88.2%
S01008859	Stockbridge – 03	788	788	100%
S01008675	Old Town, Princes Street and Leith Street – 02	785	785	100%
S01008869	Deans Village – 02	777	778	99.9%
S01008778	The Shore and Constitution Street – 01	773	797	97.0%
S01008679	Old Town, Princes Street and Leith Street – 06	746	785	95.0%
S01008851	New Town West – 03	727	727	100%
S01008855	Canonmills and New Town North – 03	704	705	99.9%
S01008777	North Leith and Newhaven – 06	681	707	96.3%

Source: Domestic Baseline Tool

9.7.19. Overall, the analysis carried out against this Consideration reflects the historic nature of Edinburgh's built environment, with a high number and proportion of homes within historic buildings and neighbourhoods, particularly in central Edinburgh. The analysis identifies central Edinburgh as the area that is likely to prove most challenging to retrofit in terms of both the practical challenges of adapting the buildings in question and the planning policies governing what changes to the buildings are permissible.

- 9.7.20. Decarbonising heat in historic buildings is likely to prove challenging regardless of the solution chosen. Heat networks have the advantage of requiring less extensive works to the buildings, but deploying the necessary pipework in areas with (for example) cobbled streets and extensive archaeological remains is likely to be onerous. Heat pumps, however, are likely to prove challenging given the extensive works needed to the building to enable heat pumps to work effectively (for example, making the property highly energy efficient and oversizing the radiators) and the need to identify a suitable location to site the heat pumps themselves (which is likely to be particularly challenging in traditional tenement properties which generally have only a modest curtilage).
- 9.7.21. It is important to note that not all listed buildings are alike and some will inevitably prove more straightforward or more complex to adapt than others.

# 10. Edinburgh LHEES findings and next steps

## 10.1. Summary of Edinburgh LHEES findings

10.1.1. The baseline analysis undertaken as part of the Edinburgh LHEES ([Chapter 8](#)) has identified multiple key challenges to decarbonising heat in buildings and improving energy efficiency across a local authority stemming from the particular characteristics of Edinburgh’s building stock. In summary, these are:

- A very high proportion of flats and mixed-tenure buildings.
- Very high levels of existing gas grid connections.
- A high proportion of privately-rented homes and relatively small social housing sector.
- An aged housing stock with a significant proportion of listed buildings.
- A high proportion of homes with uninsulated walls, and in turn a high proportion of homes with hard-to-treat solid stone walls.

10.1.2. The analysis undertaken against the six LHEES Considerations has given rise to “Strategic Zones”. These Zones are at the heart of the Edinburgh LHEES, setting out at a strategic level potential pathways for decarbonisation of Edinburgh’s building stock and identifying areas of pressure in terms of energy efficiency.

10.1.3. The Strategic Zones for the three Considerations relating to heat decarbonisation are summarised below. In effect, the Strategic Zones for these Considerations show where heat pumps are judged to be a good solution, where heat networks are judged to be a good solution, where both are a viable solution, and where neither is judged to be a viable solution. This will help inform activity taken forward to decarbonise buildings.

- The Strategic Zones for off-gas grid buildings set out where there is greatest potential to migrate homes in Edinburgh not currently connected to the gas grid to heat pumps. The distribution of category 1 (highest potential) properties does not follow an easily interpretable geographic pattern.
- The Strategic Zones for on-gas grid buildings set out where there is greatest potential to migrate homes in Edinburgh currently connected to the gas grid to heat pumps. The distribution of category 1 (highest potential) properties does not follow an easily interpretable geographic pattern.
- The Strategic Zones for heat networks set out where there is judged to be greatest potential for the deployment of heat networks in Edinburgh. 17 zones have been identified across Edinburgh, reflecting a broad mix of different areas.

10.1.4. The Strategic Zones for the three Considerations relating to energy efficiency and other outcomes are summarised below. Rather than focusing on solutions, these Strategic Zones highlight areas of Edinburgh where there are the most acute pressures, and where there are characteristics of the building stock that is expected to add complexity to interventions.

- The Strategic Zones for poor building energy efficiency highlight the areas of Edinburgh where there are the highest incidences of poor energy efficiency due to inadequate insulation of walls, windows and/or lofts. These incidences of poor energy efficiency are concentrated in the more historic area of Edinburgh.

- The Strategic Zones for poor building energy efficiency as a driver for fuel poverty highlight areas of Edinburgh with both fuel poverty and high incidences of poor energy efficiency. Due to concerns about the robustness of the data emerging from the analysis relating to this Consideration, the Council has opted to instead use SIMD rankings as a proxy for fuel poverty.
- The Strategic Zones for mixed-tenure, mixed-use, and historic buildings highlight where there are high incidences of buildings that are expected to prove more challenging to retrofit due to their design and ownership. The Strategic Zones around historic buildings are as expected. The Strategic Zones for mixed-tenure and mixed-use buildings do not follow an easily interpretable geographic pattern.

## 10.2. Edinburgh LHEES areas of focus and approach

10.2.1. Since the Edinburgh LHEES covers a 20-year journey to decarbonisation, it is imperative to be selective about the highest priorities which the Council should bring forward. Three areas of activity have been identified that are assessed as representing the most appropriate focus for the inaugural Edinburgh LHEES:

- Targeting areas with the highest occurrences of fuel poverty and the 20% most deprived areas of Edinburgh as per the Scottish Index of Multiple Deprivation.
- Decarbonising Council-owned housing and non-domestic stock in line with national timescales.
- Supporting wider decarbonisation of Edinburgh within the funding and resources that are made available to the Council, beginning with a focus on facilitating a city-wide heat network (or “network of networks”), and upon area with the largest numbers of heat pump-ready homes as a prospective “quick win” in terms of heat decarbonisation.

10.2.2. Edinburgh’s approach to delivering these priorities will need to consider both the role of the Council as well as that of all other parties in delivering the Edinburgh LHEES. It is imperative that the Edinburgh LHEES is not considered as a route to only decarbonise the Council’s own (or only public sector owned) buildings, but rather a plan for everyone in Edinburgh to collectively decarbonise the city’s stock. This includes a key role for the Council to help organise this activity as well as an indispensable role for the Scottish Government in making the resources and powers available to enable this. However, it also includes an equally important role for every property owner, investors, public bodies, relevant service providers and operators, the supply chain, heat network operators, and many others who will collectively deliver the ambition of the Edinburgh LHEES. Engaging these stakeholders will require appropriate incentives (“carrots and sticks”).

10.2.3. The Council will seek to build the Edinburgh LHEES into its effective network of existing partnerships and relationships, and also seek new partnerships where they are productive. This is in recognition of the fact that on its own, the Council is unable to retrofit properties which it does not own or provide funding for those who ineligible for government schemes. Strong partnerships and coordinated activity will therefore be the basis for encouraging and directing wider action toward priorities.

10.2.4. The Edinburgh LHEES covers delivery of energy efficiency and decarbonisation measures across multiple tenures, types, and ages of building as well as heat networks across the city.

It does so with a deadline of 2040 for eliminating fuel poverty and 2045 for achieving net zero, making it one of the most complex and urgent challenges facing the city. It is therefore critical to adopt a programmatic approach for delivering the Edinburgh LHEES, accounting for the host of factors that need to be aligned for success, such as: a robust supply chain and efficient avenues to procure work; funding and financing to support property owners; and clear communication on best practice and the help available. The Delivery Plan provides the basis for this approach, which the Council would seek to build upon as and when the Scottish Government makes further resources available for the delivery of the Edinburgh LHEES.

### 10.3. Edinburgh LHEES principles

10.3.1. The Edinburgh LHEES does not set out actions or allocate resources: these are the preserve of the Delivery Plan, which is the document that translates the evidence base, analysis, and strategic prioritisation set out in the Edinburgh LHEES into activity. The role of the Edinburgh LHEES is to present the scale of the challenges and the most effective pathways for addressing them. However, this section of the Edinburgh LHEES sets out certain high-level principles that are proposed to underpin how the Edinburgh LHEES is delivered and, in turn, how buildings in Edinburgh are made more energy efficient and their heating decarbonised.

#### **[A] Interventions should be on a “fabric first” basis**

10.3.2. Mindful of the adage that “the cheapest unit of energy is the one you do not consume”, the minimisation of heat demand via improved energy efficiency is crucial to reducing fuel poverty.

10.3.3. While there are challenges around improving energy efficiency, the issues in question are largely practical/technical; energy efficiency improvements are therefore generally considerably less complex than heat decarbonisation interventions, and are considerably more likely to be no regret/low regret.

10.3.4. It is noted that physical interventions are typically not themselves enough to achieve sustained major reductions in heat demand; behavioural change is also vital.

10.3.5. Related to the above, it is important to ensure that solutions do not result in perverse incentives. For example, business cases developed to support the development of heat networks should not be contingent on heat demand rising or plateauing, and contractual arrangements put in place to deliver heat networks should not commit off-takers to consuming a minimum quantum of heat. Generating heat sustainably is a solution to a problem, not an end in itself.

#### **[B] Interventions should be solution agnostic**

10.3.6. The specific heating solution that is most appropriate for each building in Edinburgh will depend on a variety of factors, including financial considerations. Given this, it is proposed that the Council should take a solution agnostic approach to the decarbonisation of buildings in Edinburgh rather than favouring or prioritising a particular technological solution. Decisions on solutions should generally be taken on a technical basis. The role of the Edinburgh LHEES is to make the space and provide the direction and opportunities for people to decarbonise their properties in the best way they see fit. Where the Council needs to take direct decisions about energy efficiency and heat decarbonisation technologies (such as for retrofit of its own stock or to aid households in fuel poverty) these will be taken based on

capital and operating costs, practicality, infrastructure constraints and other considerations deemed appropriate by Council officers.

- 10.3.7. It is, however, recognised that the UK Government and Scottish Government have each undertaken significant measures to support the roll-out of heat pumps and heat networks. These include capital grants, regulatory regimes, supplier development programmes, and skills development programmes. Given this, it is considered that pragmatically, heat pumps and heat networks are likely to represent a more immediate opportunity than other solutions, for example direct electric heating. Further, it is recognised that heat networks are in some cases unlikely to be able to proceed without support from the public sector in the form of connecting anchor loads to the network, meaning in certain areas, e.g. the prospective Heat Network Zones, there may be a strategic case for selecting heat networks over heat pumps as a solution for buildings over which the public sector has influence.
- 10.3.8. Similarly, the Edinburgh LHEES does not rule out the scope for (green/blue) hydrogen to play a significant role in the heating of buildings in Edinburgh. However, it is recognised that the available evidence suggests there may be significant practical barriers to the widespread roll-out of hydrogen as a space heating solution. Given this, it is considered that the Council should retain an open mind to the use of hydrogen, but avoid relying upon it.
- 10.3.9. An exception to this principle is that City Plan 2030 mandates connections to existing heat networks.

#### **[C] Interventions must make financial sense for building users**

- 10.3.10. As set out in [section 4.5](#), heat decarbonisation is not straightforward, with all solutions having their own challenges. Due to a combination of technical and economic factors, there is no solution that is universally competitive with gas in terms of cost and performance.
- 10.3.11. While the importance of migrating away from gas is recognised, this must be balanced against the needs of building users. The Council will generally not be able to support interventions where these result in additional heating costs and/or reduced amenity to building users. In particular the Council will generally not be able to support interventions to social homes that present a risk of increasing fuel poverty or reducing tenants' wellbeing. Additionally, it will generally be challenging to justify the replacement of plant that is not nearing the end of its working life, both from a financial and an embodied carbon perspective.
- 10.3.12. In the hypothetical event that all buildings in Edinburgh currently heated by gas boilers were somehow immediately migrated to zero direct emissions heating solutions, this would introduce significant cost pressures for many households and other building users.
- 10.3.13. It is recognised that various models have been developed that entail front-funding of interventions to buildings that reduce running costs and improve user comfort, with building users using some or all of the savings achieved to repay the upfront investment. An optimal arrangement will be financially beneficial for both the building user and the funder of the interventions while improving user comfort and reducing carbon emissions.
- 10.3.14. Related to the above, it is considered that decarbonisation of heat on a strategic scale is likely to be extremely challenging possible without a major structural change in electricity pricing. The current price differential between gas and electricity, which as set out in [section 4.5](#) is one of the greatest in Europe, makes widespread electrification of heat unviable in many cases.

### **[D] New build properties offer the greatest potential**

- 10.3.15. Many of the challenges associated with improving energy efficiency and decarbonising heat stem from the practical difficulties associated with retroactively implementing measures in buildings that were never designed for them. This results in design challenges along with ancillary issues such as disruption for building users. Given this, new build properties represent a natural opportunity to address these issues from the outset.
- 10.3.16. As set out in [section 6.4](#), City Plan 2030 requires all new build properties in Edinburgh to “[achieve], predominantly through ultra-high fabric energy efficiency, a ‘net zero’ level of operational greenhouse gas emissions”. In practice this amounts to a ban on gas boilers in new buildings in Edinburgh. The Scottish Government has also announced a proposed ban on the installation of gas boilers in new buildings in Scotland from 1 April 2024.
- 10.3.17. As set out in [section 7.3](#), the Council itself ceased installing gas boilers in new Council-built social homes in 2020.
- 10.3.18. To facilitate the transition to net zero, it is important that planning policies and building regulations ensure that new building properties are designed and built to achieve the various targets set out by the Scottish Government.
- 10.3.19. Where the redevelopment of properties is concerned, while new build properties will inevitably be more energy efficient than the vast majority of older properties, this must be balanced against the embodied carbon of existing buildings. The choice of whether to redevelop or refurbish buildings will require careful consideration of multiple factors.

### **[E] Significant additional external funding will be required**

- 10.3.20. As set out in this document, the capital costs of implementing the Edinburgh LHEES are vast.
- 10.3.21. While the City of Edinburgh Council has prepared the Edinburgh LHEES, it is important to note that the Council does not have sole responsibility for achieving the Edinburgh LHEES. In particular it is noted that responsibility for improving energy efficiency and decarbonising heat for properties that the Council does not own does not sit with the Council. The Council has limited powers and resources to compel other property owners to invest in their properties.
- 10.3.22. The Council’s own financial resources will be focused on works to Council-owned properties, which themselves will be very costly to retrofit. It is extremely unlikely that the Council will be able to put significant resources into works to non-Council owned properties, except where these works are externally funded as in the Area-Based Schemes. Funding for works to non-Council owned properties will need to come from a range of sources, including the building owners themselves, institutional lenders, and grant funds.
- 10.3.23. As noted, the Scottish Government has established a Green Heat Finance Taskforce with the remit of developing “innovative financial solutions” for the retrofit of buildings in Scotland. Various other initiatives are ongoing around potential mechanisms for financing works to buildings. It is hoped that this work will deliver solutions that can be used to roll-out retrofit works on a widespread basis, albeit it is recognised that previous attempts such as the “Green Deal” have proven highly challenging with limited take-up.
- 10.3.24. The national funding landscape for retrofit works is complex with a vast array of grant and loan funds. It is suggested that there may be merit in rationalising this.

- 10.3.25. It is noted that all Scottish local authorities have been awarded a flat budget of £75,000 over the six-year period from 2022/23 to 2027/28 to “develop their strategies and delivery plans”. The Council has utilised some of this resource to prepare the inaugural Edinburgh LHEES, and will utilise funding in later years to develop the second iteration. Remaining funding will be used for administration costs and to support the progression of small-scale early-action projects. While this funding is greatly welcomed, it is suggested that additional funding, confirmed over a longer-term period, will be required to fully administer the delivering of the Edinburgh LHEES, in particular the roll-out of heat networks. Further consideration of administrative resources is set out in the Delivery Plan.
- 10.3.26. Beyond the £75,000 budget, the Council does not currently have a budget in place for the delivery of the Edinburgh LHEES. While there may be some potential to optimise how existing funding streams, such as the Area-Based Schemes, are utilised, it is considered that this potential is fairly limited. Successful delivery of the Edinburgh LHEES will require additional ring-fenced resources.
- 10.3.27. Where the Edinburgh LHEES and associated workstreams – for example heat networks – give rise to additional duties for the Council for which fees are levied, it is considered that these must be set on a full cost recovery basis to avoid putting pressure on existing Council budgets.

**[F] More comprehensive and robust data is needed**

- 10.3.28. The analysis conducted as part of the preparation of the Edinburgh LHEES (and by other local authorities) has highlighted significant gaps and deficiencies in the data available on Scotland’s building stock. For example, information on the energy efficiency and heating solutions of non-domestic buildings in Scotland is limited and inconsistent. These data gaps have been compounded by issues with the LHEES Methodology that have emerged over time.
- 10.3.29. Various areas of relevance to the Edinburgh LHEES are severely lacking in data. For example, data on existing heat networks in Scotland is very limited.
- 10.3.30. Bridging these data gaps will require both work by local authorities to improve understanding of the local picture and work by national bodies to strengthen data collection and compiling.

**[G] Additional levers will be required to catalyse change**

- 10.3.31. While, in line with principle ‘C’, interventions should ultimately be of the benefit of building users, it is suggested that additional powers to compel change will be required to deliver heat carbonisation in a timeous manner.
- 10.3.32. Without the appropriate standards, the Council is only able to encourage and inform homeowners and businesses to retrofit their properties after which it is their choice. Another example is that without widely available and easily accessible access to economically attractive finance, homes and businesses are unlikely to retrofit or be able to retrofit; the work of the Green Heat Finance Taskforce is required to unlock these avenues.
- 10.3.33. As noted, City Plan 2030 will mandate that new buildings connect to existing heat networks where this is possible. However, this policy has not yet been tested. Further, City Plan 2030 cannot compel existing properties to connect to heat networks. It is suggested that, for the roll-out of heat networks to be effective, new primary legislation compelling certain customers to connect to heat networks is likely to be required.



- 10.3.34. Also as noted, the proliferation of flats and mixed-tenure buildings in Edinburgh will greatly increase the complexity of implementing heat decarbonisation due to the difficulty of securing buy-in from all necessary stakeholders. It is suggested this may require legislative change that make it more straightforward for works to be agreed to be instructed to buildings of this nature, for example reform of the Tenements (Scotland) Act 2004 to widen the scope of the Tenement Management Scheme to cover energy efficiency upgrades and changes to heating systems.
- 10.3.35. In principle, every gas boiler in Edinburgh will require to be replaced to achieve net zero. Every additional gas boiler that is installed in an existing or new building therefore adds to the scale and cost of work that will be required to achieve net zero. Without action by government to prohibit this, the challenge of achieving net zero will continue to rise as technologies which, from a carbon perspective, are obsolescent continue to be installed. Further, the time and money invested in the installation of gas boilers (and other non-net zero carbon heating solutions) represent resources that could instead have been invested in net zero carbon heating solutions, while so long as gas boilers remain an option migration to other solutions by users and suppliers will be slower. A ban on the instalment of replacement gas boilers in existing buildings is therefore urgently needed.

# 11. Appendices

## 11.1. Heat network background information

### Schedule of existing heat networks and communal heat networks in Edinburgh

**Table 48: Schedule of existing heat networks and communal heat networks in Edinburgh**

Name <sup>xl</sup>	Size	Technology	Intermediate area
"(013) / St Margaret's Court"	Unknown	Boiler	Baberton and Juniper Green
"(023) / Veitch's Square"	Unknown	Boiler	Stockbridge
"1 Dorset Place"	Small to medium (≥45kW to <1MW)	Boiler	Bruntsfield
"1 Exchange Crescent"	Large (≥1MW)	Boiler	Tollcross
"11-15 Thistle Street"	Small to medium (≥45kW to <1MW)	Boiler	New Town West
"113-115 George Street, Edinburgh"	Small to medium (≥45kW to <1MW)	Gas boiler	Deans Village
"116 Dundas St"	Small to medium (≥45kW to <1MW)	Boiler	Canonmills and New Town North
"1-17 Slateford Green"	Small to medium (≥45kW to <1MW)	Boiler	Gorgie West
"12 Royston Mains Crescent"	Small to medium (≥45kW to <1MW)	Other/unknown	Granton and Royston Mains
"12 Simpson Loan"	Small to medium (≥45kW to <1MW)	Boiler	Meadows and Southside
"120 Lasswade Road"	Small to medium (≥45kW to <1MW)	Boiler	Gracemount, Southhouse and Burdiehouse
"124-125 Princes Street"	Small to medium (≥45kW to <1MW)	Boiler	Deans Village
"13 Manor Place"	Small to medium (≥45kW to <1MW)	Gas boiler	Deans Village
"13 Simpson Loan"	Small to medium (≥45kW to <1MW)	Boiler	Meadows and Southside
"14 Morrison Crescent"	Small to medium (≥45kW to <1MW)	Boiler	Dalry and Fountainbridge
"154 Dalry Road"	Small to medium (≥45kW to <1MW)	Boiler	Dalry and Fountainbridge
"1-6 Atholl Crescent"	Small to medium (≥45kW to <1MW)	Boiler	Tollcross
"160 Dundee Street"	Unknown	Other/unknown	Dalry and Fountainbridge
"17 Lauriston Park"	Small to medium (≥45kW to <1MW)	Boiler	Tollcross
"1984 - Argyle House"	Large (≥1MW)	Boiler	Tollcross
"2 Brandfield Street"	Small to medium (≥45kW to <1MW)	Boiler	Dalry and Fountainbridge
"20/22 Saughton Mains Terrace"	Small to medium (≥45kW to <1MW)	Other/unknown	Stenhouse and Saughton Mains
"21 Queen's Bay Crescent, Joppa, Edi"	Small to medium (≥45kW to <1MW)	Boiler	Joppa

<sup>xl</sup> All sic.

Name <sup>xl</sup>	Size	Technology	Intermediate area
"23-1 South Fort Street, Edinburgh"	Small to medium (≥45kW to <1MW)	Boiler	Bonnington
"24-28 Frederick Street, Edinburgh"	Small to medium (≥45kW to <1MW)	Gas boiler	Old Town, Princes Street and Leith Street
"26 Norton Park"	Small to medium (≥45kW to <1MW)	Boiler	Hillside and Calton Hill
"27 Hyvot Mill Road"	Small to medium (≥45kW to <1MW)	Boiler	Hyvots and Gilmerton
"3 Semple Street Exchange Place 3"	Small to medium (≥45kW to <1MW)	Boiler	Tollcross
"34 South Gyle Crescent"	Small to medium (≥45kW to <1MW)	Boiler	South Gyle
"343 Gorgie Road"	Small to medium (≥45kW to <1MW)	Boiler	Gorgie West
"38 Thistle Street"	Small to medium (≥45kW to <1MW)	Boiler	New Town West
"39-41 George St"	Small to medium (≥45kW to <1MW)	Boiler	Old Town, Princes Street and Leith Street
"4/5 Lochside View"	Small to medium (≥45kW to <1MW)	Boiler	South Gyle
"4/8 South Charlotte St"	Small to medium (≥45kW to <1MW)	Boiler	Deans Village
"43 Melville Street"	Small to medium (≥45kW to <1MW)	Boiler	Deans Village
"44/46 Hanover Street"	Small to medium (≥45kW to <1MW)	Boiler	Old Town, Princes Street and Leith Street
"45 George Street"	Small to medium (≥45kW to <1MW)	Boiler	Old Town, Princes Street and Leith Street
"5 Semple Street Exchnage Place 2"	Large (≥1MW)	Boiler	Tollcross
"6 Royston Mains Close"	Small to medium (≥45kW to <1MW)	Boiler	Granton and Royston Mains
"60 Bingham Drive, Edinburgh"	Small to medium (≥45kW to <1MW)	Boiler	Bingham, Magdalene and The Christians
"6-10 Bellsbrae, Edinburgh"	Unknown	Boiler	Deans Village
"63-65 George Street The Auction Hou"	Small to medium (≥45kW to <1MW)	Gas boiler	Old Town, Princes Street and Leith Street
"6-8 George Street Edinburgh"	Small to medium (≥45kW to <1MW)	Boiler	Old Town, Princes Street and Leith Street
"68-70A George Street, Edinburgh"	Small to medium (≥45kW to <1MW)	Boiler	Old Town, Princes Street and Leith Street
"7 and 9 Lanark Road"	Small to medium (≥45kW to <1MW)	CHP	Currie East
"7 Exchange Crescent"	Large (≥1MW)	Boiler	Tollcross
"7 Lochside View, Edinburgh"	Small to medium (≥45kW to <1MW)	Boiler	South Gyle
"7 Melville Crescent"	Small to medium (≥45kW to <1MW)	Gas boiler	Deans Village
"7 St Nicholas Place"	Small to medium (≥45kW to <1MW)	Boiler	Gorgie West
"8 Simpson Loan"	Small to medium (≥45kW to <1MW)	Boiler	Meadows and Southside
"80 George St"	Unknown	Other/unknown	Deans Village
"9 Gilmour's Close, Edinburgh"	Small to medium (≥45kW to <1MW)	Boiler	Old Town, Princes Street and Leith Street

Name <sup>x1</sup>	Size	Technology	Intermediate area
"90 - 92 George Street"	Small to medium (≥45kW to <1MW)	Boiler	Deans Village
"Abbeyhill, 82 Montrose Terrace"	Small to medium (≥45kW to <1MW)	Boiler	Abbeyhill
"Anna Macleod Hall"	Large (≥1MW)	CHP	Currie West
"Ardmore House, 40 George Street, Ed"	Micro (Less than 45 kW)	Other/unknown	Old Town, Princes Street and Leith Street
"Atholl Exchange, 6 Canning St"	Small to medium (≥45kW to <1MW)	Boiler	Tollcross
"Bainfield Student Accomodation"	Large (≥1MW)	Other/unknown	Dalry and Fountainbridge
"Boiler 1, 50 Frederick Street, Edin"	Small to medium (≥45kW to <1MW)	Boiler	New Town West
"Boiler 1, 6 Redheughs Rigg, Edinbur"	Small to medium (≥45kW to <1MW)	Boiler	South Gyle
"Boiler 1, Edinburgh Quay 2, Edinbur"	Small to medium (≥45kW to <1MW)	Boiler	Dalry and Fountainbridge
"Boiler 1, Osborne House, 1-5 Osborn"	Small to medium (≥45kW to <1MW)	Boiler	Deans Village
"Boiler 1, Quartermile One, 15 Lauri"	Small to medium (≥45kW to <1MW)	Boiler	Meadows and Southside
"Boiler 2, 50 Frederick Street, Edin"	Small to medium (≥45kW to <1MW)	Boiler	New Town West
"Boiler 2, 6 Redheughs Rigg, Edinbur"	Small to medium (≥45kW to <1MW)	Boiler	South Gyle
"Boiler 2, Edinburgh Quay 2, Edinbu"	Small to medium (≥45kW to <1MW)	Boiler	Dalry and Fountainbridge
"Boiler 2, Osborne House, 1-5 Osborn"	Small to medium (≥45kW to <1MW)	Boiler	Deans Village
"Boiler 2, Quartermile One, 15 Lauri"	Small to medium (≥45kW to <1MW)	Boiler	Meadows and Southside
"Boiler 3, 6 Redheughs Rigg, Edinbur"	Small to medium (≥45kW to <1MW)	Boiler	South Gyle
"Boiler 3, Edinburgh Quay 2, Edinbur"	Small to medium (≥45kW to <1MW)	Boiler	Dalry and Fountainbridge
"Boiler 3, Quartermile One, 15 Lauri"	Small to medium (≥45kW to <1MW)	Boiler	Meadows and Southside
"Cables Wynd Edinburgh"	Unknown	Boiler	Great Junction Street
"Cables Wynd House"	Large (≥1MW)	Boiler	Great Junction Street
"Capital Building"	Small to medium (≥45kW to <1MW)	Boiler	Old Town, Princes Street and Leith Street
"Castlebrae Glebe"	Unknown	Boiler	Craigmillar
"Causewayside House"	Small to medium (≥45kW to <1MW)	Boiler	The Grange
"Centrum house"	Small to medium (≥45kW to <1MW)	Boiler	Canonmills and New Town North
"Chalmers Street"	Small to medium (≥45kW to <1MW)	Boiler	Meadows and Southside
"Christina Miller Energy Centre"	Small to medium (≥45kW to <1MW)	Other/unknown	Currie West
"Christina Miller Energy Centre"	Small to medium (≥45kW to <1MW)	CHP	Currie West
"Commercial Quay"	Unknown	Other/unknown	The Shore and Constitution Street

Name <sup>xl</sup>	Size	Technology	Intermediate area
"Conference House, 152 Morrison Stre"	Small to medium (≥45kW to <1MW)	Boiler	Tollcross
"Cornerstone Building"	Small to medium (≥45kW to <1MW)	Boiler	South Gyle
"Deanhaugh St, Stockbridge, Edinburg"	Small to medium (≥45kW to <1MW)	Boiler	Stockbridge
"Drum Edinburgh"	Unknown	Boiler	Gilmerton South and the Murrays
"Elder House, 24 Elder Street"	Small to medium (≥45kW to <1MW)	Boiler	Old Town, Princes Street and Leith Street
"Elliot House"	Small to medium (≥45kW to <1MW)	Boiler	Hillside and Calton Hill
"Ferniehill Avenue/Drum Avenue"	Small to medium (≥45kW to <1MW)	Boiler	Fernieside and Moredun South
"Fortune Place (St Barnabas)"	Micro (Less than 45 kW)	CHP	Old Town, Princes Street and Leith Street
"Fountain Court"	Small to medium (≥45kW to <1MW)	Boiler	Moredun and Craigour
"George Square 1"	Unknown	CHP	Meadows and Southside
"Greendykes and Wauchope House"	Large (≥1MW)	Other/unknown	Niddrie
"Greendykes C"	Small to medium (≥45kW to <1MW)	Other/unknown	Craigmillar
"Greendykes Edinburgh"	Unknown	Boiler	Niddrie
"Harvester Way, Wester Hailes, Edinb"	Small to medium (≥45kW to <1MW)	Boiler	Clovenstone and Wester Hailes
"Haston House"	Small to medium (≥45kW to <1MW)	Boiler	South Gyle
"Hays Community Business Centre"	Small to medium (≥45kW to <1MW)	Boiler	Niddrie
"Holyrood Park House"	Small to medium (≥45kW to <1MW)	Boiler	Old Town, Princes Street and Leith Street
"Kings Buildings 1"	Unknown	CHP	Blackford, West Mains and Mayfield Road
"Lady Nicolson Court"	Small to medium (≥45kW to <1MW)	Boiler	Canongate, Southside and Dumbiedykes
"Lanark Road West"	Small to medium (≥45kW to <1MW)	CHP	Currie East
"Lighthouse Court"	Small to medium (≥45kW to <1MW)	Boiler	Granton and Royston Mains
"Lochrin Square"	Small to medium (≥45kW to <1MW)	Other/unknown	Tollcross
"Lomond & Leven House, Edinburgh"	Small to medium (≥45kW to <1MW)	Boiler	South Gyle
"London Road, Edinburgh"	Small to medium (≥45kW to <1MW)	Boiler	Meadowbank and Abbeyhill North
"Maidencraig Court"	Small to medium (≥45kW to <1MW)	Boiler	Blackhall
"Market Court"	Small to medium (≥45kW to <1MW)	Boiler	Granton and Royston Mains
"Milton Road Heating System"	Small to medium (≥45kW to <1MW)	Boiler	Joppa
"Murryburgh House"	Small to medium (≥45kW to <1MW)	Gas boiler	Murrayfield and Ravelston
"Nine Edinburgh BioQuarter, 9 Little"	Unknown	Boiler	Craigmillar

Name <sup>x1</sup>	Size	Technology	Intermediate area
"Omni Centre, 28 Greenside Place"	Small to medium (≥45kW to <1MW)	Boiler	Old Town, Princes Street and Leith Street
"Orchard Brae House, 30 Queensferry"	Large (≥1MW)	Boiler	Comely Bank
"Oriam South Bldg"	Small to medium (≥45kW to <1MW)	Boiler	Currie West
"Pollock Halls 1"	Unknown	CHP	Newington and Dalkeith Road
"Princes Edinburgh"	Unknown	Trigeneration	Old Town, Princes Street and Leith Street
"Quartermile One, 15 Lauriston Place"	Large (≥1MW)	Other/unknown	Meadows and Southside
"Riverside House, 502 Gorgie Road"	Small to medium (≥45kW to <1MW)	Boiler	Stenhouse and Saughton Mains
"Roland House, Newbridge"	Micro (Less than 45 kW)	Boiler	Dalmeny, Kirkliston and Newbridge
"Rosewell House, 2A Harvest Drive"	Small to medium (≥45kW to <1MW)	Other/unknown	Dalmeny, Kirkliston and Newbridge
"S0891 Clarendon House"	Small to medium (≥45kW to <1MW)	Boiler	Deans Village
"Sailmaker, Edinburgh"	Large (≥1MW)	CHP	Western Harbour and Leith Docks
"Saltire Court, 20 Castle Terrace, E"	Large (≥1MW)	Other/unknown	Tollcross
"Saltire Street (Upper Strand)"	Large (≥1MW)	Boiler	Granton and Royston Mains
"Saunders Court"	Small to medium (≥45kW to <1MW)	Boiler	Corstorphine
"Shore Road"	Small to medium (≥45kW to <1MW)	Boiler	Queensferry West
"Sirius Building, Clocktower Estates"	Small to medium (≥45kW to <1MW)	Other/unknown	South Gyle
"Slateford Green"	Small to medium (≥45kW to <1MW)	Boiler	Gorgie West
"Slateford Student Accomodation"	Small to medium (≥45kW to <1MW)	Other/unknown	Shandon
"SPACE, 11 Harewood Road"	Small to medium (≥45kW to <1MW)	Boiler	Craigmillar
"Spectrum House, 2 Powderhall Road"	Small to medium (≥45kW to <1MW)	Boiler	Broughton North and Powderhall
"Sports Academy Bldg"	Small to medium (≥45kW to <1MW)	Boiler	Currie West
"St James Shopping Centre"	Large (≥1MW)	Boiler	Old Town, Princes Street and Leith Street
"Station Car Park"	Unknown	Boiler	Old Town, Princes Street and Leith Street
"Stenhouse Mill Wynd"	Small to medium (≥45kW to <1MW)	Boiler	Slateford and Chesser
"Stewart House"	Small to medium (≥45kW to <1MW)	Boiler	New Town West
"Tanfield House"	Large (≥1MW)	Gas boiler	Broughton North and Powderhall
"The Green, Longstone Road, Edinburg"	Large (≥1MW)	Boiler	Longstone and Saughton
"The Student Housing Company (Edinbu"	Small to medium (≥45kW to <1MW)	CHP	Abbeyhill
"The Student Housing Company (Edinbu"	Small to medium (≥45kW to <1MW)	CHP	Tollcross

Name <sup>xl</sup>	Size	Technology	Intermediate area
"The Student Housing Company (Edinbu"	Small to medium ( $\geq 45\text{kW}$ to $< 1\text{MW}$ )	Boiler	Dalry and Fountainbridge
"The Tun"	Small to medium ( $\geq 45\text{kW}$ to $< 1\text{MW}$ )	Boiler	Longstone and Saughton
"The Waterfront"	Small to medium ( $\geq 45\text{kW}$ to $< 1\text{MW}$ )	Boiler	Granton and Royston Mains
"Thomsons Court, 58 Grassmarket, Edi"	Small to medium ( $\geq 45\text{kW}$ to $< 1\text{MW}$ )	Boiler	Old Town, Princes Street and Leith Street
"Thorntree Court"	Unknown	Boiler	South Leith
"Vantage Point, 23 St Johns Rd"	Small to medium ( $\geq 45\text{kW}$ to $< 1\text{MW}$ )	Boiler	Corstorphine
"Waterfront Avenue, Edinburgh"	Large ( $\geq 1\text{MW}$ )	Boiler	Granton and Royston Mains
"Wemyss House, 6-8 Wemyss Place"	Small to medium ( $\geq 45\text{kW}$ to $< 1\text{MW}$ )	Boiler	New Town West
"West Pilton Crescent"	Small to medium ( $\geq 45\text{kW}$ to $< 1\text{MW}$ )	Other/unknown	West Pilton
"Westcott House"	Small to medium ( $\geq 45\text{kW}$ to $< 1\text{MW}$ )	Boiler	Queensferry East
"Westfield Avenue"	Small to medium ( $\geq 45\text{kW}$ to $< 1\text{MW}$ )	Other/unknown	Gorgie West
"Westfield Court"	Large ( $\geq 1\text{MW}$ )	Boiler	Gorgie West
"Wharton Square, Edinburgh"	Large ( $\geq 1\text{MW}$ )	Boiler	Meadows and Southside
"William Arrol Building"	Large ( $\geq 1\text{MW}$ )	Boiler	Currie West



Figure 01: Plan of existing heat networks and communal heat networks in Edinburgh

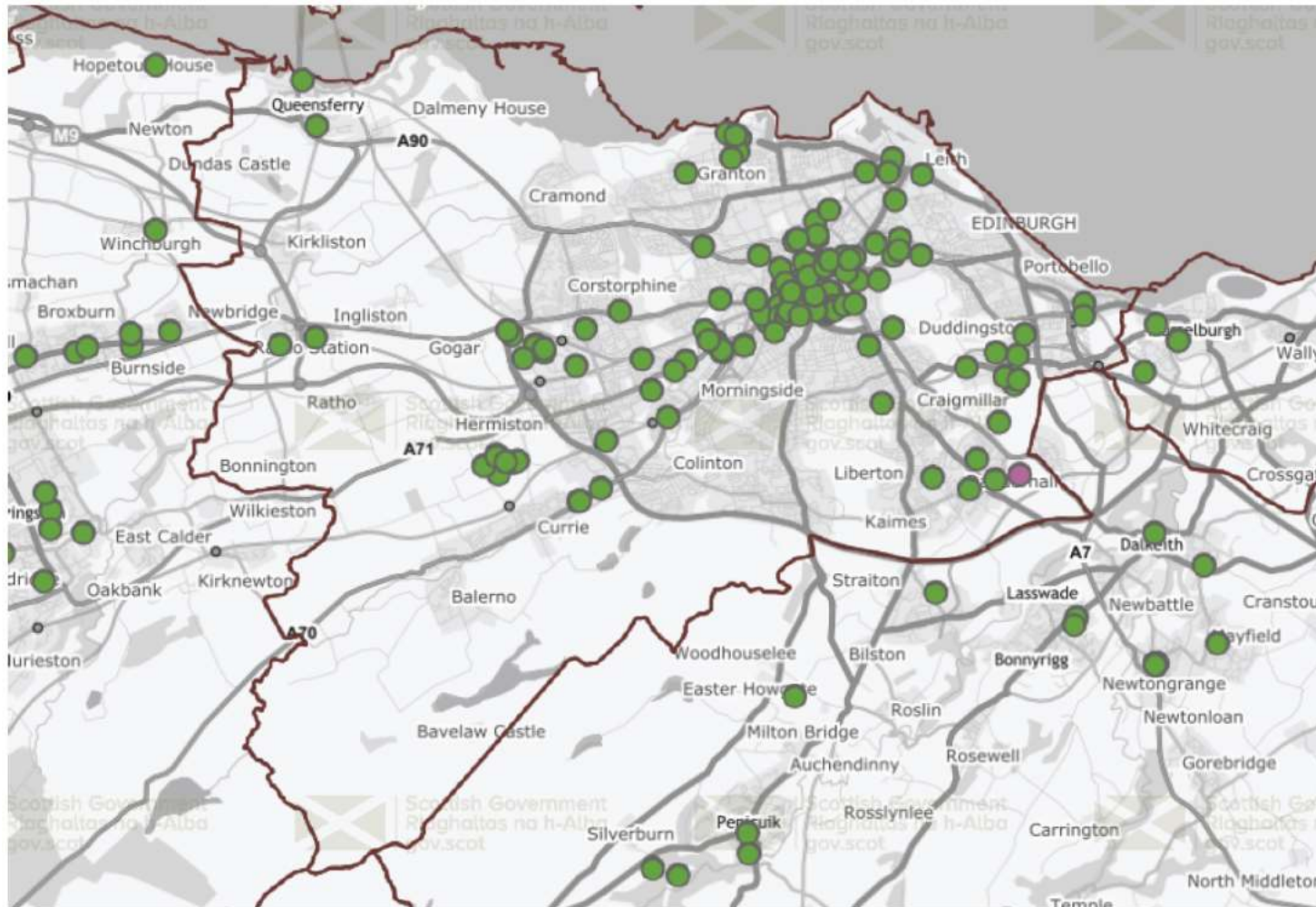


Figure 02: First National Assessment – potential Heat Network Zones identified in Edinburgh (baseline and stringent criteria)

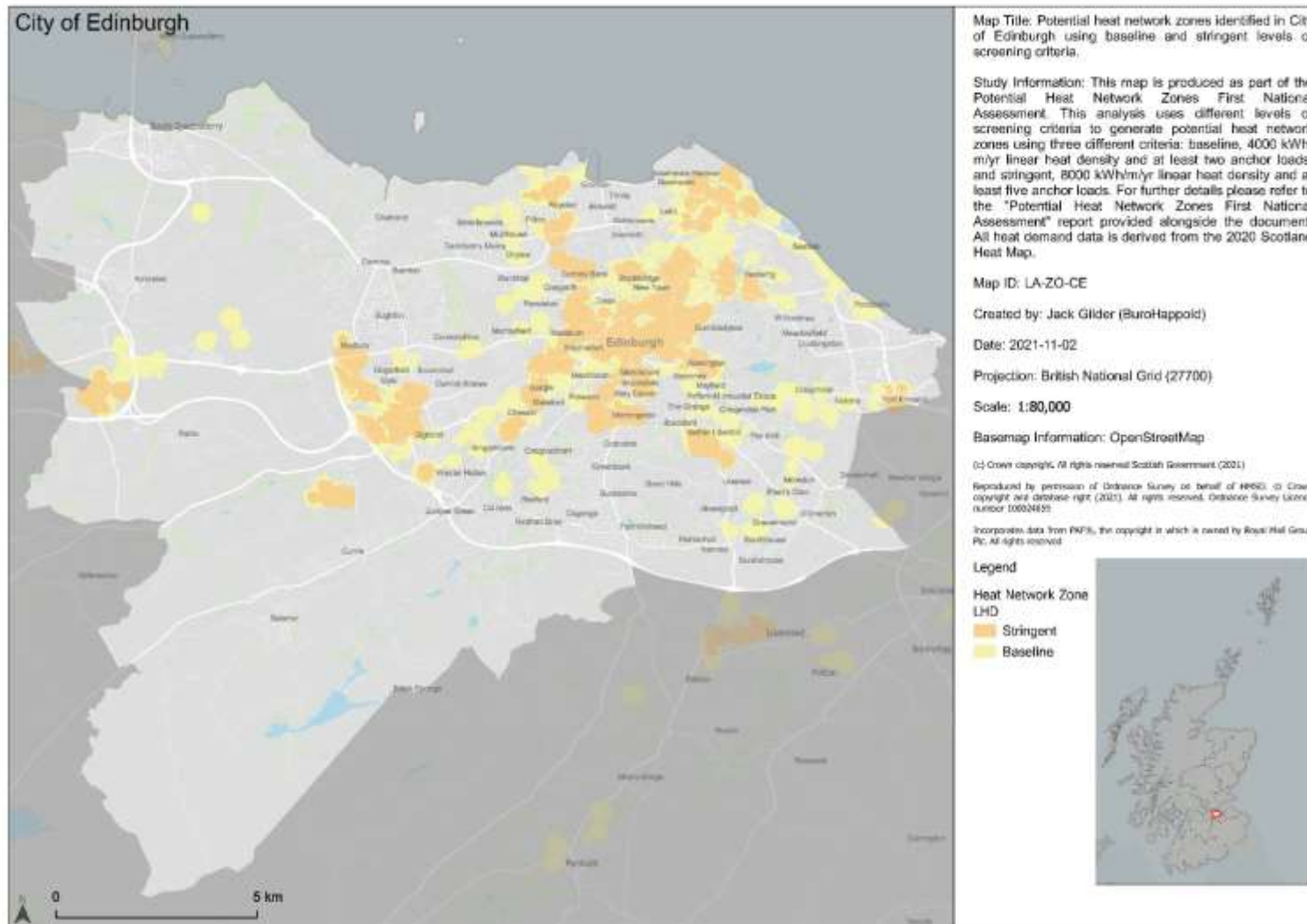


Figure 03: First National Assessment – largest potential Heat Network Zone identified in Edinburgh (stringent criteria)

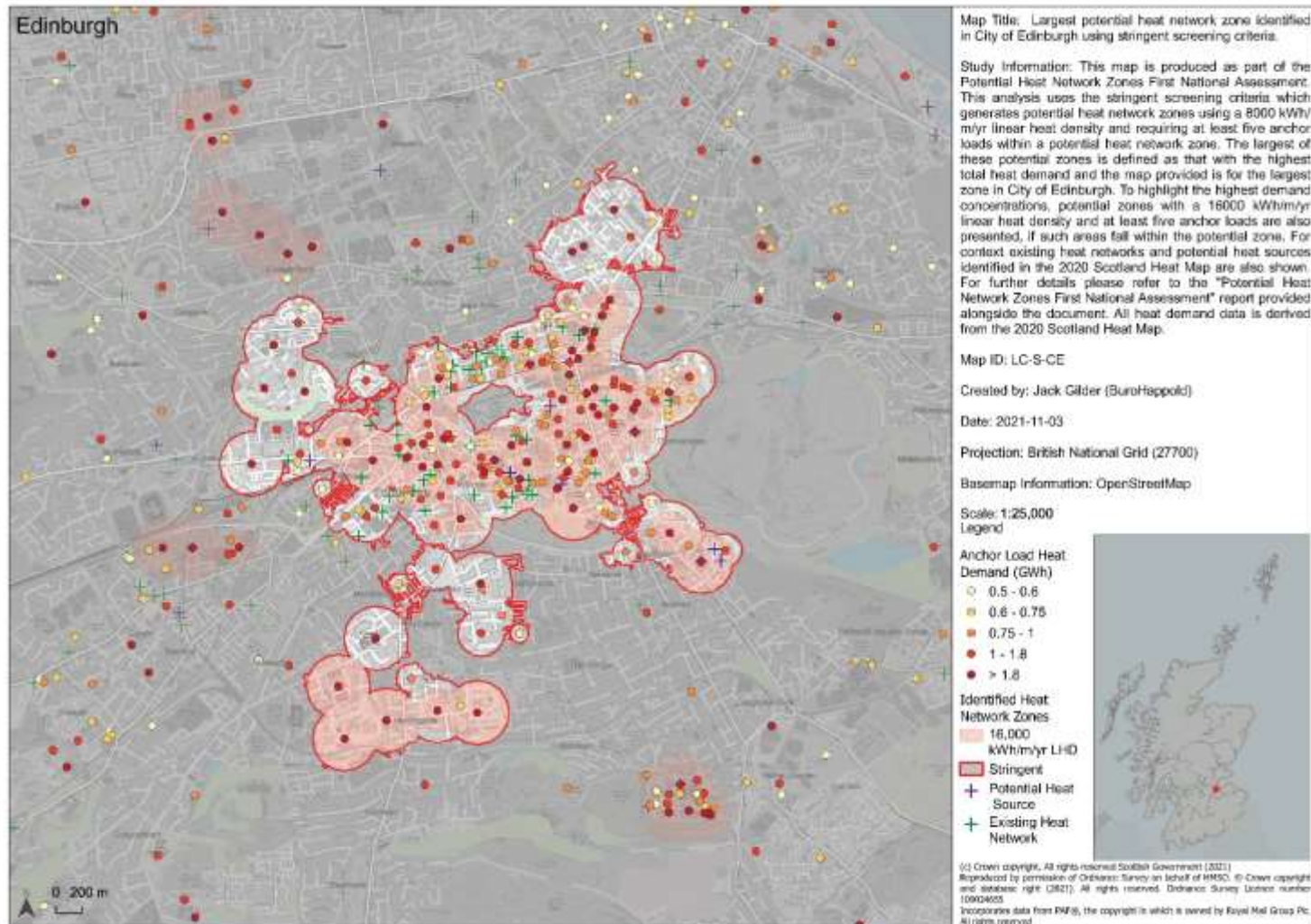


Figure 04: The Coal Authority map of underground workings in Edinburgh <sup>xli 66</sup>



<sup>xli</sup> Workings are shown in lime green.

Figure 05: Scottish Water map of potential wastewater heat extraction opportunities in Edinburgh 67

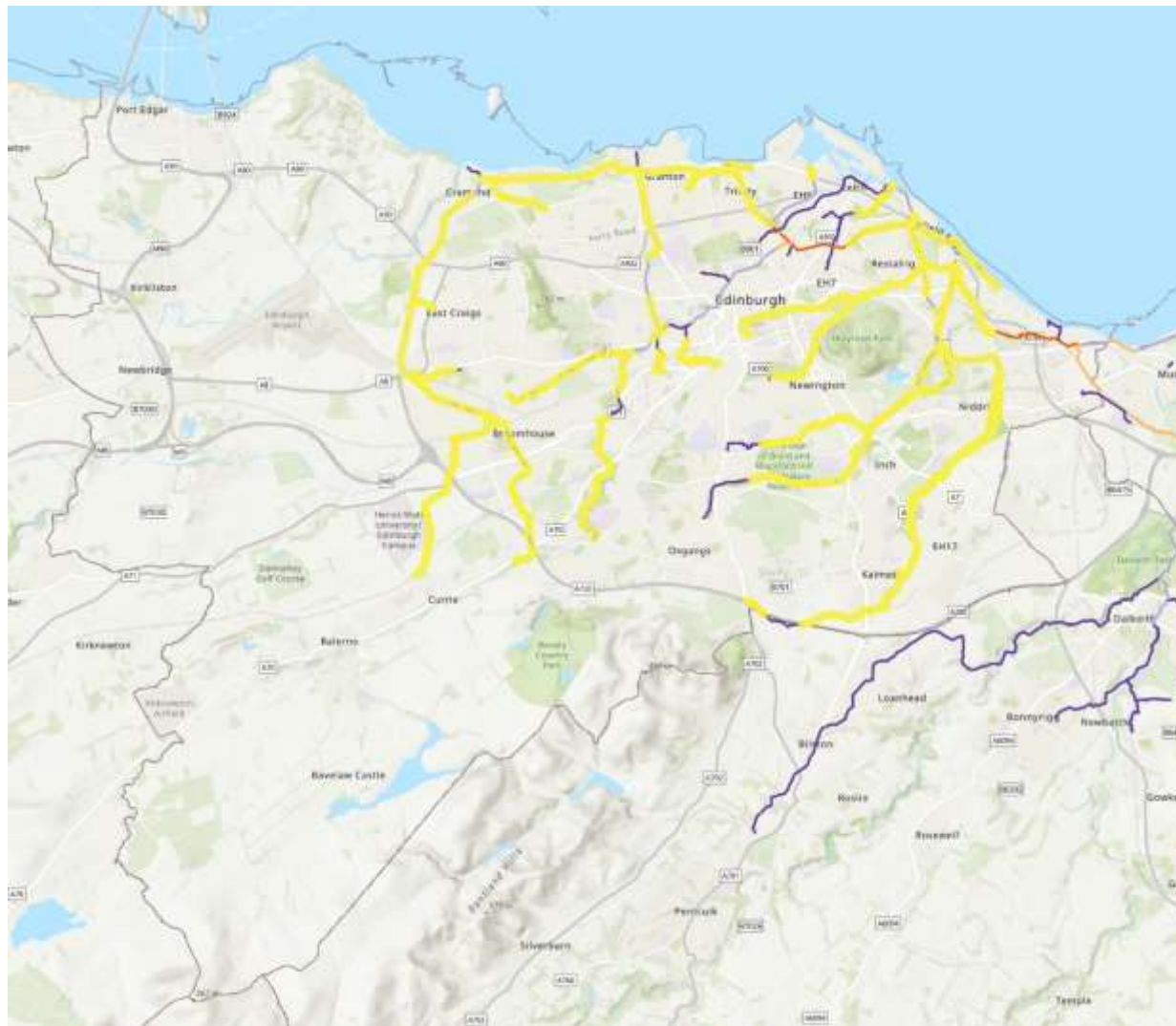
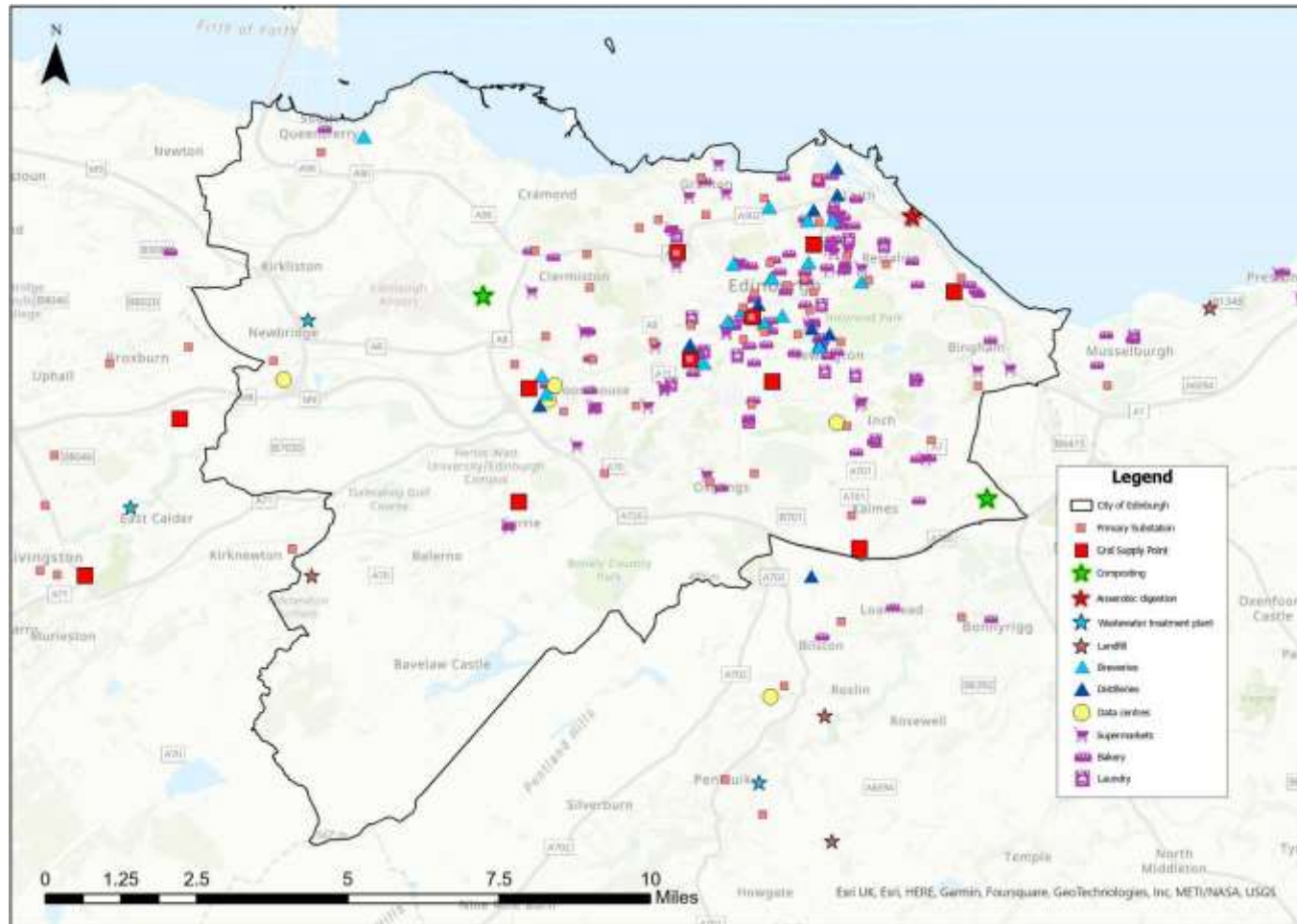


Figure 06: Map of potential waste heat sources in Edinburgh <sup>xlii</sup> 68



<sup>xlii</sup> The potential waste heat sources identified in the figure mirror the sectors identified in the ClimateXChange 2020 report [Potential Sources of Waste Heat for Heat Networks in Scotland](#). The report identifies and quantifies the likely waste heat potential 10 sources (distilleries, breweries, bakeries, paper and pulp, laundry, supermarkets,

## Datasets used to identify waste heat sources in Edinburgh

**Table 49: Datasets used to identify waste heat sources in Edinburgh**

Waste heat source	Evidence source
Data centres	<ul style="list-style-type: none"> <li>▪ <a href="#">Data Center Map - Edinburgh Data Centers</a></li> <li>▪ <a href="#">EPCC – Advanced Computing Facility</a></li> <li>▪ <a href="#">University of Edinburgh – ACF Migration Frequently Asked Questions</a></li> </ul>
Breweries	<ul style="list-style-type: none"> <li>▪ <a href="#">The Brewery Bible – Scotland Breweries</a></li> </ul>
Distilleries	<ul style="list-style-type: none"> <li>▪ <a href="#">Truly Edinburgh – Edinburgh Whisky Distilleries</a></li> <li>▪ <a href="#">Truly Edinburgh – The Best Gin Distilleries in Edinburgh</a></li> <li>▪ <a href="#">VisitScotland – Whisky Distilleries in Scotland</a></li> <li>▪ <a href="#">Scotch Whisky Association – Distillery Map</a></li> <li>▪ <a href="#">Wandering Spirits Global – Scotland Whisky Distillery Map</a></li> <li>▪ <a href="#">Whisky Invest Direct – Malt Whisky Distilleries in Scotland</a></li> </ul>
Supermarkets	<ul style="list-style-type: none"> <li>▪ <a href="#">ArcGIS – OpenStreetMap Shops for Europe</a></li> </ul>
Bakeries	<ul style="list-style-type: none"> <li>▪ <a href="#">ArcGIS – OpenStreetMap Shops for Europe</a></li> </ul>
Laundries	<ul style="list-style-type: none"> <li>▪ <a href="#">ArcGIS – OpenStreetMap Shops for Europe</a></li> </ul>
Landfill sites	<ul style="list-style-type: none"> <li>▪ <a href="#">SEPA – Scotland’s Waste Sites and Capacity Data Tool</a></li> <li>▪ <a href="#">SEPA – Scottish Pollutant Release Inventory</a></li> </ul>
Primary substations	<ul style="list-style-type: none"> <li>▪ <a href="#">SP Energy Networks - Distributed Generation SP Distribution Heat Maps – SPD Primary Substations</a></li> </ul>
Grid supply points	<ul style="list-style-type: none"> <li>▪ <a href="#">SP Energy Networks - Distributed Generation SP Distribution Heat Maps – SPD Grid Substations</a></li> </ul>

data centres, electricity substations, wastewater treatment plants (WWTP), and landfill). While data sharing restrictions currently preclude the sharing of the underlying data, the following map identifies the location of the same sources updated to 2023 with the exclusion of paper and pulp as no facilities were present in Edinburgh. Further steps could be taken to quantify the heat from these sources following the ClimateXChange methodology.

## 11.2. Heat network methodological information

### Datasets used to inform the Heat Network Zone analysis

**Table 50: Datasets used to inform the Heat Network Zone analysis**

Dataset	Source
Heat demand	Scotland Heat Map
Heat density raster	Scotland Heat Map
Existing heat networks	Scotland Heat Map
Planned heat networks	The City of Edinburgh Council
Local Development Plan sites	The City of Edinburgh Council
NAEI large point emitters	National Atmospheric Emissions Inventory
SEPA waste sites	Scottish Environmental Protection Agency
Energy supply points	Scotland Heat Map
Wastewater treatment plants	CXC Waste Heat Dataset
Process loads - supermarkets, bakeries, breweries, distilleries, laundries, paper and pulp sites	CXC Waste Heat Dataset
Data centres	CXC Waste Heat Dataset
Primary substations	Scottish Power Energy Networks
Grid supply points	Scottish Power Energy Networks
OS greenspace	Ordnance Survey
Rivers and waterbodies	Ordnance Survey (OS OpenMap Local)
BGS Hydrogeology 625k	British Geological Survey
GeoTH Hot Sed Aquifer prospects	Scotland Heat Map
Coal mining reporting areas	British Geological Survey / The Coal Authority
The Coal Authority discharge Points	British Geological Survey / The Coal Authority
Roads, railway tracks, road/railway tunnels	Ordnance Survey (OS OpenMap Local)
Home Analytics	Energy Saving Trust



Figure 07: Linear heat density buffer zone methodology

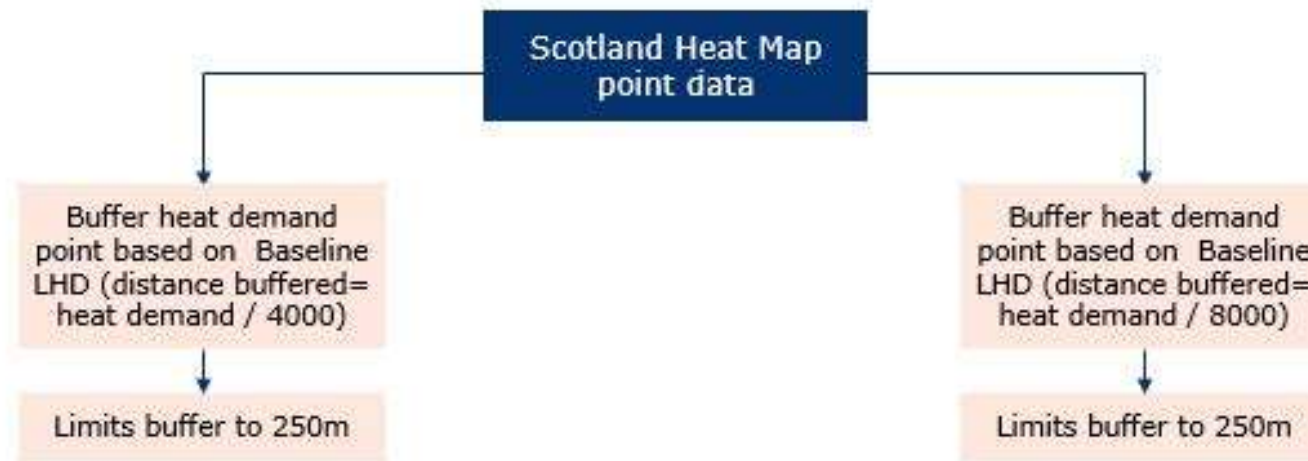


Figure 08: Buffer zones based on linear heat density of 4,000 kWh per metre per year

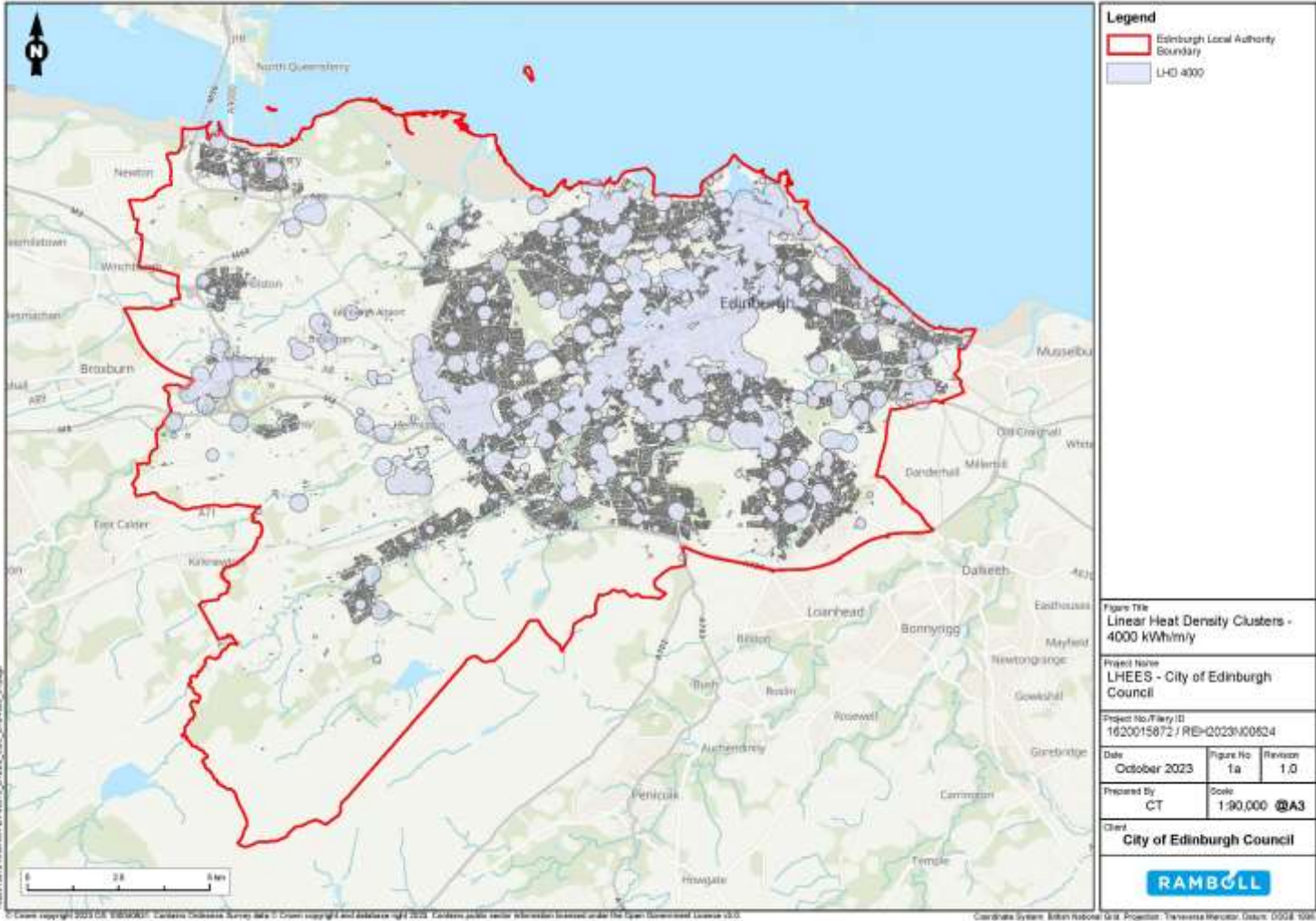


Figure 09: Buffer zones based on linear heat density of 8,000 kWh per metre per year

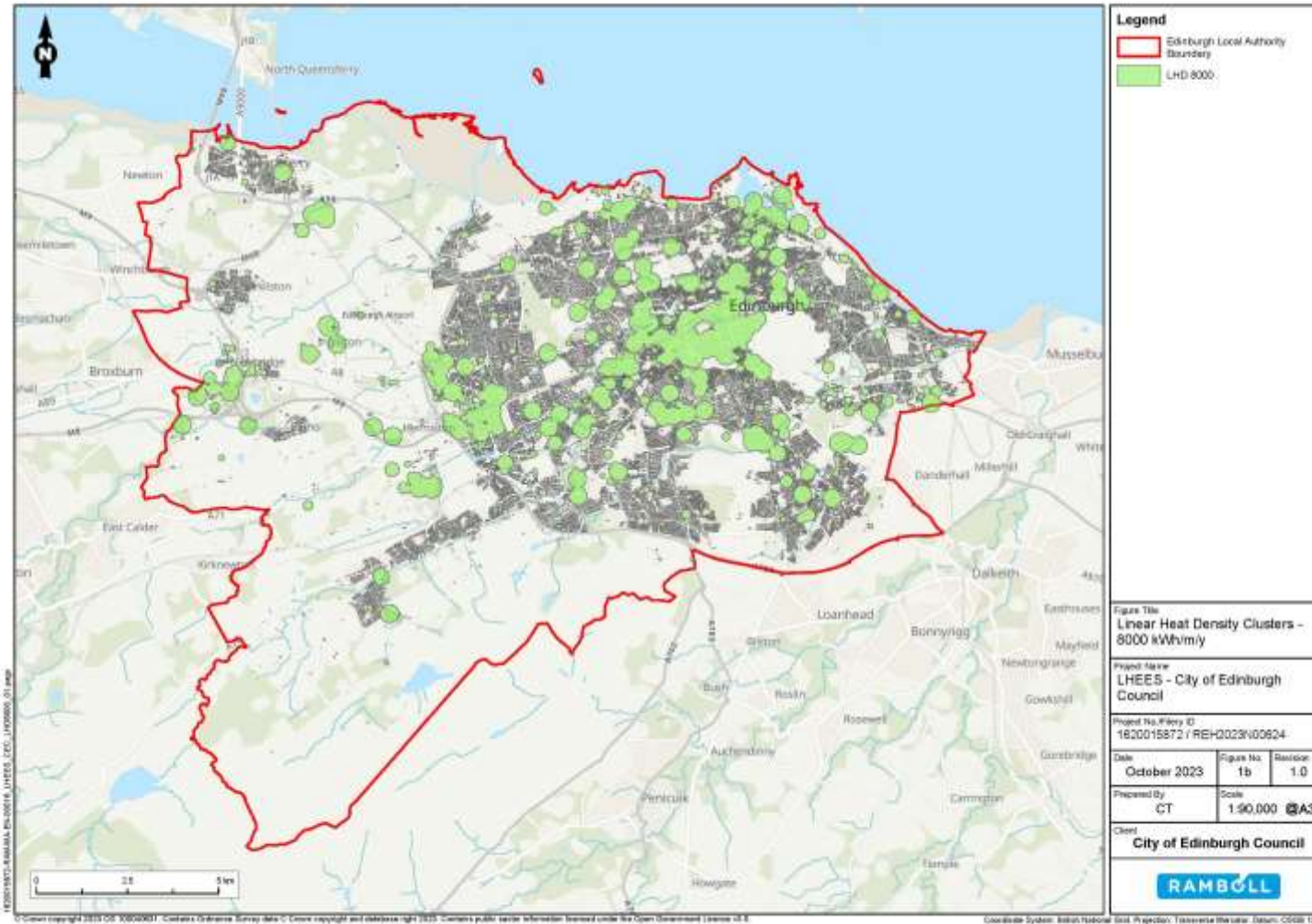


Figure 10: Process for the prioritisation of potential zones

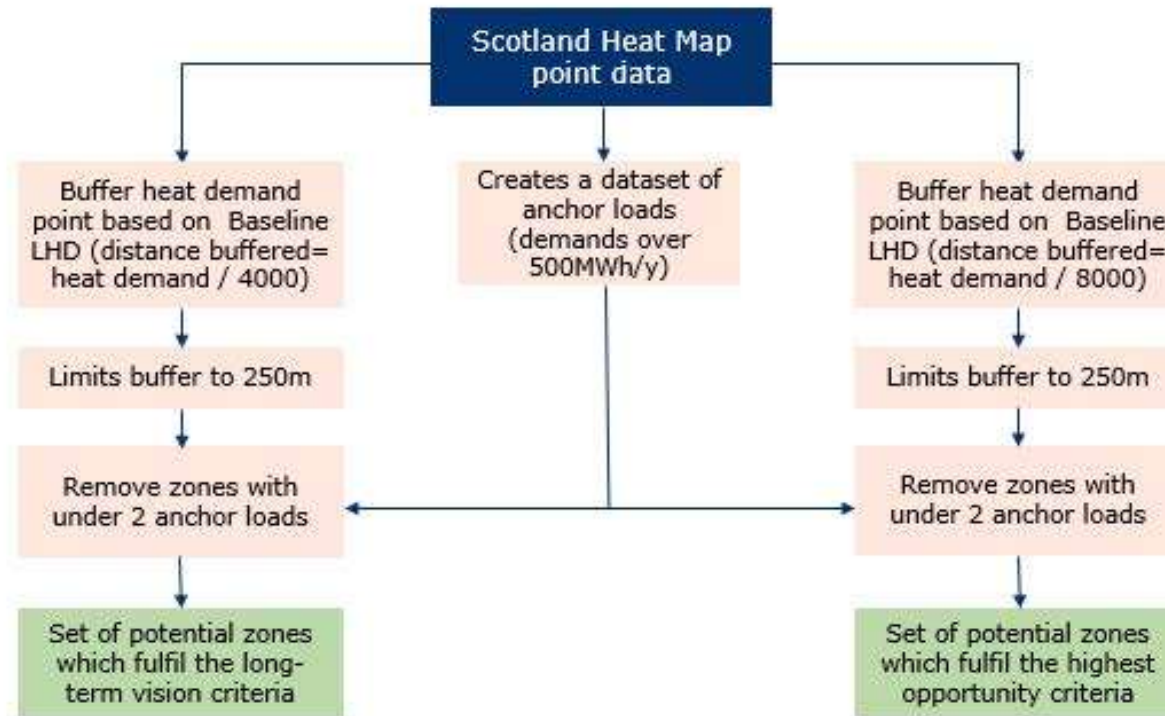


Figure 11: Prioritised potential Heat Network Zones in Edinburgh based on linear heat density of 4,000 kWh per metre per year

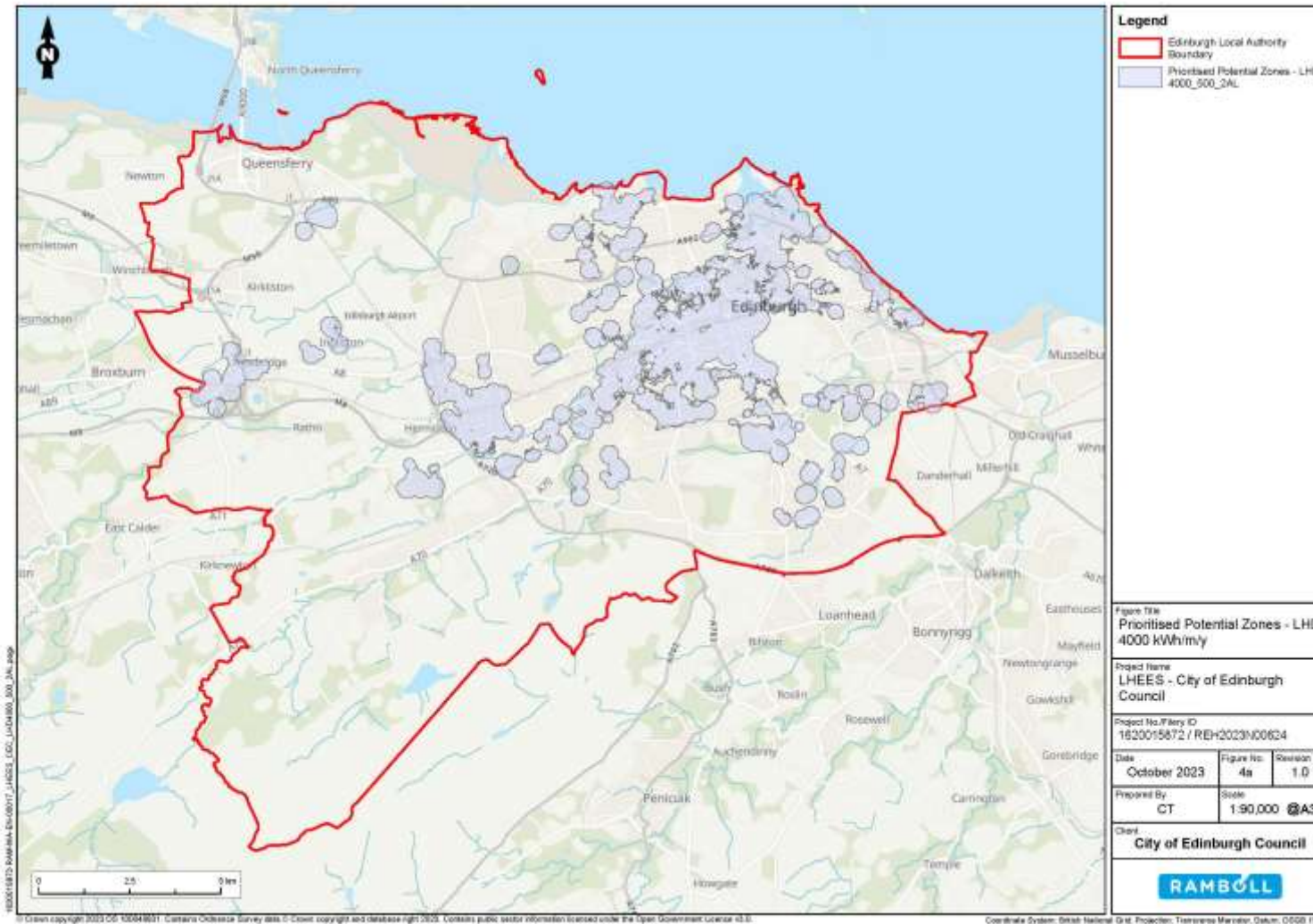


Figure 12: Prioritised potential Heat Network Zones in Edinburgh based on linear heat density of 8,000 kWh per metre per year

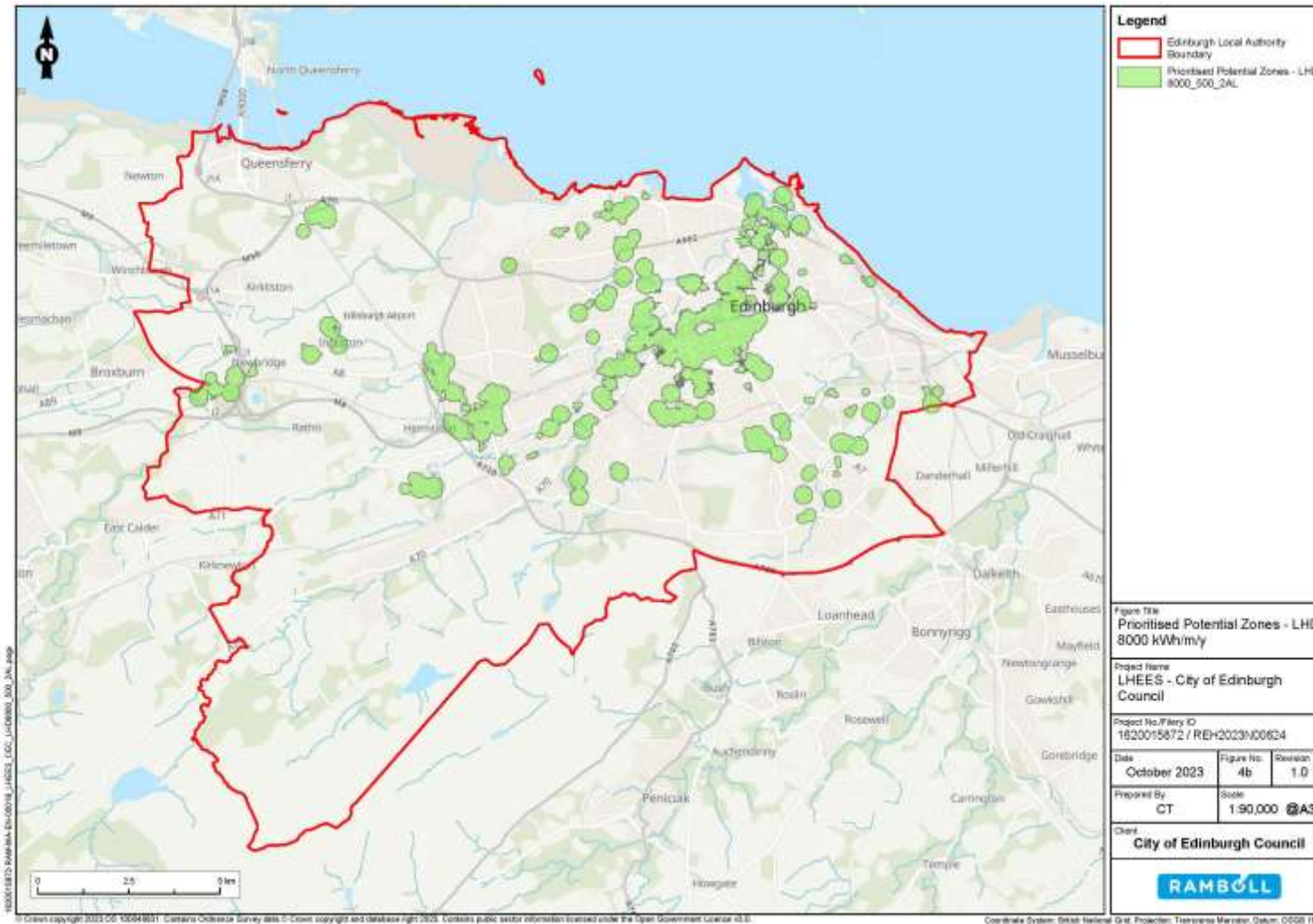


Figure 13: Selected prioritised potential Heat Network Zones in Edinburgh

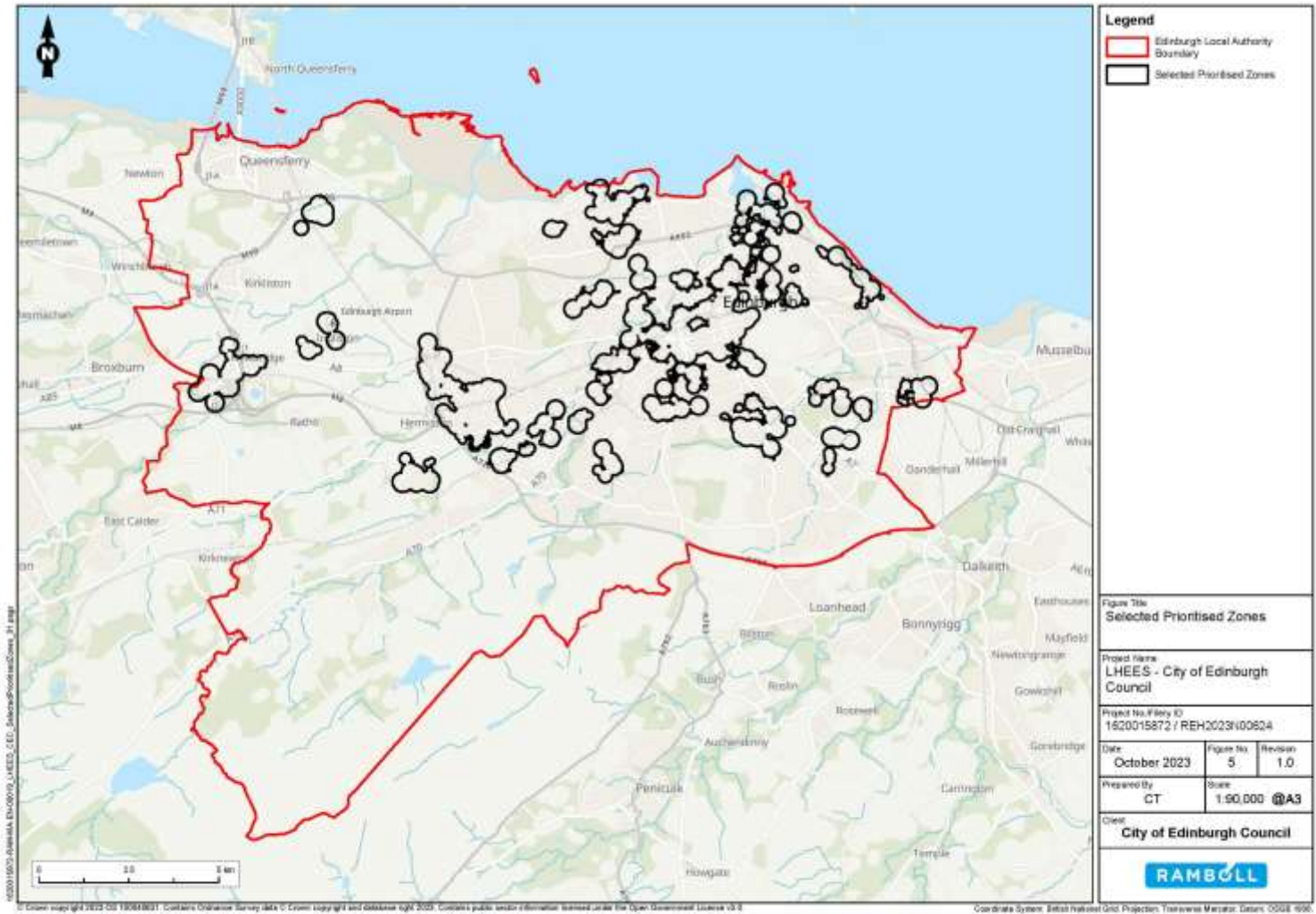


Figure 14: Initial Heat Network Zones in Edinburgh, overlaid with areas of new development and planned heat networks

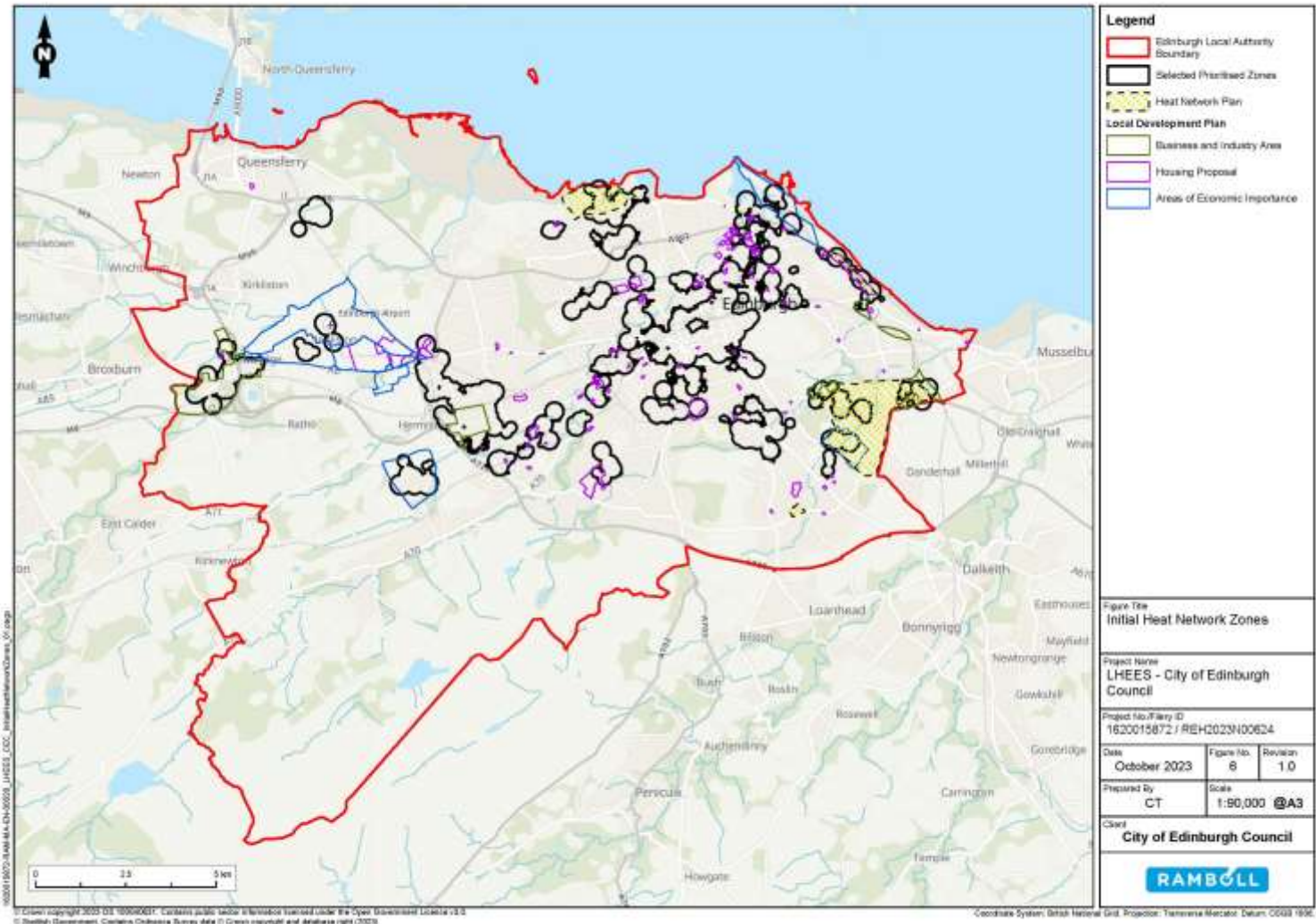
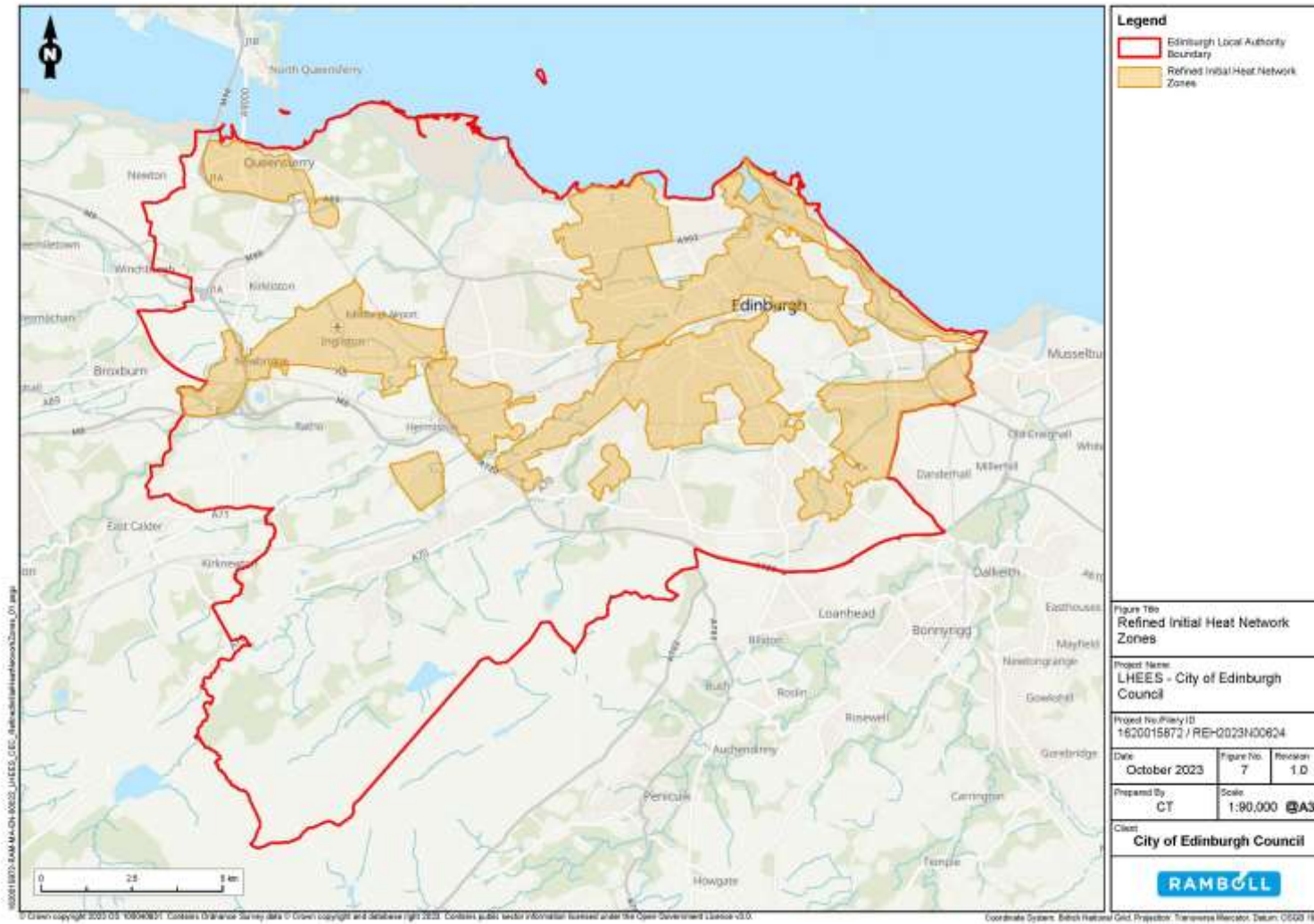




Figure 15: Refined initial Heat Network Zones in Edinburgh



### 11.3. Strategic Zones

Figure 16: Off-gas homes in category 0

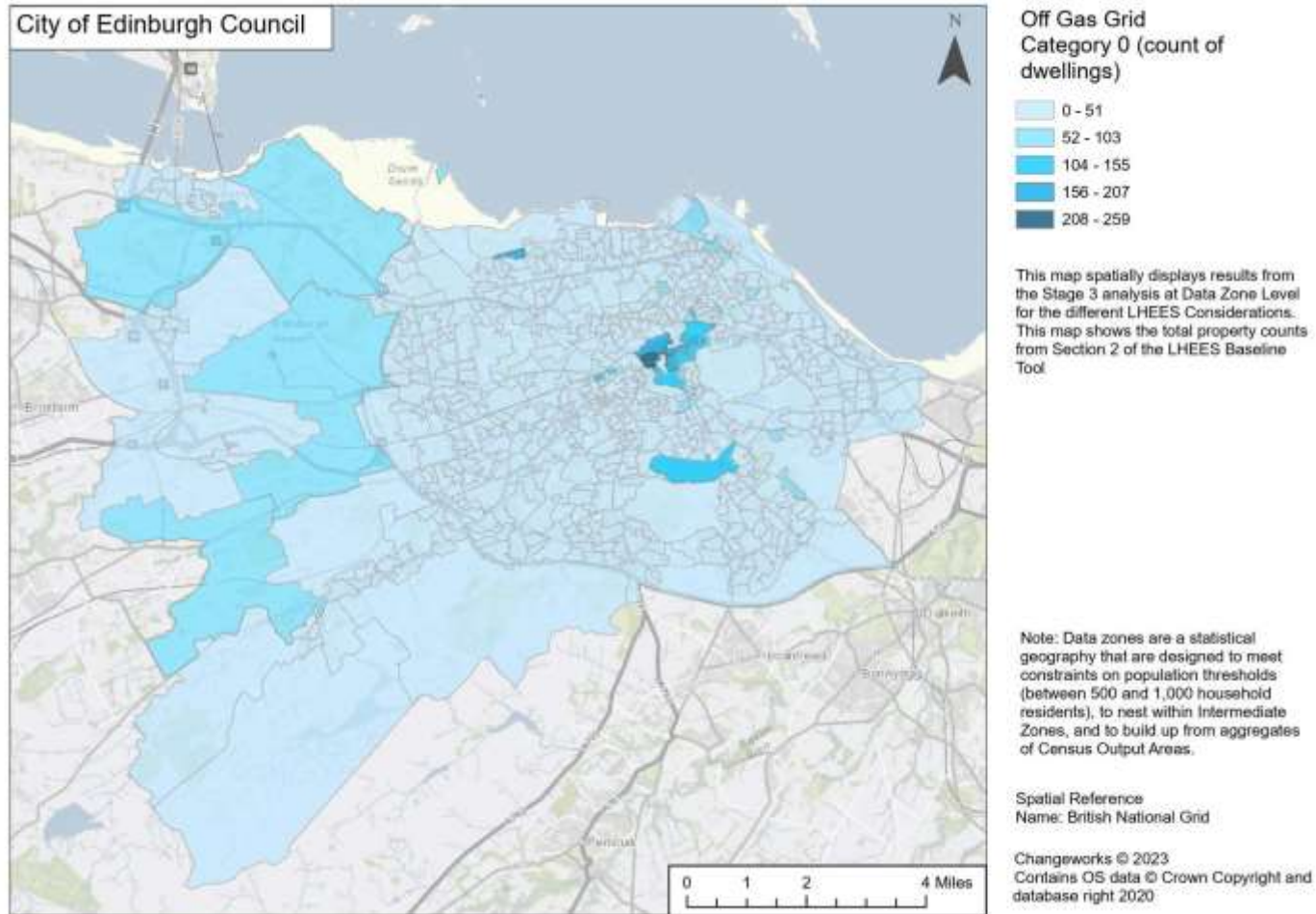


Figure 17: Off-gas homes in category 1

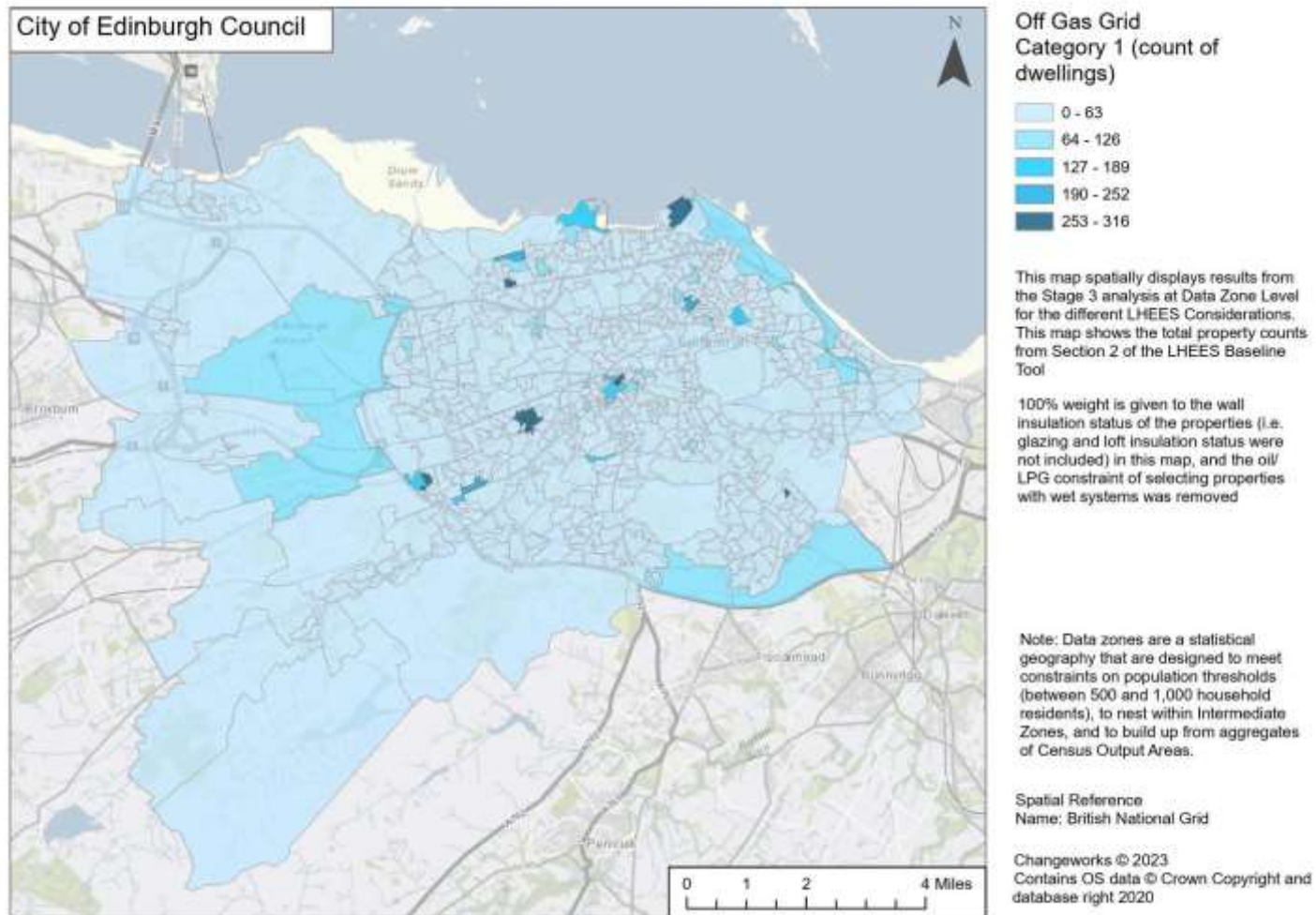


Figure 18: Off-gas homes in category 2

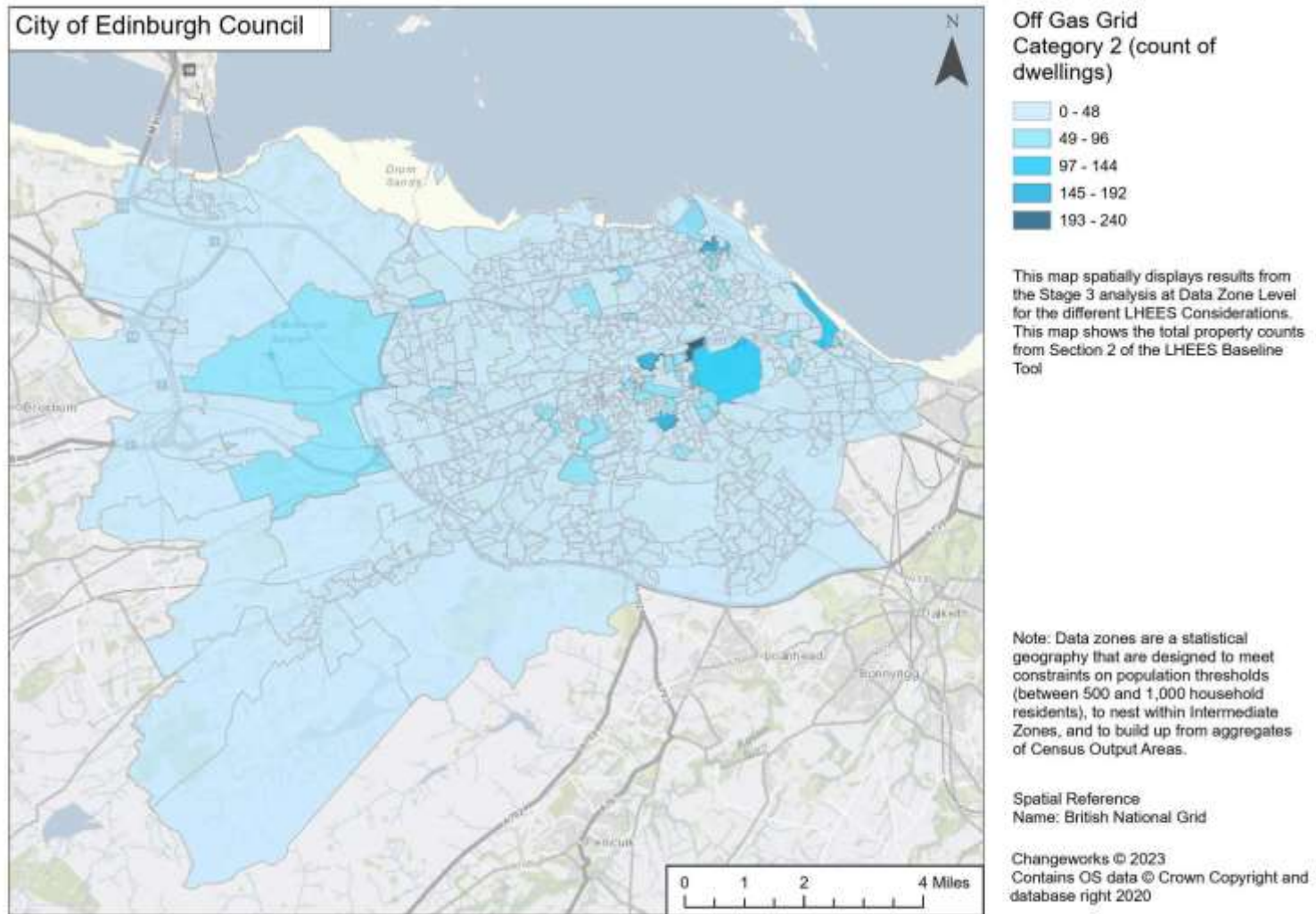


Figure 19: Off-gas homes in category 3

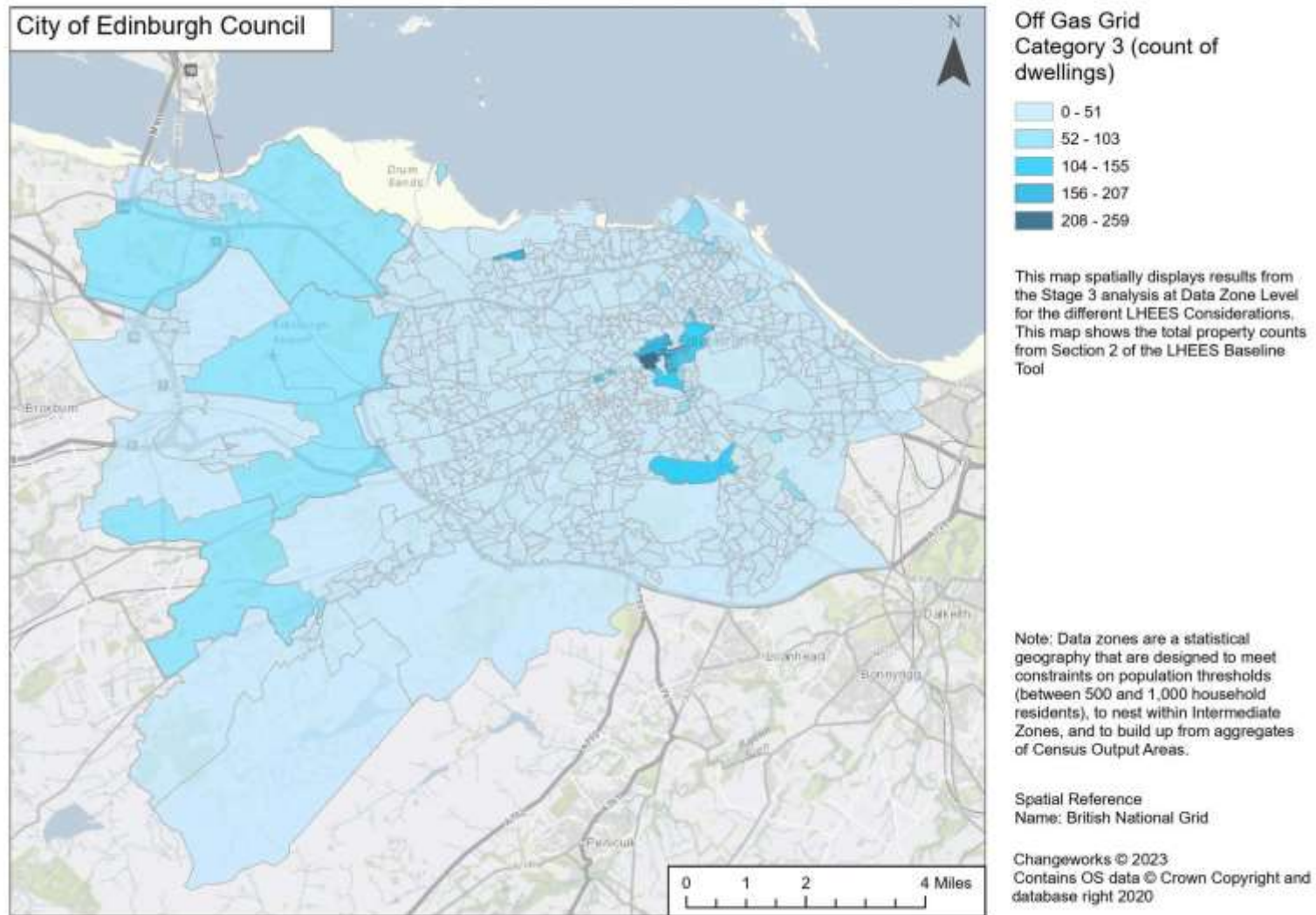


Figure 20: On-gas homes in category 0

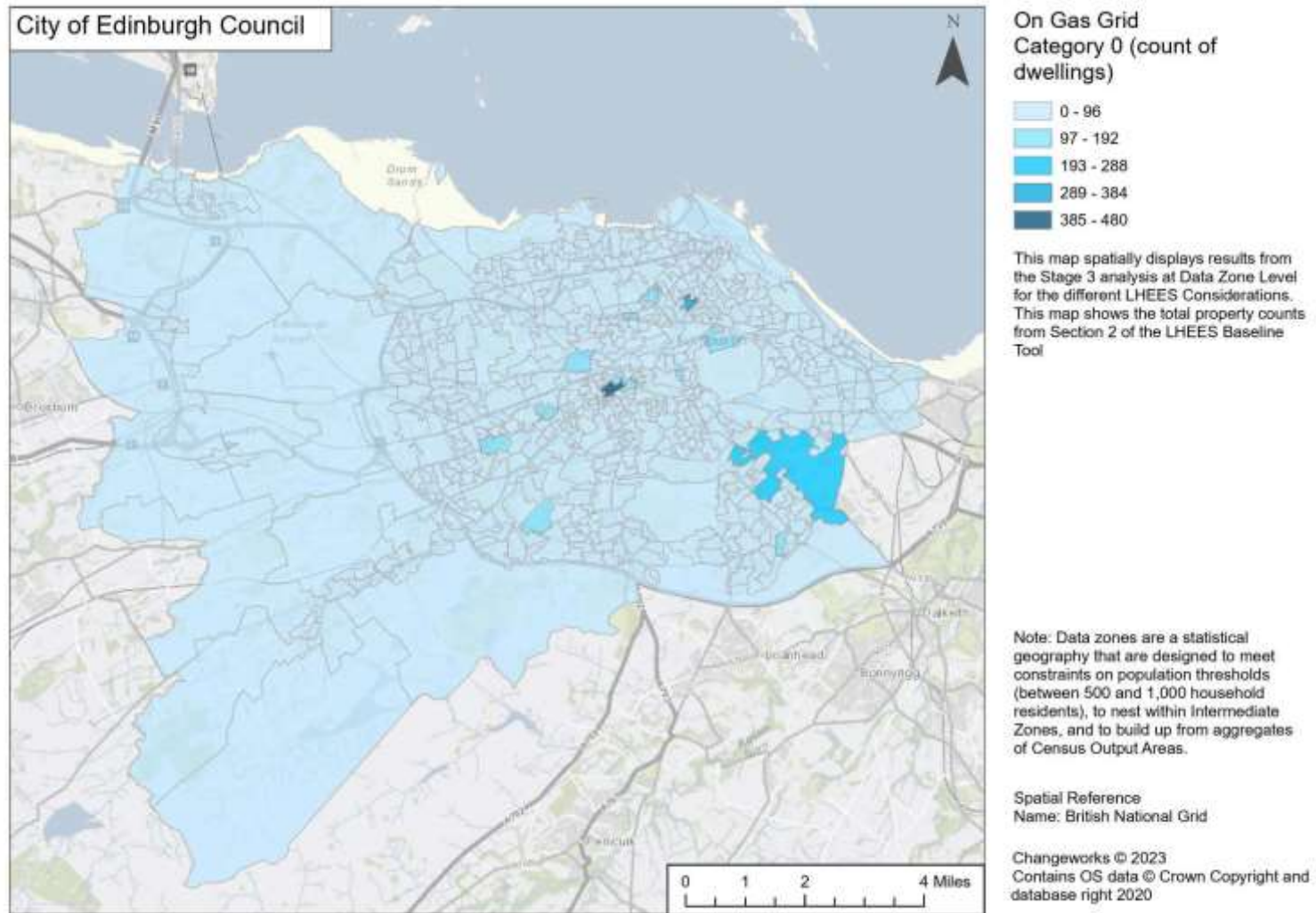


Figure 21: On-gas homes in category 1

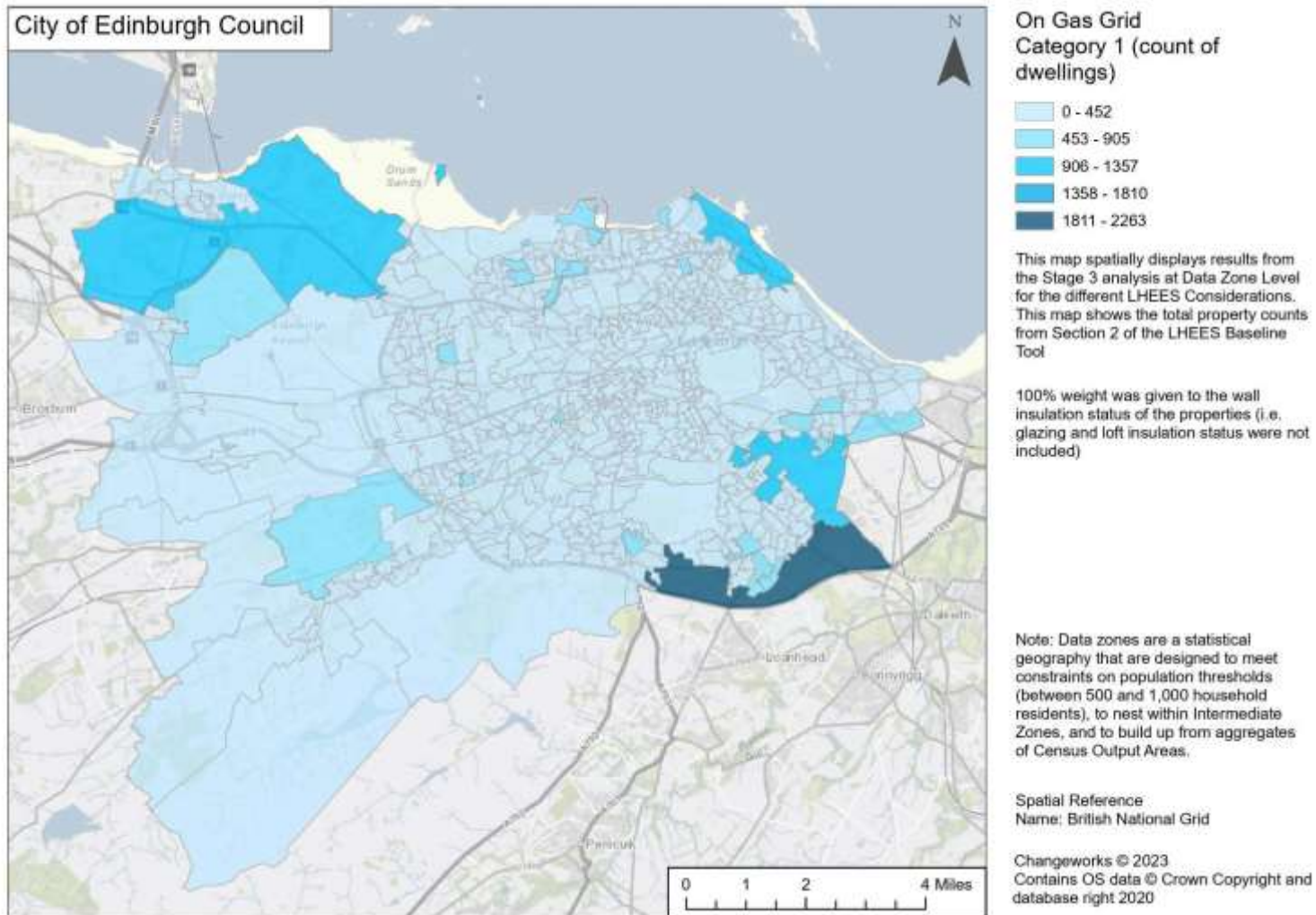


Figure 22: On-gas homes in category 2

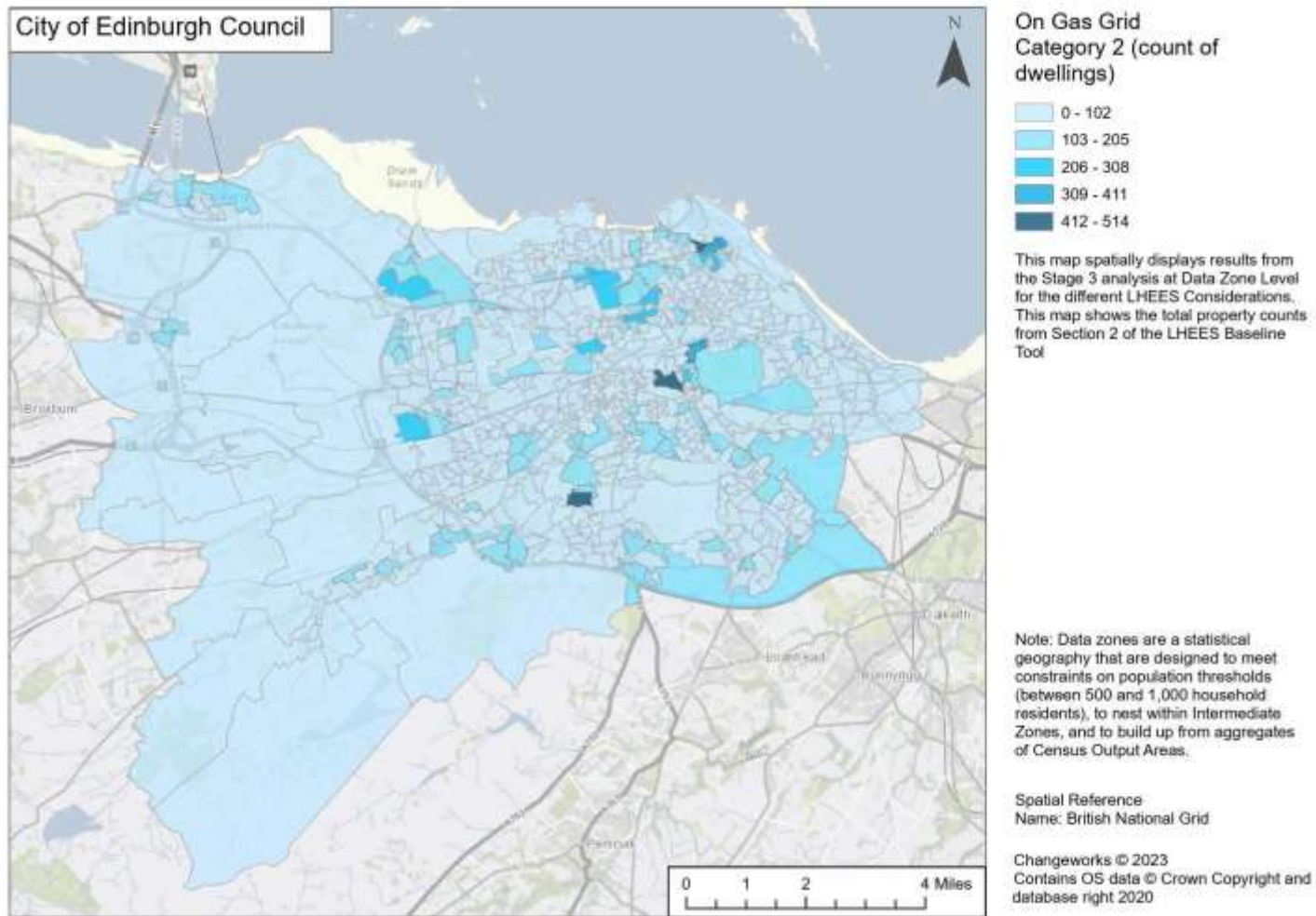




Figure 23: On-gas homes in category 3

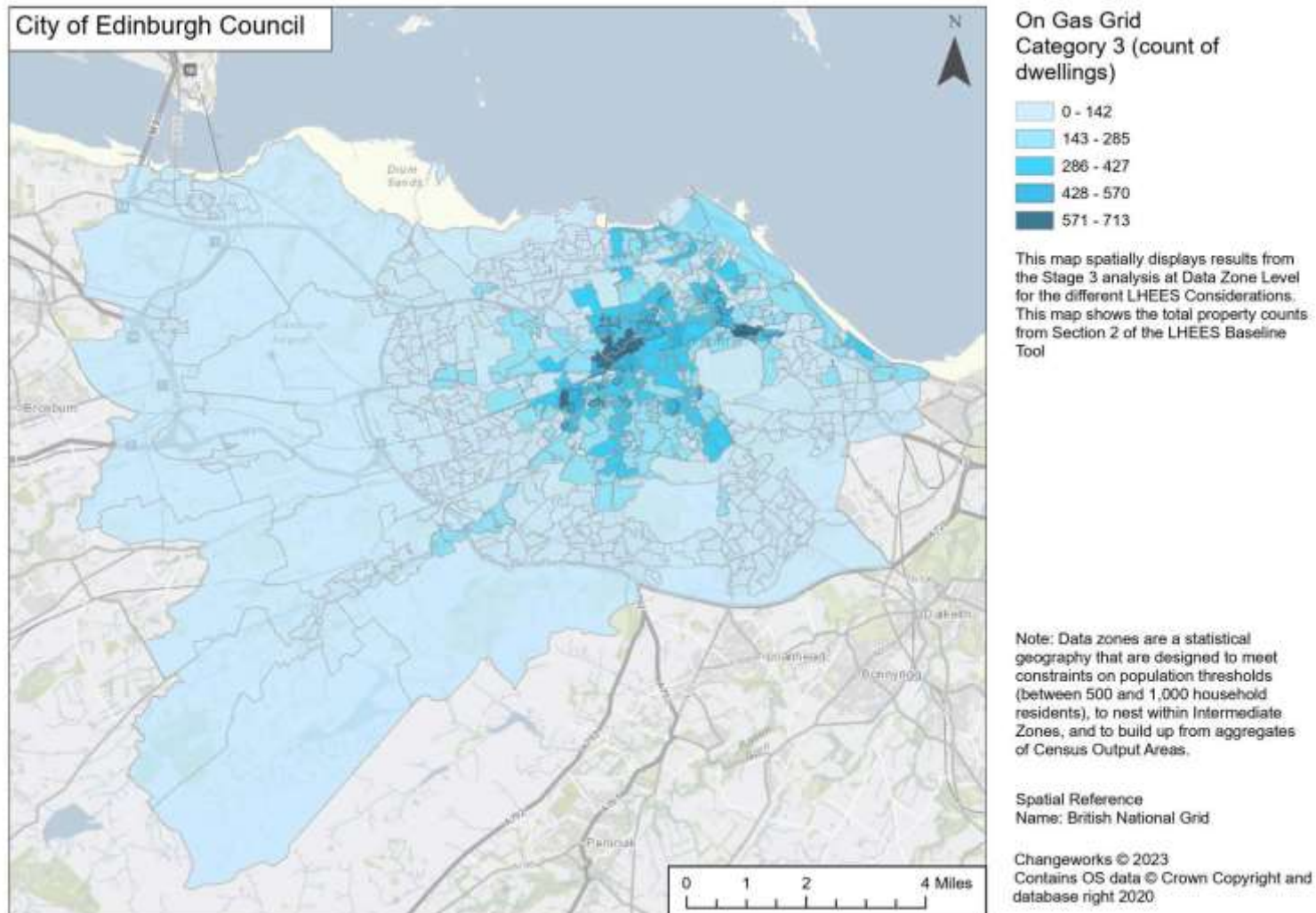


Figure 24: Prospective Heat Network Zones in Edinburgh

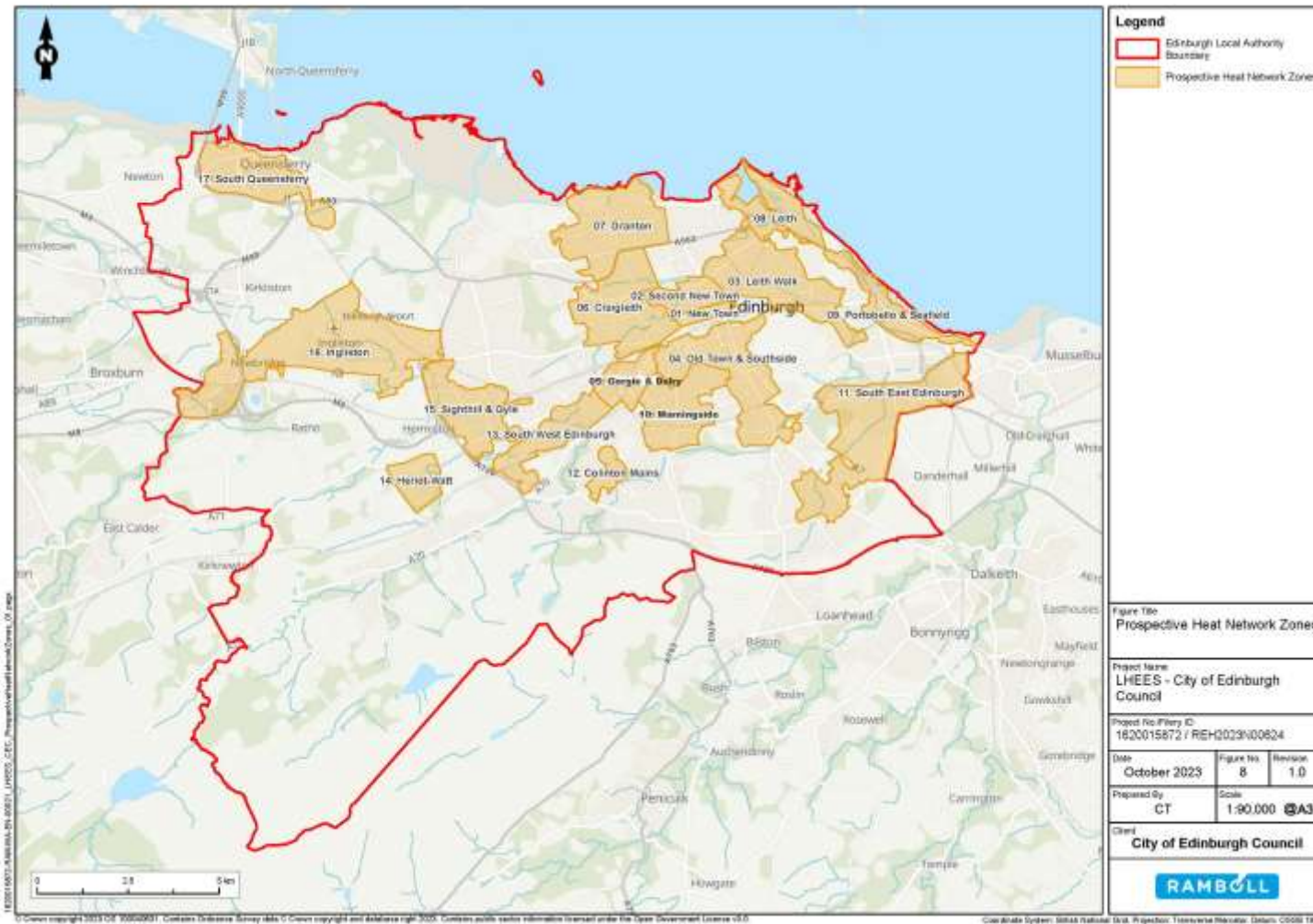


Figure 25: Homes in Edinburgh with solar suitability

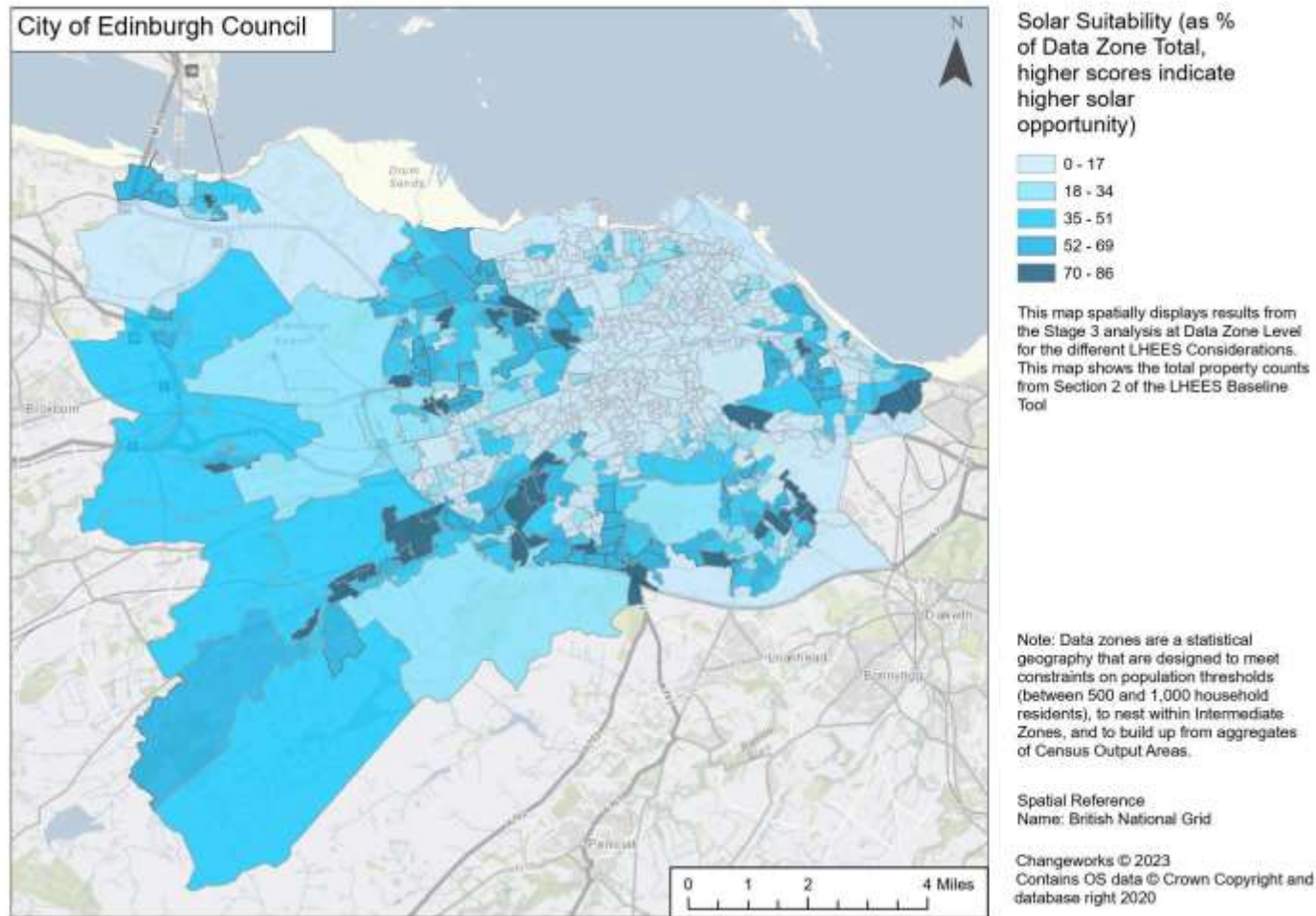


Figure 26: Homes with uninsulated walls in Edinburgh

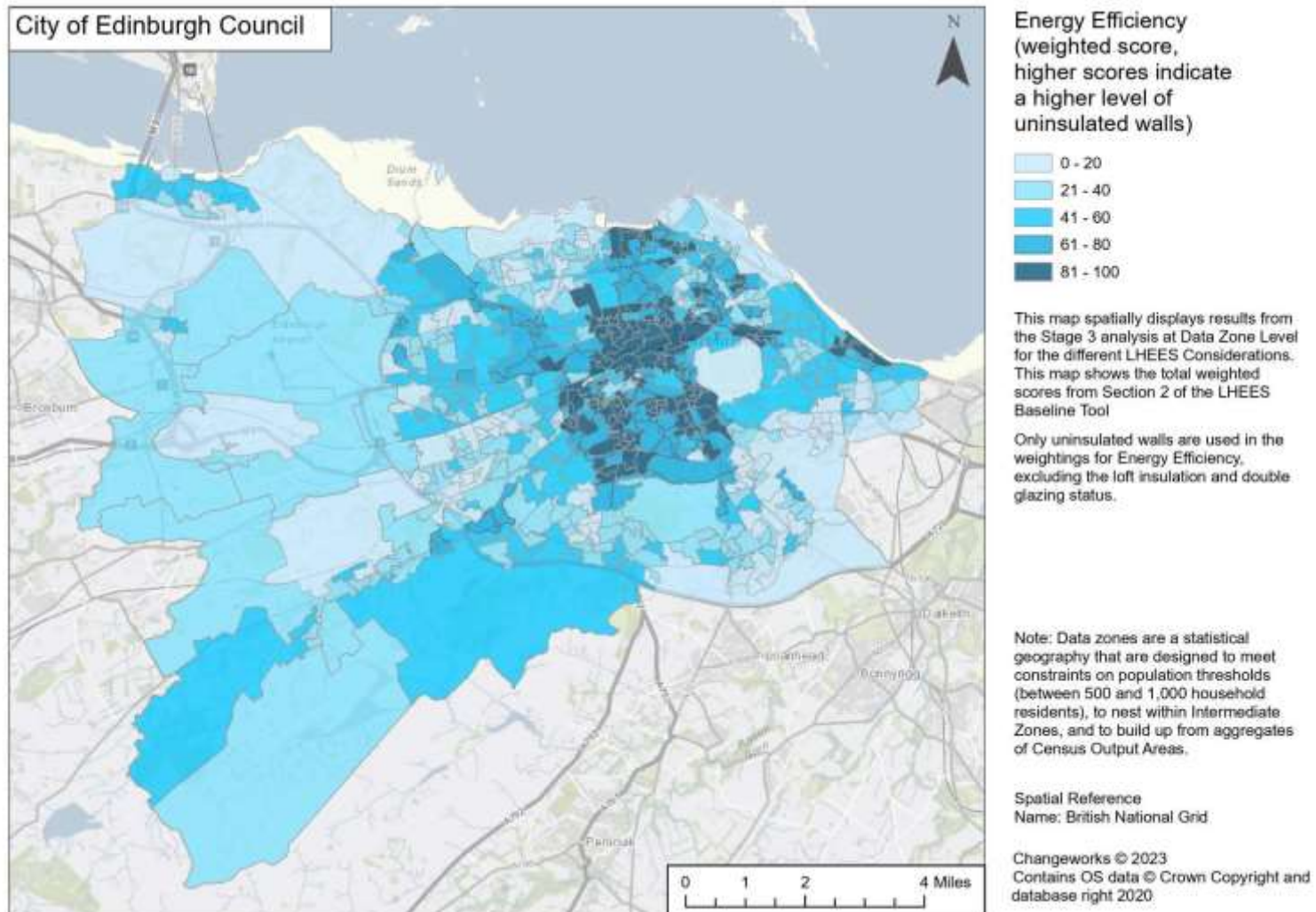


Figure 27: Homes with solid brick/stone uninsulated walls in Edinburgh

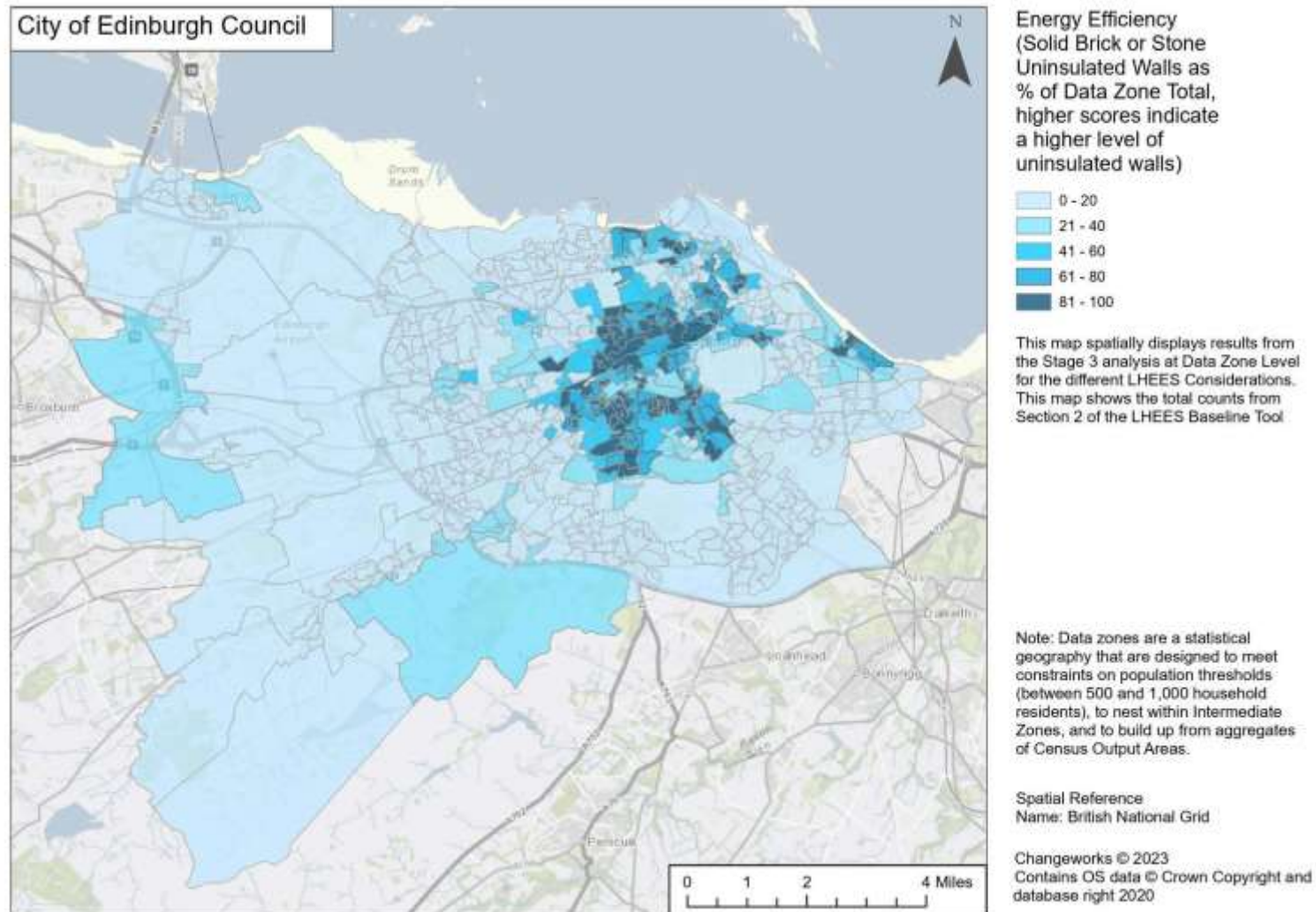


Figure 28: Areas of high fuel poverty and poor energy efficiency

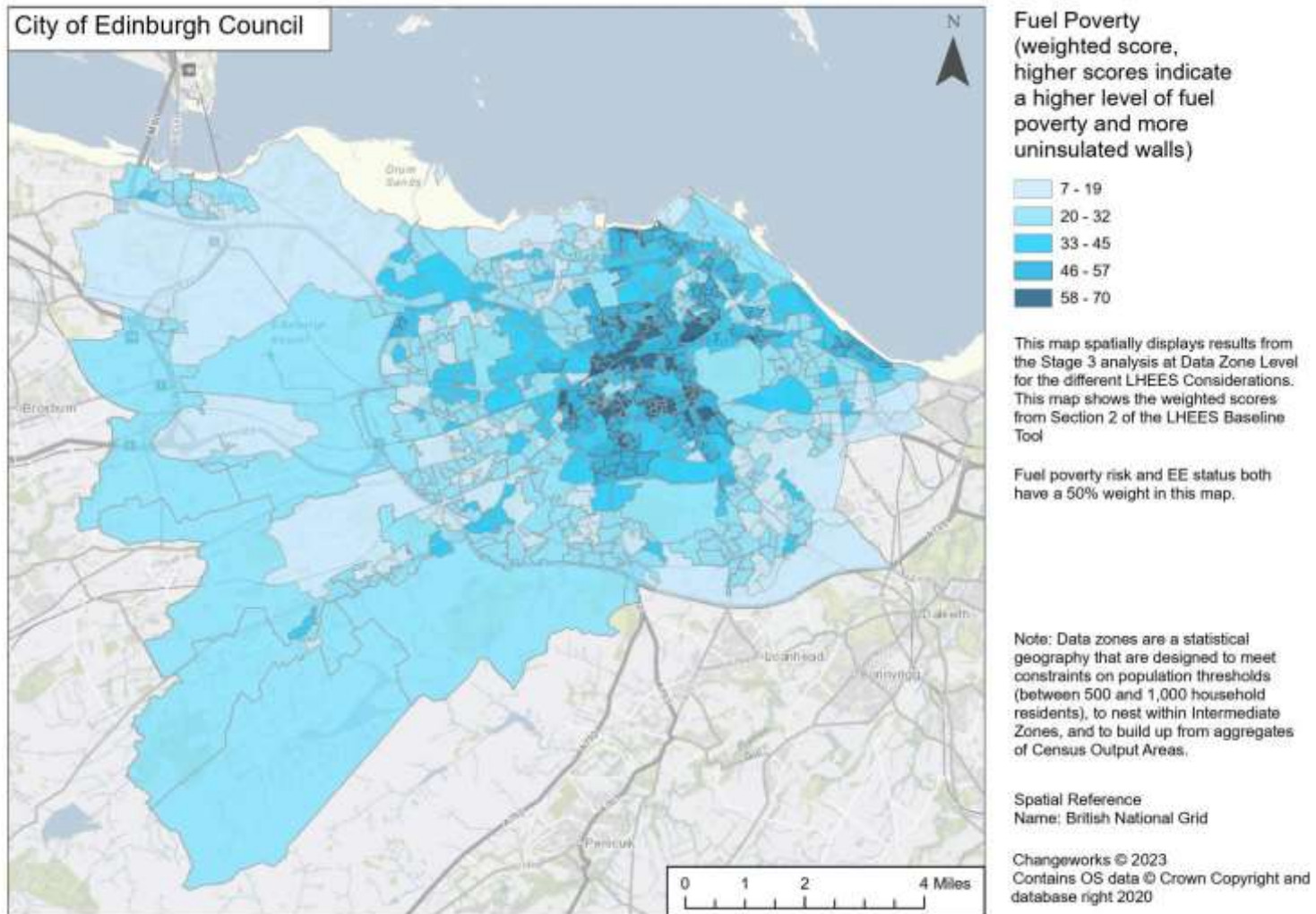
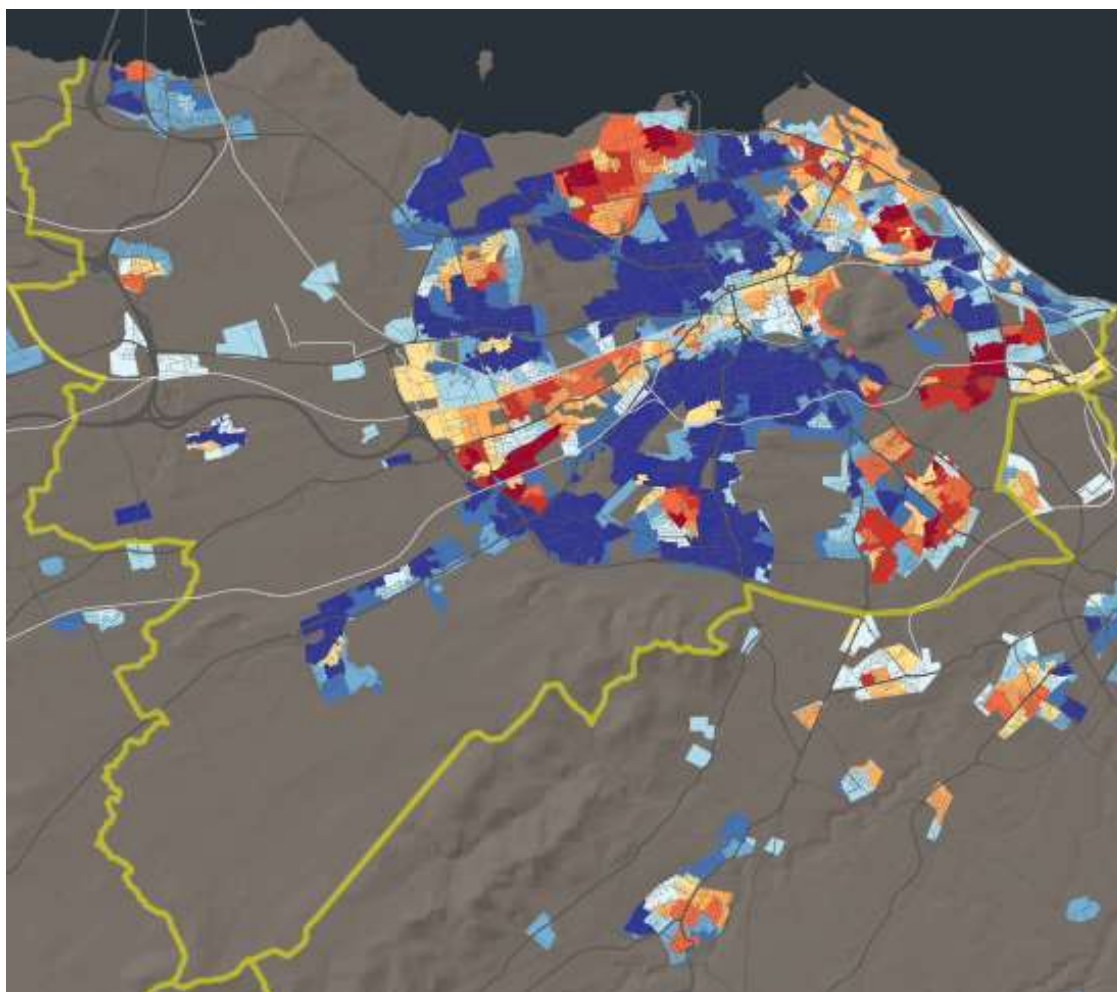


Figure 29: Scottish Index of Multiple Deprivation 2020 heat map of Edinburgh <sup>xliii</sup>



<sup>xliii</sup> “Warmer” areas have a lower ranking on the SIMD, i.e. they are more deprived.

Figure 30: Mixed-tenure homes in Edinburgh

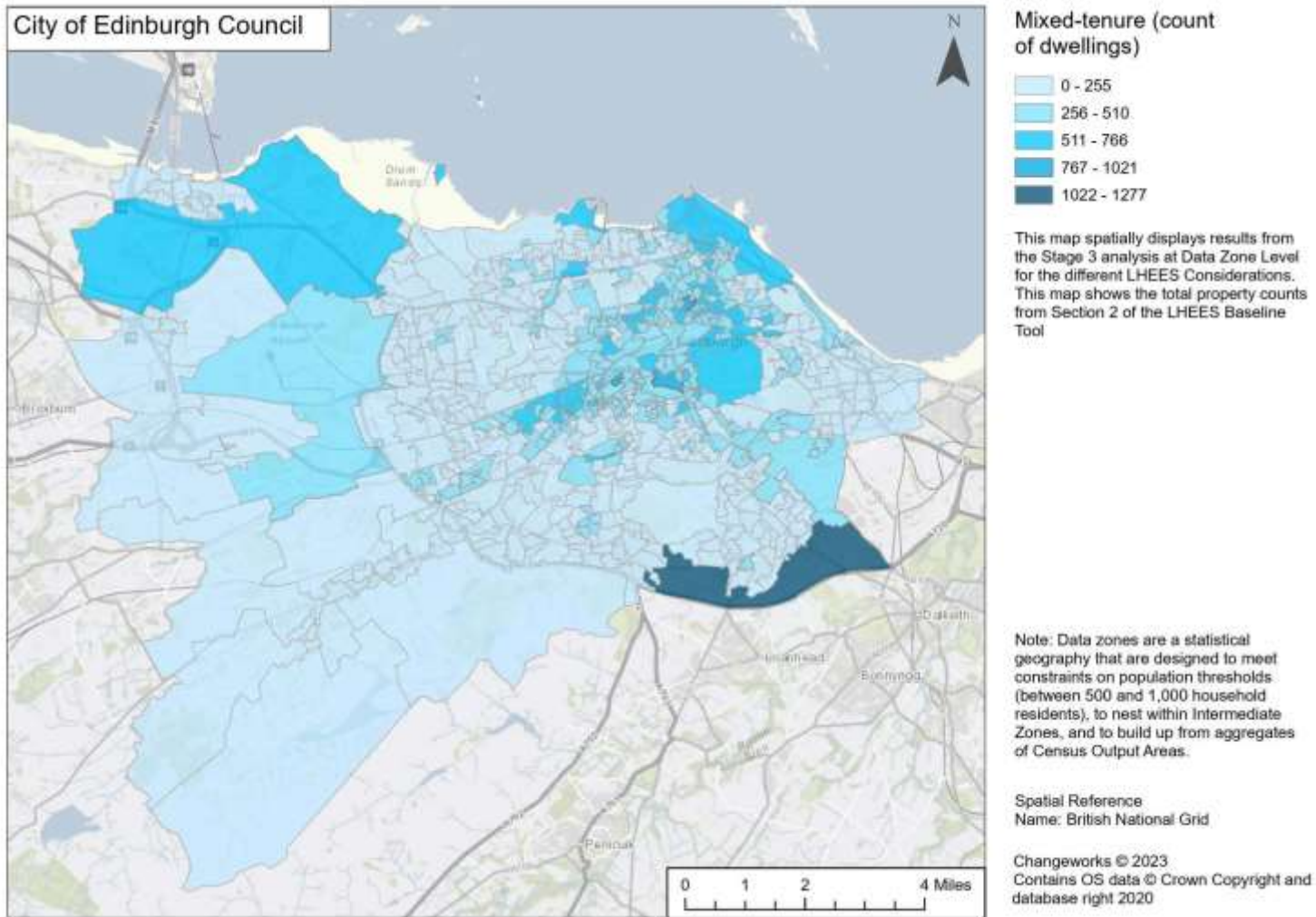




Figure 31: Homes in Edinburgh in buildings with >1 dwellings

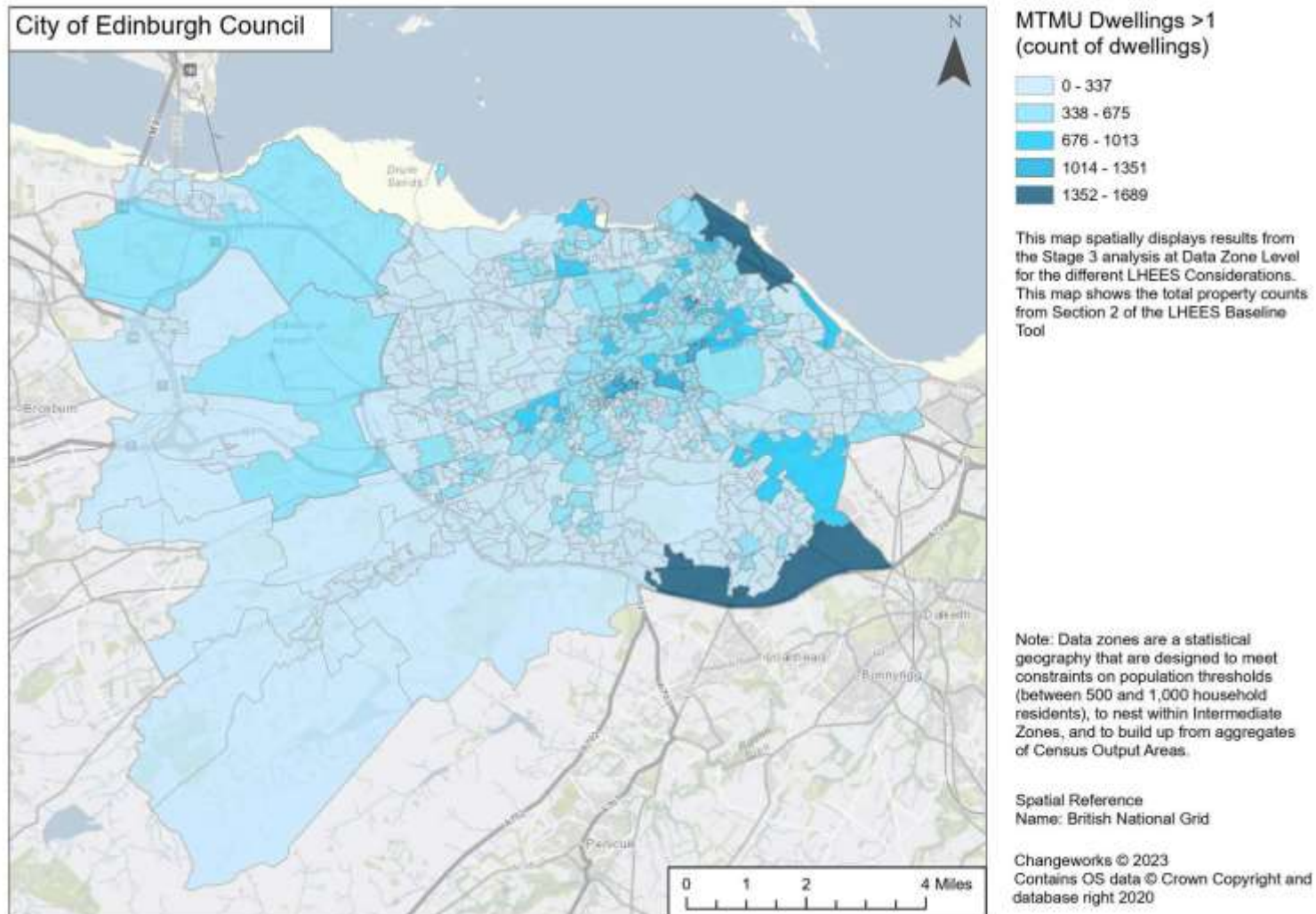


Figure 32: Homes in listed buildings in Edinburgh

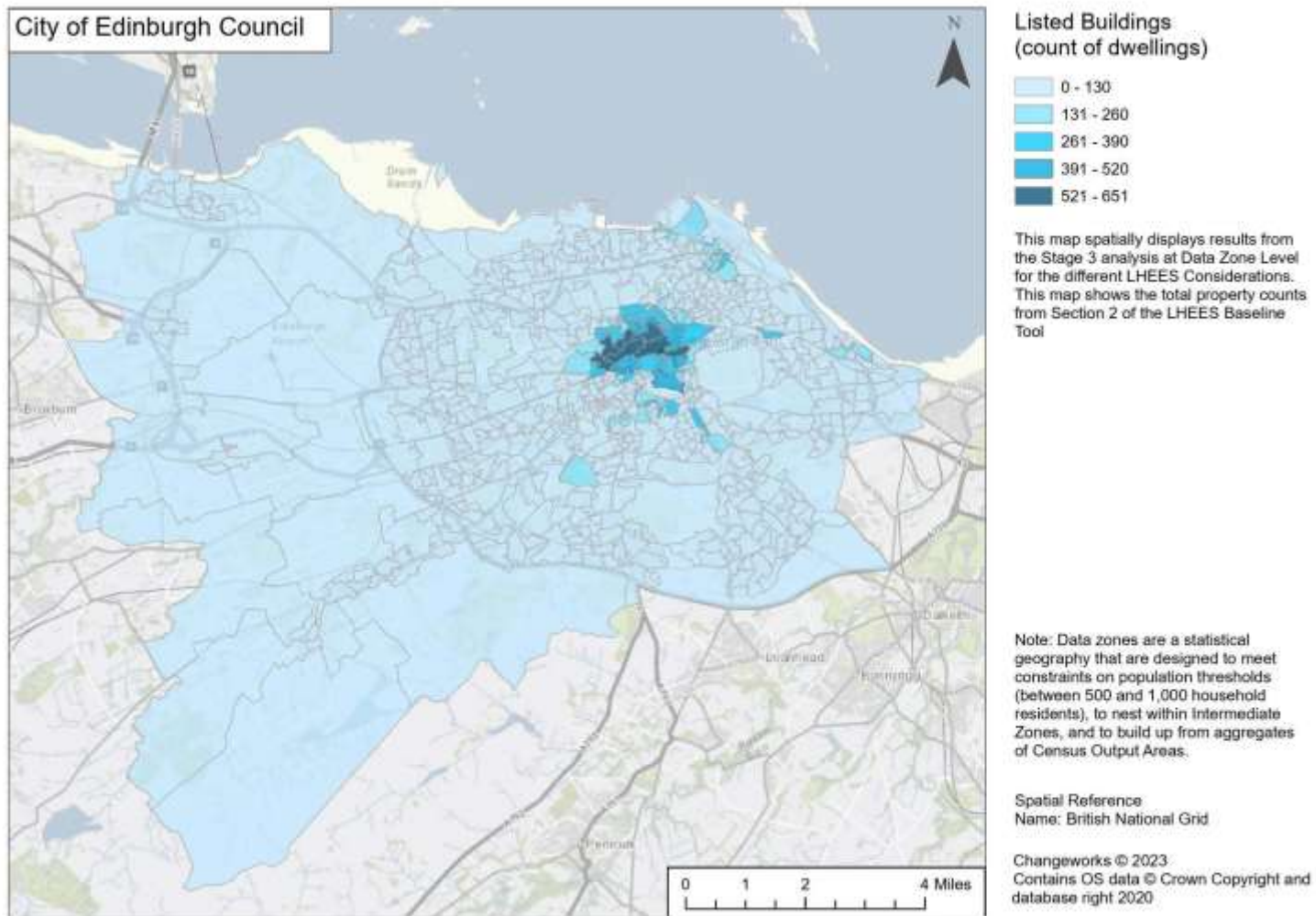
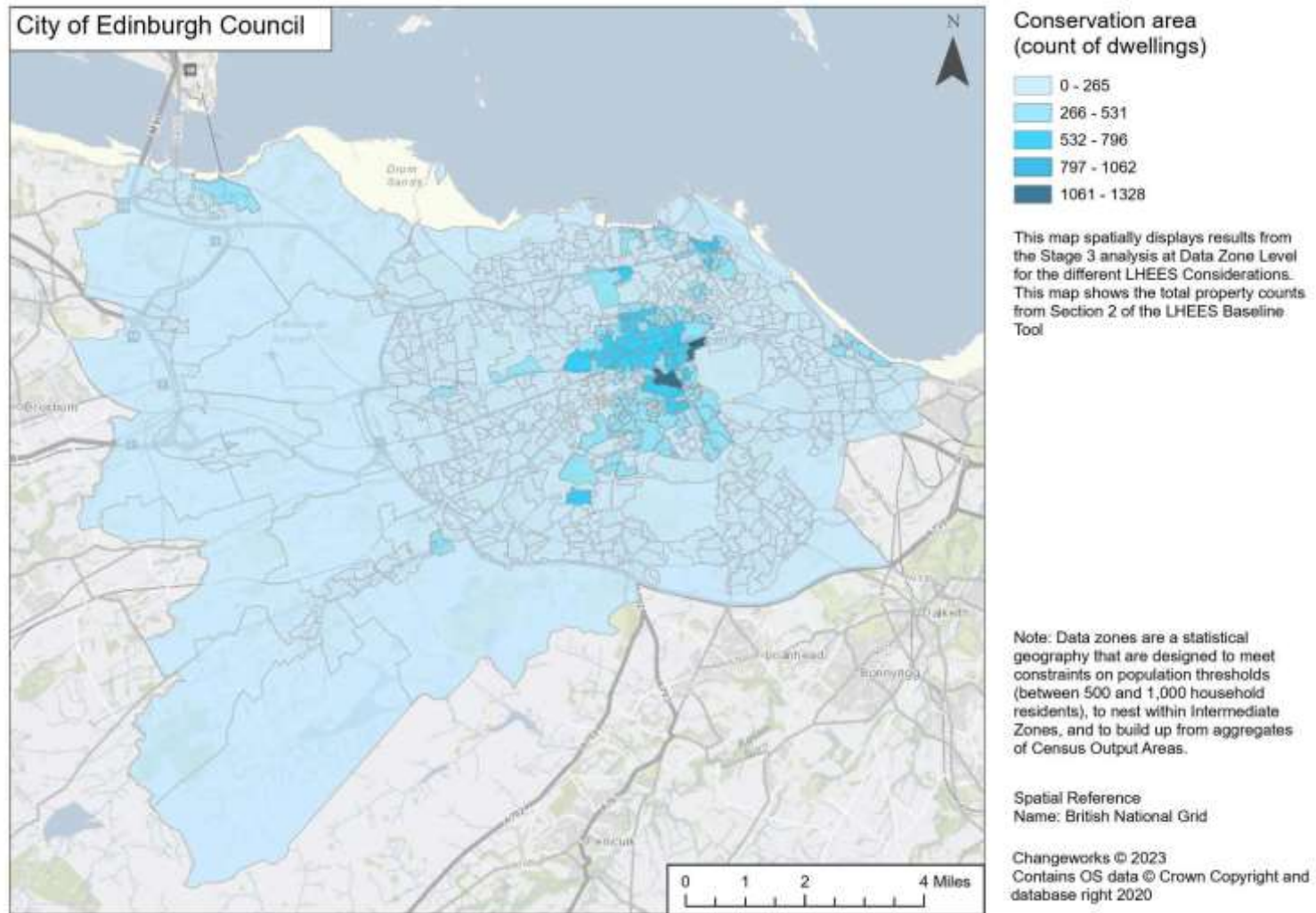


Figure 33: Homes in conservation areas in Edinburgh



## 11.4. Core stakeholders

### **Public sector**

- Business Energy Scotland
- The Coal Authority
- Energy Saving Trust
- Green Heat Finance Taskforce
- Heat and Energy Efficiency Scotland
- Heat Network Support Unit
- Heat Networks & Non-Domestic Regulations Unit
- Historic Environment Scotland
- Home Energy Scotland
- Local Energy Scotland
- NHS Lothian
- Office of Gas and Electricity Markets (OFGEM)
- Scottish Enterprise
- Scottish Futures Trust
- Scottish Government
- Scottish Water / Scottish Water Horizons
- UK Government

### **Academic**

- Edinburgh Climate Change Institute
- Edinburgh Napier University
- Heriot-Watt University
- University of Edinburgh

### **Residents and communities**

- Association of Community Councils
- Clean Heat Forum
- Edinburgh Tenants Federation
- Our Future Edinburgh

### **Business**

- Edinburgh Chamber of Commerce
- Energy for Edinburgh
- Essential Edinburgh
- Federation of Small Businesses
- Midlothian Energy
- Novoville
- Salix Finance
- Scotia Gas Networks (SGN)
- Scottish Power Energy Networks (SPEN)
- Utilita Energy

### **Housing providers**

- Ark
- Blackwood Homes
- Cairn Housing Association
- Hanover (Scotland) Housing Association
- Harbour Homes
- Hillcrest Homes
- Home Group
- Homes for Scotland
- Lar Housing Trust
- Link Housing Association
- Lister Housing Co-operative
- Manor Estates Housing Association
- Muirhouse Housing Association
- Places for People Scotland
- Prospect Community Housing
- Trust Housing Association
- Viewpoint
- West Granton Housing Co-Operative
- Wheatley Homes East

### **Third sector**

- Changeworks
- Energy Action Scotland
- Edinburgh Community Solar Co-operative
- Edinburgh Voluntary Organisations' Council (EVOC)
- Edinburgh World Heritage
- Greenspace Scotland
- Scotland Excel
- Social Investment Scotland
- Under One Roof
- Zero Waste Scotland

### **Commissions and partnerships**

- Cities Commission for Climate Investment (3Ci)
- City Heat and Energy Partnership
- Edinburgh Building Retrofit and Improvement Collective
- Edinburgh Climate Commission
- Energy Efficiency Public Buildings Partnership
- Net Zero Edinburgh
- Warmworks

## 11.5. Glossary

### Abbreviations

**Table 51: Edinburgh LHEES abbreviations**

Abbreviation	Definition
3Ci	Cities Commission for Climate Investment
ABS	Area-Based Scheme
ASHP	Air source heat pump
C	Celsius
CAPEX	Capital expenditure
CCS	Carbon capture and storage
CHMM	Clean Heat Market Mechanism
CO <sub>2</sub>	Carbon dioxide
CO <sub>2</sub> e	Carbon dioxide equivalent
COP	Coefficient of performance
EFE	Energy for Edinburgh
EESHS	Energy Efficiency Standard for Social Housing
EESHS2	Energy Efficiency Standard for Social Housing post-2020
ELDP	Edinburgh Local Development Plan
EPC	Energy Performance Certificate
ESCo	Energy services company
EST	Energy Saving Trust
FIT	Feed-in Tariff
FNA	First National Assessment
GIS	Geographic information system
GSHP	Ground source heat pump
GW	Gigawatt
GWh	Gigawatt hour
HEEPS	Home Energy Efficiency Programmes for Scotland
KT	Kiloton
KW	Kilowatt
KWh	Kilowatt hour
LA	Local authority
LED	Light-emitting diode
LHD	Linear heat density
LEAR	Local Energy Asset Representation
LHEES	Local Heat and Energy Efficiency Strategy

Abbreviation	Definition
LPG	Liquefied petroleum gas
MTIS	Mixed Tenure Improvement Service
MW	Megawatt
MWh	Megawatt hour
MWth	Megawatt thermal
NPF4	National Planning Framework 4
OFGEM	Office of Gas and Electricity Markets
PEAT	Portfolio Energy Analysis Tool
SAP	Standard Assessment Procedure
SEA	Strategic environmental assessment
SEG	Smart Export Guarantee
SGN	Scotia Gas Networks
SIMD	Scottish Index of Multiple Deprivation
TW	Terawatt
TWh	Terawatt hour
UK	United Kingdom
UNESCO	United Nations Educational, Scientific and Cultural Organization
UPRN	Unique Property Reference Numbe
WHR	Whole house retrofit

## Terms

**Table 52: Edinburgh LHEES terms**

Term	Definition
Anchor load	A building with a large, dependable, long-term, demand for heat which can offer surety of demand to a heat network operator, helping make the heat network commercially viable.
Baselining	Baselining is the purpose of understanding at local authority or strategic level, the current status of the buildings against the LHEES Considerations, targets, and indicators.
Biomass	Combustion of wooden pellets, chips, logs, or some other plant matter to generate heat.
Coefficient of performance	The power output by a system relative to the power input. A higher coefficient of performance represents a more efficient system.
Communal heating system	A smaller-scale heat network wherein heat generated at a central source is distributed to two or more units within a single building
Coolth	Cold as a commodity (Cf. heat / warmth).
Data Zone	Data zones are groups of output areas which have populations of around 500 to 1,000 residents.

<b>Term</b>	<b>Definition</b>
Delivery Area	Delivery areas are at a higher granularity than Strategic Zones. These spatial zones should set out clusters of buildings within a Strategic Zone or across the whole local authority that identify potential solution(s) at a delivery level. They will be an important starting point for identifying a range of projects, regulation and actions that are within the competence of the Scottish Government, local authorities and wider partners (included as actions to be developed in the Delivery Plan).
Delivery Plan	A Delivery Plan is a document setting out how a local authority proposes to support implementation of its Local Heat and Energy Efficiency Strategy.
Direct electric heating	Use of electricity to heat spaces and water directly (rather than interpolating other systems such as heat pumps).
Electric boiler	A boiler that works on the principle of heating water by passing it through an element, with carbon emissions based on the electricity grid emissions factor.
Energy centre	A building in which heat is generated.
Energy efficiency	The amount of energy required to heat a building (given its size) and the building's ability to retain that heat. The most common way to measure energy efficiency is through an Energy Performance Certificate (EPC), which provides a simple rating of energy efficiency of the building, albeit EPCs were originally designed to assess the cost of heating a building rather than the emissions associated with doing so.
Energy services company	A company providing energy services.
EnerPHit	A Passivhaus standard for the retrofit of existing buildings.
Fossil fuel	A non-renewable energy source, e.g. gas, oil, or coal.
Fuel poverty	As defined by the Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019, circumstances in which a household spends over 10% of their net income after housing costs is spend on fuel needs and their residual income is less than 90% of the UK Minimum Income Standard, i.e. is insufficient to maintain an adequate standard of living.
Geographic information system	Software for analysing and displaying geographically-referenced information.
Gigawatt	A unit of power equal to one billion (1,000,000,000) watts.
Greenhouse gas	Gases in the earth's atmosphere that trap heat, in the main carbon dioxide; chlorofluorocarbons; methane; nitrous oxide; ozone; and water vapor.
Heat decarbonisation	Reducing or eliminating the carbon produced as a negative by-product of heating buildings.
Heat network	As defined in the Heat Networks (Scotland) Act 2021, a (district) heat network is "a network by which thermal energy is distributed from one or more sources of production to more than one building".
Heat pump	A heating solution that works on the principle of capturing thermal energy (heat) from a source such as the air, the ground, or a body of water (such as a river, sea, or sewer) and using the refrigeration cycle can convert it to supply



Term	Definition
	heat to the end user. The carbon emissions of a heat pump are based on the grid emissions factor.
Indicator	For a given Consideration, the purpose of an Indicator is: (1) to act as a key information field to help characterise and baseline the local authority; (2) to act as a key information field to support strategic zoning and generation of initial delivery areas; (3) if suitable, to act as a key information field to measure progress against Targets over the duration of the Edinburgh LHEES - set out in the Delivery Plan. For some Considerations, one Indicator may be sufficient, but for others a range may be appropriate.
Insulation	Use of materials to slow the rate at which heat is lost from a building to the outside. This is one of the most affordable and effective ways of reducing heat demand by improving heat retention.
Intermediate Zone	Intermediate zones are a statistical geography that are designed to meet constraints on population thresholds (2,500-6,000 household residents), to nest within local authorities, and to be built up from aggregates of data zones.
Kilowatt	A unit of power equal to one thousand (1,000) watts.
LHEES Considerations	The LHEES Considerations are a list of technologies, building typologies and policy priorities used to identify and target interventions. They comprise: Heat networks; Off-gas grid buildings; On-gas grid buildings; Poor building energy efficiency; Poor building energy efficiency as a driver for fuel poverty; and Mixed-tenure, mixed-use and historic buildings.
Linear heat density	In the context of a heat network, the annual demand for heat per meter of pipework.
Local Heat and Energy Efficiency Strategy	A long-term strategic framework for the improvement of the energy efficiency of buildings in the local authority's area, and the reduction of greenhouse gas emissions resulting from the heating of such buildings.
Megawatt	A unit of power equal to one million (1,000,000) watts.
Mixed-tenure, mixed-use and historic buildings	Mixed-tenure and mixed-use buildings could include a mixture of owner occupied, private rented and social housing, and also non-domestic uses, or simply multiple ownership within the same tenure. Historic buildings include the buildings that are within conservation areas or those that are listed buildings. These categories may require established alternative approaches and regulation for the installation of low carbon heat and energy efficiency solutions and where specific advice and support might be available relating to the installation of these solutions.
Net zero carbon	A scenario in which any carbon emissions are balanced by the removal of the same quantum of carbon from the atmosphere, meaning there has been no net change in carbon.
Passivhaus	A building standard wherein buildings achieve high levels of energy efficiency and user comfort.
Prospective Heat Network Zones	The analysis carried out for strategic zoning and pathways for the heat networks Consideration is to identify prospective zones rather than the otherwise used naming convention of Delivery Areas. The prospective zones identified are to be included in the Edinburgh LHEES and should inform actions

Term	Definition
	around further investigation / progression within the Delivery Plan. The heat networks Consideration analysis and activity carried out within the Edinburgh LHEES is also anticipated to support activity related to formal zone designation as required by the Heat Networks (Scotland) Act 2021.
Raster	A matrix of squares, or grid, used as a method of data analysis in a geographic information system.
Solar photovoltaic	Technology that converts sunlight into electricity energy.
Solar water heating	Use of solar power to raise the temperature of water, which is then stored in a hot water cylinder.
Solid fuel	Solid material that is burned to produce heat, for example coal or wood.
Strategic Zone	Strategic Zones present a visualisation of the potential pathways to decarbonise the building stock at a local authority level. These could, for example, be split out by intermediate zone or data zone. They are useful to understand the baseline performance, the scale of potential and initial areas of focus, which could be used to inform Delivery Areas and follow on engagement.
Tariff	The price charged for energy.
Targets	Targets are the measurable aspect of the Consideration and are likely to be taken directly from national and/or local policy documentation, for example net zero by 2045, or EPC 'C' by 2040. Targets are likely to comprise of end-point targets and milestone targets and would sit along a timeline within (and beyond) the Edinburgh LHEES. This timeline would help to prioritise the types of projects undertaken within the Edinburgh LHEES over its duration.
Terawatt	A unit of power equal to one trillion (1,000,000,000,000) watts
uPVC	Unplasticized polyvinyl chloride
U-value	A measure of thermal transmittance, i.e. the extent to which an object (for example, a pane of glass) allows heat to pass through. U-values generally range from 0.1 (minimal heat loss) to 1.0 (high heat loss).
Watt	The basic unit of power.
Weighting	For some Considerations, one Target and Indicator may be sufficient, but for others a range of Indicators may be appropriate to contextualise and characterise performance against a Target and/or progress towards a Consideration. If multiple Indicators are used in strategic zoning or the identification of delivery areas, a Weighting can be applied based on the importance of each.
Zero direct emissions heating system	A heating system that does not itself emit carbon (albeit the production of the fuel uses to drive it may have emitted carbon).

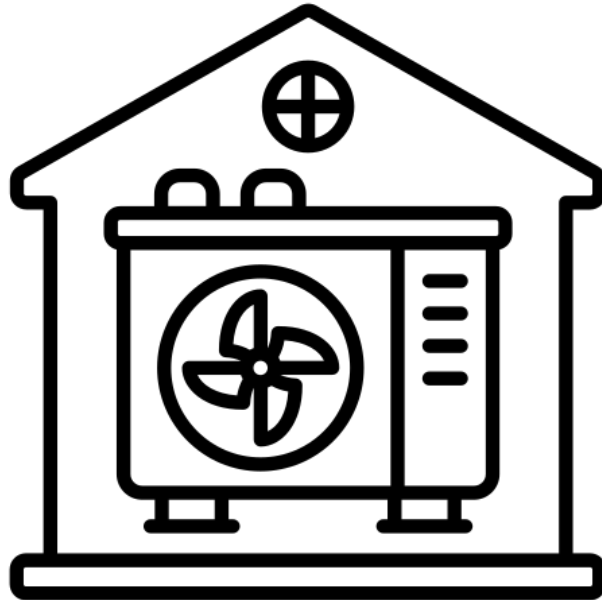
## 11.6. Endnotes

- <sup>1</sup> Scottish Development International (23 August 2021) [The energy efficiency and low carbon heat revolution](#)
- <sup>2</sup> House of Commons Business, Energy and Industrial Strategy Committee (18 January 2022) [Decarbonising Heat in Homes: Seventh Report of Session 2021–22](#)
- <sup>3</sup> Office for National Statistics (21 December 2022) [Estimates of the population for the UK, England, Wales, Scotland and Northern Ireland](#)
- <sup>4</sup> Scottish Government (6 December 2022) [Information on costs of homes reaching energy efficiency targets: FOI release](#)
- <sup>5</sup> Scottish Government (6 December 2022) [Information on costs of homes reaching energy efficiency targets: FOI release](#)
- <sup>6</sup> Scottish Government (1 December 2020) [Scottish house condition survey: 2019 key findings](#)
- <sup>7</sup> Climate Change Committee (2020) [The Sixth Carbon Budget: Buildings](#)
- <sup>8</sup> A. Reguis, M. Tunzi, B. Vand, P. Tuohy, J. Currie, [Energy performance of Scottish public buildings and its impact on their ability to use low-temperature heat](#), Energy & Buildings (2023)
- <sup>9</sup> Climate Change Committee (2 February 2023) [Letter: Reform of domestic EPC rating metrics to Patrick Harvie MSP](#)
- <sup>10</sup> C. Wilson (22 September 2023) [Glasgow EnerPHit trial led to 'astounding' drop in bills](#)
- <sup>11</sup> BBC News (19 May 2023) [Anger over carpet being ripped out of social housing](#)
- <sup>12</sup> Department for Business, Energy & Industrial Strategy (7 October 2021) [Plans unveiled to decarbonise UK power system by 2035](#)
- <sup>13</sup> BBC News (1 August 2023) [The truth about heat pumps and the power needed to run them](#)
- <sup>14</sup> A. Lawson (16 January 2023) [Energy bills: British flat dwellers with communal heating could sue operators.](#) The Guardian
- <sup>15</sup> A. Lawson (16 January 2023) [Energy bills: British flat dwellers with communal heating could sue operators.](#) The Guardian
- <sup>16</sup> BBC News (2 August 2023) [Are Scotland's heat pump plans threatening to boil over?](#)
- <sup>17</sup> Energy & Climate Intelligence Unit (10 February 2021) [Energy bills: getting the balance right](#)
- <sup>18</sup> Scottish Government (2 December 2021) [Heat Pump Sector Deal Expert Advisory Group: final report](#)
- <sup>19</sup> NESTA (16 December 2022) [Anticipating the shape of the heat pump installation industry in Scotland](#)
- <sup>20</sup> BBC News (23 February 2023) [Heat pumps: Lords slam 'failing' green heating scheme](#)
- <sup>21</sup> BBC News (1 August 2023) [The truth about heat pumps and the power needed to run them](#)
- <sup>22</sup> NESTA (7 July 2022) [The heat pump installer gap](#)
- <sup>23</sup> BBC News (1 August 2023) [The truth about heat pumps and the power needed to run them](#)
- <sup>24</sup> Department for Energy Security & Net Zero (March 2023) [Clean Heat Market Mechanism Consultation](#)
- <sup>25</sup> BBC News (30 May 2023) [The 'exploding' demand for giant heat pumps](#)
- <sup>26</sup> Department of Energy & Climate Change (March 2014) [Impacts of Leakage from Refrigerants in Heat Pumps](#)
- <sup>27</sup> Carbon Trust (12 June 2023) [Worth the hype? The role of clean hydrogen in achieving Net Zero](#)
- <sup>28</sup> British Gas (21 January 2022) [Hydrogen boilers: everything you need to know](#)
- <sup>29</sup> SGN workshop “Decarbonising Multi-Occupancy Buildings” (18 July 2023)
- <sup>30</sup> HyDeploy (2 January 2020) [UK's first grid-injected hydrogen pilot gets underway](#)
- <sup>31</sup> UK Government (9 May 2023) [Energy Security Bill factsheet: Hydrogen transport and storage business models](#)
- <sup>32</sup> Scottish Housing News (14 July 2023) [UK Government cools interest in hydrogen heating plan](#)
- <sup>33</sup> Scottish Housing News (14 July 2023) [UK Government cools interest in hydrogen heating plan](#)
- <sup>34</sup> Carbon Trust (12 June 2023) [Worth the hype? The role of clean hydrogen in achieving Net Zero](#)
- <sup>35</sup> Carbon Brief (23 February 2023) [Heat pumps 'up to three times cheaper' than green hydrogen in Europe, study finds](#)
- <sup>36</sup> Scottish Government (14 December 2022) [Hydrogen Action Plan](#)
- <sup>37</sup> Energy & Climate Intelligence Unit (2 September 2022) [Energy prices – how the UK compares](#)
- <sup>38</sup> [Household Energy Price Index](#) (July 2023)
- <sup>39</sup> The City of Edinburgh Council (23 January 2023) [2030 Climate Strategy - SEA Post Adoption Statement](#)
- <sup>40</sup> Scottish Government (26 February 2021) [Heat in Buildings Strategy: Strategic Environmental Assessment](#)

- 
- <sup>41</sup> Scottish Government (31 October 2022) [Heat in Buildings Strategy: 2022 update](#)
- <sup>42</sup> Scottish Government (March 2021) [The Energy Efficiency Standard for Social Housing post 2020 \(ESSH2\) Scottish Government Guidance for Social Landlords](#)
- <sup>43</sup> Scottish Government, [Energy efficiency in non-domestic buildings](#)
- <sup>44</sup> Knight Frank (7 August 2023) Energy efficiency rules could make one-third of Scotland's office space obsolete
- <sup>45</sup> Prime Minister's Office (20 September 2023) [PM recommits UK to Net Zero by 2050 and pledges a "fairer" path to achieving target to ease the financial burden on British families](#)
- <sup>46</sup> Scottish Government (14 December 2022) [Hydrogen Action Plan](#)
- <sup>47</sup> Scottish Government, [The National Public Energy Agency](#)
- <sup>48</sup> Scottish Government, [Heat in Buildings: Green Heat Finance Taskforce](#)
- <sup>49</sup> Scottish Government (6 December 2022) [Information on costs of homes reaching energy efficiency targets: FOI release](#)
- <sup>50</sup> Rt Hon Chris Skidmore MP (2022) [Mission Zero: Independent Review of Net Zero - final report](#)
- <sup>51</sup> Department for Energy Security & Net Zero (4 April 2023) [Powering Up Britain: Energy Security Plan](#)
- <sup>52</sup> Scottish Government (1 April 2021) [Householder permitted development rights: guidance - updated 2021](#)
- <sup>53</sup> Scottish Government (19 September 2022) [Housing statistics quarterly update: new housebuilding and affordable housing supply](#)
- <sup>54</sup> The City of Edinburgh Council (2023) Housing Revenue Account (HRA) Budget Strategy 2023/2024 – 2032/2033 – referral from the Finance and Resources Committee
- <sup>55</sup> The City of Edinburgh Council (2019) Energy Management Policy for Operational Buildings
- <sup>56</sup> The City of Edinburgh Council (2022) EnerPHit Tranche 1 Programme
- <sup>57</sup> The City of Edinburgh Council (2023) Portfolio Strategy
- <sup>58</sup> Ramboll (June 2020) Park Power City of Edinburgh Council Assessment - Stage 1 Report
- <sup>59</sup> Ramboll (August 2020) Park Power City of Edinburgh Council Assessment - Stage 1 Report
- <sup>60</sup> Scottish Government (21 April 2023) [Heat network projects: quarterly reports – March 2023](#)
- <sup>61</sup> Scottish Government (13 April 2022) [Potential Heat Network Zones: first national assessment](#)
- <sup>62</sup> Ramboll (March 2023) Edinburgh BioQuarter Heat Network Feasibility Study
- <sup>63</sup> Buro Happold (23 December 2022) Gracemount Heat Network Feasibility Study
- <sup>64</sup> Buro Happold and Zero Waste Scotland (15 October 2022) Midlothian, City of Edinburgh and East Lothian Cross-Boundary Heat Network Opportunities
- <sup>65</sup> C. Sinclair and G. Unkaya (November 2020) [Potential sources of waste heat for heat networks in Scotland](#)
- <sup>66</sup> The Coal Authority, [Interactive Map](#)
- <sup>67</sup> Scottish Water, [Waste Water Heat Extraction Opportunities](#)
- <sup>68</sup> Compiled by the Edinburgh Climate Change Institute. In addition to the following attributions, see [Table 49](#) for the complete list of sources: © OpenStreetMap contributors, © 2023 Scottish Environment Protection Agency, Supported by SP Energy Networks Open Data, some content is available under the Open Government Licence v3.0; © Crown copyright.

The City of Edinburgh Council

# Edinburgh Local Heat and Energy Efficiency Strategy Delivery Plan: 2024 – 2028





You can get this document on audio, CD, or in Braille or large print if you ask us. Please contact Interpretation and Translation Service (ITS) on [its@edinburgh.gov.uk](mailto:its@edinburgh.gov.uk) and quote reference number 23-9173. ITS can also give information on community language translations.

[Title page icon by shmai](#)

# 1. Contents

1.	Contents.....	3
2.	Introduction to the Delivery Plan .....	7
2.1.	Overview of the Delivery Plan .....	7
2.2.	Role of the Delivery Plan.....	7
2.3.	Content of the Delivery Plan .....	8
2.4.	Future of the Delivery Plan .....	8
3.	Delivery mechanism .....	10
3.1.	A programmatic approach .....	10
	Operating model.....	10
	Stakeholder engagement and communication .....	11
	Procurement and supply chain .....	11
	Funding and investment.....	12
3.2.	Heat network delivery programme .....	13
	Approach to heat network delivery.....	13
	Phase 1: Heat network delivery framework.....	13
	Phase 2: Heat network delivery programme.....	14
4.	Portfolio of projects.....	16
4.1.	Approach to projects .....	16
4.2.	Background to Delivery Areas (and Heat Network Zones) .....	16
4.3.	Energy efficiency Delivery Areas.....	17
4.4.	Heat pump Delivery Areas .....	18
4.5.	Prospective Heat Network Zones.....	20
4.6.	Other projects.....	23
	High-rise housing retrofit .....	23
	Non-domestic property retrofit .....	24
	Historic buildings .....	24
	Green heat .....	25
	New developments .....	25
	Other housing retrofit measures .....	26
5.	Delivery Areas and Heat Network Zones.....	27
5.1.	Overview plan of Delivery Areas and Heat Network Zones.....	27
5.2.	Delivery Area 01: Restalrig & Lochend (energy efficiency) .....	28

5.3.	Delivery Area 02: Bingham & Magdalene (energy efficiency) .....	30
5.4.	Delivery Area 03: Restalrig & Craigentenny (energy efficiency) .....	32
5.5.	Delivery Area 04: The Calders (energy efficiency) .....	34
5.6.	Delivery Area 05: Granton, Wardieburn & Royston (energy efficiency) .....	36
5.7.	Delivery Area 06: Niddrie & Craigmillar (energy efficiency) .....	38
5.8.	Delivery Area 07: Clovenstone & Wester Hailes (energy efficiency) .....	40
5.9.	Delivery Area 08: Muirhouse (energy efficiency) .....	42
5.10.	Delivery Area 09: Lochend Butterfly Way (heat pumps) .....	44
5.11.	Delivery Area 10: Waterfront Park (heat pumps) .....	46
5.12.	Delivery Area 11: Robertson Avenue (heat pumps) .....	48
5.13.	Delivery Area 12: Fountainbridge (heat pumps) .....	50
5.14.	Delivery Area 13: Oxgangs Avenue (heat pumps) .....	52
5.15.	Delivery Area 14: West Pilton Grove (heat pumps) .....	54
5.16.	Delivery Area 15: Craigour Place (heat pumps) .....	56
5.17.	Delivery Area 16: Elgin Street (heat pumps) .....	58
5.18.	Delivery Area 17: Morrison Crescent (heat pumps) .....	60
5.19.	Delivery Area 18: Craighouse Gardens (heat pumps) .....	62
5.20.	Heat Network Zone 01: New Town .....	64
5.21.	Heat Network Zone 02: Leith Walk .....	66
5.22.	Heat Network Zone 03: Old Town & Southside .....	68
5.23.	Heat Network Zone 04: Gorgie & Dalry .....	70
5.24.	Heat Network Zone 05: Craighleith .....	72
5.25.	Heat Network Zone 06: Granton .....	74
5.26.	Heat Network Zone 07: Leith .....	76
5.27.	Heat Network Zone 08: Portobello & Seafield .....	78
5.28.	Heat Network Zone 09: Morningside .....	80
5.29.	Heat Network Zone 10: South East Edinburgh .....	82
5.30.	Heat Network Zone 11: Colinton Mains .....	84
5.31.	Heat Network Zone 12: South West Edinburgh .....	86
5.32.	Heat Network Zone 13: Heriot-Watt .....	88
5.33.	Heat Network Zone 14: Sighthill & Gyle .....	90
5.34.	Heat Network Zone 15: Ingliston .....	92
5.35.	Heat Network Zone 16: South Queensferry .....	94
5.36.	Heat Network Zone 17: Second New Town .....	96
6.	Monitoring of actions .....	98



<b>7. Financial resources</b> .....	104
<b>Grant funding</b> .....	104
<b>Loans</b> .....	110
<b>Income streams</b> .....	112

## Tables

- [Table 01: Energy efficiency Delivery Areas](#)
- [Table 02: Heat pump Delivery Areas](#)
- [Table 03: Prospective Heat Network Zones](#)
- [Table 04: Indicative high-rise housing retrofit programme](#)
- [Table 05: Tenure of homes in Delivery Area 01: Restalrig & Lochend](#)
- [Table 06: Recommended interventions to homes in Delivery Area 01: Restalrig & Lochend](#)
- [Table 07: Tenure of homes in Delivery Area 02: Bingham & Magdalene](#)
- [Table 08: Recommended interventions to homes in Delivery Area 02: Bingham & Magdalene](#)
- [Table 09: Tenure of homes in Delivery Area 03: Restalrig & Craigentenny](#)
- [Table 10: Recommended interventions to homes in Delivery Area 03: Restalrig & Craigentenny](#)
- [Table 11: Tenure of homes in Delivery Area 04: The Calders](#)
- [Table 12: Recommended interventions to homes in Delivery Area 04: The Calders](#)
- [Table 13: Tenure of homes in Delivery Area 05: Granton, Wardieburn & Royston](#)
- [Table 14: Recommended interventions to homes in Delivery Area 05: Granton, Wardieburn & Royston](#)
- [Table 15: Tenure of homes in Delivery Area 06: Niddrie & Craigmillar](#)
- [Table 16: Recommended interventions to homes in Delivery Area 06: Niddrie & Craigmillar](#)
- [Table 17: Tenure of homes in Delivery Area 07: Clovenstone & Wester Hailes](#)
- [Table 18: Recommended interventions to homes in Delivery Area 07: Clovenstone & Wester Hailes](#)
- [Table 19: Tenure of homes in Delivery Area 08: Muirhouse](#)
- [Table 20: Recommended interventions to homes in Delivery Area 08: Muirhouse](#)
- [Table 21: Tenure of homes in Delivery Area 09: Lochend Butterfly Way](#)
- [Table 22: Recommended interventions to homes in Delivery Area 09: Lochend Butterfly Way](#)
- [Table 23: Tenure of homes in Delivery Area 10: Waterfront Park](#)
- [Table 24: Recommended interventions to homes in Delivery Area 10: Waterfront Park](#)
- [Table 25: Tenure of homes in Delivery Area 11: Robertson Avenue](#)
- [Table 26: Recommended interventions to homes in Delivery Area 11: Robertson Avenue](#)
- [Table 27: Tenure of homes in Delivery Area 12: Fountainbridge](#)
- [Table 28: Recommended interventions to homes in Delivery Area 12: Fountainbridge](#)
- [Table 29: Tenure of homes in Delivery Area 13: Oxgangs Avenue](#)
- [Table 30: Recommended interventions to homes in Delivery Area 13: Oxgangs Avenue](#)
- [Table 31: Tenure of homes in Delivery Area 14: West Pilton Grove](#)
- [Table 32: Recommended interventions to homes in Delivery Area 14: West Pilton Grove](#)
- [Table 33: Tenure of homes in Delivery Area 15: Craigour Place](#)
- [Table 34: Recommended interventions to homes in Delivery Area 15: Craigour Place](#)
- [Table 35: Tenure of homes in Delivery Area 16: Elgin Street](#)

- [Table 36: Recommended interventions to homes in Delivery Area 16: Elgin Street](#)
- [Table 37: Tenure of homes in Delivery Area 17: Morrison Crescent](#)
- [Table 38: Recommended interventions to homes in Delivery Area 17: Morrison Crescent](#)
- [Table 39: Tenure of homes in Delivery Area 18: Craighouse Gardens](#)
- [Table 40: Recommended interventions to homes in Delivery Area 18: Craighouse Gardens](#)
- [Table 41: Headline information on Heat Network Zone 01: New Town](#)
- [Table 42: Headline information on Heat Network Zone 02: Leith Walk](#)
- [Table 43: Headline information on Heat Network Zone 03: Old Town & Southside](#)
- [Table 44: Headline information on Heat Network Zone 04: Gorgie & Dalry](#)
- [Table 45: Headline information on Heat Network Zone 05: Craigleith](#)
- [Table 46: Headline information on Heat Network Zone 06: Granton](#)
- [Table 47: Headline information on Heat Network Zone 07: Leith](#)
- [Table 48: Headline information on Heat Network Zone 08: Portobello & Seafield](#)
- [Table 49: Headline information on Heat Network Zone 09: Morningside](#)
- [Table 50: Headline information on Heat Network Zone 10: South East Edinburgh](#)
- [Table 51: Headline information on Heat Network Zone 11: Colinton Mains](#)
- [Table 52: Headline information on Heat Network Zone 12: South West Edinburgh](#)
- [Table 53: Headline information on Heat Network Zone 13: Heriot-Watt](#)
- [Table 54: Headline information on Heat Network Zone 14: Sighthill & Gyle](#)
- [Table 55: Headline information on Heat Network Zone 15: Ingliston](#)
- [Table 56: Headline information on Heat Network Zone 16: South Queensferry](#)
- [Table 57: Headline information on Heat Network Zone 17: Second New Town](#)
- [Table 58: Schedule of actions](#)

## 2. Introduction to the Delivery Plan

### 2.1. Overview of the Delivery Plan

- 2.1.1. This document, published by the City of Edinburgh Council, is the Delivery Plan for the Edinburgh Local Heat and Energy Efficiency Strategy (LHEES). It should be read in conjunction with the Edinburgh LHEES itself.
- 2.1.2. The Delivery Plan sets out how the Edinburgh LHEES is to be implemented, with a focus on actions over the period 2024 to 2028, particularly “no regrets” / “low regrets” actions that are deliverable in the current policy context and given existing funding and powers.
- 2.1.3. The Delivery Plan has been prepared at a time of great flux, with a rapidly evolving regulatory climate and considerable uncertainty around the financial climate for delivery of the Edinburgh LHEES. Given this, the focus of the inaugural Delivery Plan has been drawn relatively tightly to focus on the actions that the Council has greatest influence over and where there is greatest certainty over funding. It is envisaged that future iterations of the Delivery Plan will have a wider focus as the context for delivery becomes clearer, subject to resources.
- 2.1.4. There are two key themes the Council has considered to guide the development of this Delivery Plan. These are intended to maximise the effectiveness of delivery:
- Lead with Council assets
    - The most deliverable projects, and those within the Council's direct responsibility, are its involving own buildings. This can be the most effective way to encourage and launch wider action across an area.
  - Pragmatism and flexibility
    - The Council will continue to highlight to the Scottish Government the resource constraints facing the ambition. In the meantime, it will do its best to facilitate delivery with the modest existing resources.
    - The Edinburgh LHEES is a complex and multi-faceted strategy. It is also a novel approach. The Council will therefore prioritise the most urgent and important elements. It will also use this as an opportunity to learn and to prepare to scale-up action.

### 2.2. Role of the Delivery Plan

- 2.2.1. The role of the Delivery Plan is to help translate the opportunities identified in the Edinburgh LHEES into actions. As set out in the Edinburgh LHEES, there is not currently a comprehensive funding strategy for delivering the Edinburgh LHEES and in practice many of the prospective interventions are not deliverable at this time due to financial and other considerations. Accordingly, the Delivery Plan focuses on areas of greatest short-term opportunity.
- 2.2.2. The Delivery Plan is based on the foundations of existing activity and progress. The Council will continue to build on current and use these to spearhead further work, while also exploring ways in which it can link and expand these programmes, all of which are recognised as potential key contributors to the delivery of the Edinburgh LHEES. The Delivery Plan takes a programmatic approach to delivery where the Council has highlighted the aspiration to establish an “LHEES Office” providing various types of support to facilitate delivery, including bringing stakeholders together to align efforts.

- 2.2.3. The Delivery Plan outlines a potential pathway for upscaling activity, beginning with preparation and organisation, followed by a phase of learning and piloting approaches before activity can be scaled up with confidence as resources permit. This is also realistically aligned with supply chain capacity due to challenges to the delivery of large-scale schemes such as a lack of skilled workforce, but it can grow to support activity with time.
- 2.2.4. At the time of writing, no new funding has been made available for the delivery of the Edinburgh LHEES, other than an annual allocation of £75,000 (which it is envisaged will largely be utilised for overheads as well as for the preparation of the second iteration of the Edinburgh LHEES). Further, many of the existing key funding streams are not confirmed to continue beyond the end of the current parliamentary term in 2026. Additionally, at the time of writing, the Green Heat Finance Taskforce – charged with developing “a portfolio of innovative financial solutions for building owners in Scotland” – had not yet published any recommendations. The statutory timescales for the preparation of the Edinburgh LHEES and Delivery Plan also preclude alignment with the Council’s budgetary process. As a result, actions set out in the Delivery Plan are restricted to areas where there is greatest certainty over funding. However, the Delivery Plan identifies where additional activity could be taken forward should the appropriate resources and powers be made available to the Council.
- 2.2.5. The actions in the Delivery Plan overlap to some degree with those set out in the Council’s 2030 Climate Strategy. However, the Climate Strategy has a wider and more strategic focus, whereas the Delivery Plan focuses on actions concerning heat decarbonisation and energy efficiency that are judged to be able to be taken forward during the Delivery Plan period.

## 2.3. Content of the Delivery Plan

- 2.3.1. The Delivery Plan sets out a proposed programmatic approach to implementing the Edinburgh LHEES. It outlines the concept of an “LHEES Office” – a dedicated project management office – as the vehicle for coordinating delivery.
- 2.3.2. The Delivery Plan draws together a portfolio of projects in Edinburgh across the themes of heat decarbonisation and energy efficiency that the Council considers are capable of being delivered, or at least progressed, over the period 2024 to 2028. Given the limited budget available for the delivery of the Edinburgh LHEES at this time, coupled with the still evolving regulatory regime, new projects are restricted to those where there is greatest certainty around the ability to progress them in the current context.
- 2.3.3. The Delivery Plan sets out Delivery Areas: areas that are proposed to be the focus of interventions. These interventions, and the related Delivery Areas, are aligned to three thematic areas aligned to the two main national priorities of net zero and fuel poverty: improving energy efficiency in areas with the greatest risk of fuel poverty; piloting works to heat pump-ready homes; and rolling-out heat networks across Edinburgh.
- 2.3.4. The Delivery Plan also identifies the funding resources that are judged to be relevant to the delivery, albeit while noting that these are not regarded as being adequate to support the scale of interventions required, and while noting the limitations of a grant funding approach.

## 2.4. Future of the Delivery Plan

- 2.4.1. The Delivery Plan covers the period 2024 to 2028 in line with the statutory timescales set out in The Local Heat and Energy Efficiency Strategies (Scotland) Order 2022. However, it is recognised that, given the ongoing flux in terms of policies and regulations around energy

efficiency and heat decarbonisation, coupled with uncertainty about the longer-term funding landscape, updates to the Delivery Plan will likely be required prior to 2028.

- **ACTION 01: Update and revise the Delivery Plan as required.**

2.4.2. The Edinburgh LHEES and Delivery Plan have initially been published as static documents. However, the scope for (and benefits of) displaying the maps and outputs in a more interactive fashion, for example utilising GIS or StoryMaps, is recognised.

- **ACTION 02: Publish the outputs from the Edinburgh LHEES and Delivery Plan in a map-based format.**
- **ACTION 03: Integrate data from the Edinburgh LHEES with other Council datasets.**

2.4.3. In line with the statutory timescales set out in The Local Heat and Energy Efficiency Strategies (Scotland) Order 2022, a second iteration of the Edinburgh LHEES and the Delivery Plan will require to be formally published within five years of the first iteration.

- **ACTION 04: Publish a second iteration of the Edinburgh LHEES and the Delivery Plan by the statutory deadline of December 2028.**

## 3. Delivery mechanism

### 3.1. A programmatic approach

- 3.1.1. For the Edinburgh LHEES to be delivered, the Council’s aspiration is to develop an “LHEES Office”: a well-equipped and well-resourced programme management office. As a priority, the Council will seek support from the Scottish Government to enable the full establishment of an LHEES Office. Without support, much of the ambition around the Edinburgh LHEES will remain aspirational with the Council only able to take on limited additional activity.
- 3.1.2. The LHEES Office is envisaged as overseeing further analysis, planning, and implementation of projects in Delivery Areas and Heat Network Zones. It will leverage the expertise of multiple Council service areas and external stakeholders to deliver holistic area-based interventions, supporting property owners to incentivise and encourage retrofit.
- 3.1.3. At present, the Council has appointed an Energy Officer dedicated to taking forward the Edinburgh LHEES and Delivery Plan. This officer will administer the £75,000 of annual funding committed from the Scottish Government until 2027/28. At present, this capacity and resource represents the entirety of the LHEES Office (potentially supplemented by the work of other Council officers and a modest financial contribution from existing Council budgets). However, coordinating the delivery of a programme of the scale in question will require significant additional capacity in terms of dedicated personnel and budget.
- 3.1.4. The below sections set out the Council’s vision for how the LHEES Office would optimally be set-up and how it would operate. Again, it is noted that, without the necessary resources, the capacity of the LHEES Office will be greatly reduced.
- **ACTION 05: Establish an LHEES Office on a skeleton basis.**
  - **ACTION 06: Engage with the Scottish Government around the case for revenue funding for the full establishment of an LHEES Office.**

#### Operating model

- 3.1.5. The LHEES Office will require an appropriate operating model to enable operational efficiency and capability to delivery.
- 3.1.6. The Council will establish a clear cross-service operating model with the roles and responsibilities of officers within the LHEES Office, as well as those who will collaborate with the LHEES Office. This includes reporting, governance, working arrangements, and cross-programme relationships.
- 3.1.7. The LHEES Office will lead on the delivery of the Edinburgh LHEES as resources permit. It will also manage and refresh the datasets and plans underpinning the Edinburgh LHEES.
- 3.1.8. Overall responsibility for the delivery of the Edinburgh LHEES will rest with a member of the Council’s senior management team, ultimately falling within the remit of the Council’s Policy and Sustainability Committee which will agree progress reporting cadence and content.
- **ACTION 07: Develop appropriate governance structures for the delivery, monitoring, and evaluation of the Edinburgh LHEES and Delivery Plan.**
  - **ACTION 08: Assess the potential role of Energy for Edinburgh Limited – the Council’s energy services company – as part of the LHEES Office.**

## Stakeholder engagement and communication

- 3.1.9. The Edinburgh LHEES identifies key stakeholders relevant to delivery. The LHEES Office will develop this into a stakeholder engagement programme which entails the following:
- Keeping the stakeholder mapping work updated.
  - Establishing clear working relationships with key external stakeholders, including putting in place memoranda of understanding, data sharing agreements, and other protocols where required.
  - In particular, the Council will seek to strengthen its links with SP Energy Networks in relation to the Edinburgh LHEES delivery. This will involve further engagement and planning in relation to the Delivery Areas and Heat Network Zones. The Council will aim to both positively influence decisions taken by SP Energy Networks while amending the Delivery Plan to reflect constraints highlighted by SP Energy Networks.
  - Developing a stakeholder engagement plan with reference to the relevant Delivery Areas and/or Heat Network Zones.
- 3.1.10. The ambition of the LHEES Office is to enable all relevant stakeholders to be involved in the delivery of the Edinburgh LHEES and promote the achievement of its targets. The stakeholder engagement initiative will aim to establish a two-way communication channel to promote active involvement of stakeholders.
- 3.1.11. Concepts such as heat pumps, heat networks, and building retrofit are not always well understood by people not involved in these spheres. To gain buy-in from residents and organisations, consistent, simple, and factual messaging about topics surrounding the Edinburgh LHEES is essential. The LHEES Office will be well-placed to deliver a communications programme at area-wide and city-wide levels to raise awareness of the topics, educate about options and actions, and encourage action.
- **ACTION 09: Maintain an up-to-date register of key stakeholders.**
  - **ACTION 10: Establish and/or develop relationships with key stakeholders.**
  - **ACTION 11: Develop a stakeholder engagement plan.**
  - **ACTION 12: Develop proposals for communications activity around the Edinburgh LHEES.**

## Procurement and supply chain

- 3.1.12. One of the main barriers to the delivery of the Edinburgh LHEES is the shortage of suppliers with the necessary skills, for example tradespersons qualified to install and maintain heat pumps. This issue is faced by most types of projects across tenures and building types. Resolving this will require concerted national action. However, the Council can play a supportive role, including delivering training, re-skilling, and apprenticeship schemes and supporting consumer confidence via schemes such as Trusted Traders. There may also be scope for the Council to develop demand aggregation programmes which allow property owners to procure high-quality and standard-driven work at a more competitive price. Taking action in this area will not only aid in delivering the Edinburgh LHEES, but will also stimulate the local economy via job creation, upskilling, and the emergence of new sectors.

- **ACTION 13: Produce a People Strategy and Strategic Workforce Plan to support the recruitment, retention, and development/training of staff for delivery of retrofit works.**
- **ACTION 14: Conduct an audit of the market in Edinburgh in terms of heat pump installers.**
- **ACTION 15: Engage with Scottish Enterprise around the scope to stage “meet the buyer” events to stimulate the supply chain for zero direct emissions heating solutions.**
- **ACTION 16: Assess the scope to pilot demand aggregation schemes for retrofit works.**

### Funding and investment

- 3.1.13. Existing interventions around energy efficiency are heavily focused on areas of need, e.g. low income households at risk of fuel poverty. These households can in many cases access extensive grant funding. However, available pots of grant funding will not be capable of funding retrofit works to all homes in Edinburgh in the timescales in question. It is anticipated that delivering these will require developing new financial models, likely entailing upfront funding of works by institutional funders with repayment being made from savings on heating bills.
- 3.1.14. The current finance landscape limits property owners’ options and is not convenient. Financing a retrofit is still significantly more complex than many other similarly priced endeavour (e.g. financing a car) and can often be more complicated than securing a mortgage. This is due to many issues, including the structure and application processes of existing grant and loan schemes and a lack of well-designed private finance products, e.g. Heat as a Service (HaaS) / Comfort as a Service (Caas) and other innovative models that have proven successful elsewhere in the world. It is anticipated that the outputs of the Green Heat Finance Taskforce will inform the development of these models that address these challenges. However, the Council also recognises there might be a role it can play to better facilitate finance access for property owners. For example, the Council may hold forums with private investors to help them shape and target their products based on the focus of the Edinburgh LHEES. The Council will invite engagement from potential investors to generate interest. In time, the Council will aim to present investible heat network opportunities into the market. It is not yet clear what model or shape these will take, but this clarity will be provided to develop certainty and investor confidence in the market.
- **ACTION 17: Maintain a watching brief on the outputs of the Green Heat Finance Taskforce.**
  - **ACTION 18: Engage with financial providers with a presence in Edinburgh to better understand their products with respect to retrofit and energy efficiency, for example green mortgages.<sup>1</sup>**
  - **ACTION 19: Engage with potential investors to help them understand the nature and scale of opportunity associated with the Edinburgh LHEES.**

---

<sup>1</sup> Preferential mortgage terms offered on homes with greater energy efficiency.



- **ACTION 20: Engage with Home Energy Scotland, Business Energy Scotland, and Local Energy Scotland to identify opportunities to jointly increase awareness in Edinburgh of the advice and resources these services can offer.**

3.1.15. For the Council itself, a key challenge is that much of the funding available to it is available on a grant funding basis. While welcome, these pots of money are generally time bound and ring fenced, and require significant work in terms of applications. This is not conducive to a programme approach to delivering the Edinburgh LHEES. Accordingly, the Council would wish to explore a move away from pots of grant funding towards an approach that provides the Council with greater certainty over long-term income streams, potentially on a contractual basis with the Council entering into a long-term funding agreement with the Scottish Government that would enable it to draw down funding on the basis of agreed results.<sup>2</sup>

- **ACTION 21: Engage with the Scottish Government around the scope to migrate capital funding for Council projects away from grants towards a contractual model providing greater certainty.**

## 3.2. Heat network delivery programme

### Approach to heat network delivery

- 3.2.1. Supporting the delivery of an Edinburgh-wide heat network (or “network of networks”) is a major ambition which will require significant ongoing resource, including technical skills the Council currently does not have, or only has to a limited degree. To achieve this ambition, it is envisaged that the LHEES Office would require officers who have skills and experience matching the complexity and scale of the undertaking. Developing a heat network is a major infrastructure investment, and delivering a city-wide heat network is akin to delivering a new city-wide transportation or utility system.
- 3.2.2. It is noted that the development of the Granton Waterfront heat network project – the most advanced of the heat network projects the Council is currently involved with – has taken several years, necessitated significant time inputs from six Council officers, and entailed approximately £300,000 of expenditure on technical and feasibility studies, design works, and business cases. While in the case of the Granton Waterfront heat network project these inputs have largely been able to be met from the resources of the wider Granton Waterfront programme team, it will not be possible to replicate this approach for all other Heat Network Zones identified in the Delivery Plan. Further, it is noted that the Granton Waterfront heat network is being delivered using a concession model; an alternative model wherein the Council played a more direct role would have still higher costs.
- 3.2.3. The LHEES Office will approach the heat network delivery programme in two phases.
- Phase 1: Heat network delivery framework**
- 3.2.4. The first phase will involve the development of a detailed framework for the heat network delivery programme, taking forward the work of the Edinburgh LHEES and this Delivery Plan. The purpose will be to establish a long-term plan and approach for rolling out heat networks. This will inform the set-up of the programme by addressing the following:
- An options appraisal of delivery models and vehicles for supporting the roll-out of heat networks in Edinburgh.

---

<sup>2</sup> The Green Growth Accelerator is considered to be an interesting model in this respect.

- A feasibility review of the prospective Heat Network Zones identified in the Edinburgh LHEES using a transparent and effective appraisal:
  - Gathering real-world consumption data via engagement with heat off-takers and anchor load operators.
  - Establishing a real picture of heat supply profile by engaging with waste heat site operators, Scottish Water Horizons, The Coal Authority, and other suppliers.
  - Accounting for electricity grid upgrades and location of energy centres.
  - Projecting future energy demand profiles, in particular vis-à-vis anchor loads.
  - Thoroughly assessing all constraints on the Heat Network Zone.
  - Develop an overall view of the investment proposition.
- Using the information gathered via the preceding points, refine the prospective Heat Network Zones into final Heat Network Zones, ensuring a balanced distribution of risk and opportunity.
- Develop a customer charter covering all heat networks in Edinburgh that outlines a set of principles that any customer in Edinburgh connected to a heat network should be able to expect.
- **ACTION 22: Develop the heat network delivery framework as resources permit.**

#### Phase 2: Heat network delivery programme

3.2.5. The second phase will involve the set-up of the heat network delivery programme as per the recommendations of the framework. However, there are some aspects of the programme which can be considered without the masterplan. It is proposed the heat network delivery programme will see the LHEES Office:

- Lead on all policies relating to heat networks.
- Establish close working relationships with various Council services to support heat network delivery or connections (e.g. Planning, Housing, Operational Property, etc).
- Establish relationships with external stakeholders (in particular the Heat Network Support Unit, SP Energy Networks, and registered social landlords) to gain and/or provide the appropriate support.
- Lead on the ambition to roll-out the Edinburgh-wide heat network according to the delivery model outlined in the masterplan, and promote and monitor the delivery of heat networks in Edinburgh.
- Seek to ensure proper execution and delivery of heat networks, such as the enforcement of the customer charter developed as part of the masterplan.
- Work to embed the delivery of heat networks with other initiatives within the wider Edinburgh LHEES programme.
- Act as a neutral liaison between heat suppliers and heat off-takers.
- Fulfilling the Council's responsibilities as set out in the Heat Network (Scotland) Act 2021, including:
  - The overall regulatory compliance function (where it has been delegated from the Scottish Government).

- Managing the lodgement of Building Assessment Reports, and using these to feed into heat network delivery.
    - Supporting the formal designation of Heat Network Zones.
    - Administering the consenting regime for heat networks.
  - Initiate and deliver, or support, pre-capital feasibility studies, outline business cases, and commercialisation activities for each Heat Network Zone to de-risk and attract investment.
- 3.2.6. It is reiterated that the above will largely not be possible without significant additional resources.
- **ACTION 23: Develop the heat network delivery programme as resources permit.**

## 4. Portfolio of projects

### 4.1. Approach to projects

- 4.1.1. This section of the Delivery Plan introduces a portfolio of projects that could potentially be delivered, or at least initiated/progressed, during the Delivery Plan period (2024 to 2028), subject to the necessary resources and powers being available.
- 4.1.2. The Delivery Plan has identified eight Delivery Areas on the theme of energy efficiency; 10 Delivery Areas on the theme of transition to heat pumps; and a further 17 prospective Heat Network Zones: a total of 35 Delivery Areas and Heat Network Zones, each representing an existing or potential project.

### 4.2. Background to Delivery Areas (and Heat Network Zones)

- 4.2.1. The Council has identified three forms of Delivery Area (and Heat Network Zone):
- Areas targeting households in high level of fuel poverty and the 20% most deprived areas as per the Scottish Index of Multiple Deprivation. These are the areas of greatest need in terms of fuel poverty/deprivation, and so are a natural area to focus interventions aimed at improving energy efficiency (and thus reducing heating costs). These Delivery Areas could form the basis of retrofits to the Council's own housing stock, delivery of the Mixed Tenure Improvement Service, the delivery of Area-Based Schemes, and other measures.
  - Areas with the largest numbers of homes (both on-gas grid and off-gas grid) that that are "heat pump ready". These areas represent potential "quick wins" in terms of heat decarbonisation and potential launchpads to build further momentum. These Delivery Areas could form the basis of retrofits to the Council's own housing stock and support for other owners to install heat pumps.<sup>3</sup>
  - Prospective Heat Network Zones: these are the areas of Edinburgh identified as having greatest potential for the development of heat networks.<sup>4</sup>

---

<sup>3</sup> The category 1 'heat pump ready' delivery areas were developed GIS techniques to generate potential areas by using the same indicators and weightings used in the development of outputs in the Edinburgh LHEES. The databases used to generate the maps are Home Analytics, Non-Domestic Analytics, and the Address Gazetteer data, depending on the type of property (domestic, non-domestic, mixed use). This consisted of using the postcode level domestic database (Home Analytics) property counts to generate heat maps. The maps are generated by using the property counts to create a continuous 100 metre × 100 metre grid defining areas of high density of different properties. Zones of high concentration were defined by using a 2× standard deviation method. This means that, when a value falls outside 2× the standard deviation of a cluster, the boundary is defined at the limit of that grid cell.

<sup>4</sup> An initial range of potential Heat Network Zones was identified using linear heat density and the radii-buffering approach. A filter was then applied to identify zones with a threshold number of anchor loads to indicate likely heat network viability. Drawing from these prioritised potential zones, the appropriate scale of zones was defined manually using different criteria such as the characteristic of the area (dense urban, urban, suburban). Thereafter, development proposals, planned heat networks, and constraints in parallel with stakeholder engagement were used to refine the selected prioritised zones; this information was used to combine zones, expand the boundaries of zones to account for opportunities in near proximity, or split zones where the development of a single heat network was deemed technically difficult. Finally, the zones were divided with the aim of creating zones with common characteristics based on knowledge of the local area and building typology. These form the prospective Heat Network Zones.

- 4.2.2. The Delivery Areas were developed in consultation with the Council’s Housing & Homelessness service which already manages a substantial programme of social housing retrofits, Mixed Tenure Improvement Service retrofits, and Area-Based Schemes.
- 4.2.3. It is expected that the Delivery Areas will continue to undergo an iterative process which updates them on an ongoing basis, reflecting shifting priorities and policies, ongoing stakeholder engagement, new local knowledge and changing scope of possibilities. Any adjustments to the Delivery Areas will be addressed within the aforementioned updates to the Delivery Plan.
- 4.2.4. An overview plan of the 35 Delivery Areas and Heat Network Zones is set out in [section 5.1](#). It is noted that there is some overlap between the Heat Network Zones and the heat pump Delivery Areas, i.e. in the locations in question both heat networks and heat pumps are identified as potential solutions. In these situations, decisions will be needed on a case-by-case basis as to which is the optimal solution. Under the fifth generation heat network model, homes with exiting heat pumps could potentially be integrated into heat networks as “prosumers”: both supplying and consuming heat to/from the heat network.

### 4.3. Energy efficiency Delivery Areas

- 4.3.1. The eight Delivery Areas on the theme of energy efficiency (in relation to fuel poverty) are summarised in the below table, which sets out the number of homes within each Delivery Area, the average cost of the retrofit works, and the savings these works could be expected to deliver in terms of both heating bills (via reduced usage) and CO<sub>2</sub> emissions.
- 4.3.2. It is noted that these costs are based on the Energy Saving Trust’s Portfolio Energy Analysis Tool (PEAT) in line with the LHEES Methodology. The Council’s experience is that actual costs are likely to be significantly higher, suggesting the PEAT cost data may not be robust.

**Table 01: Energy efficiency Delivery Areas**

#	Name	Homes	Average retrofit cost	Average annual bill savings	Average annual CO <sub>2</sub> savings (kg)
01	Restalrig & Lochend	2,147	£8,389	£293.03	730.38
02	Bingham & Magdalene	1,575	£13,000	£327.04	1,510
03	Restalrig & Craigentenny	810	£5,557	£221.45	546.73
04	The Calders	1,456	£5,319	£206.25	415.94
05	Granton, Wardieburn & Royston	2,041	£5,028	£169.27	415.4
06	Niddrie & Craigmillar	3,005	£8,113	£195.75	821.55
07	Clovenstone & Wester Hailes	1,393	£6,862	£180.30	611.38
08	Muirhouse	2,427	£7,439	£245.24	668.94

- 4.3.3. A cursory comparison of the bill savings with the retrofit costs indicates that the interventions will not pay for themselves, and therefore these interventions would likely require to be partly or wholly subsidised.
- 4.3.4. The Council currently has three interrelated programmes for improving the energy efficiency of homes in Edinburgh:

- The Whole House Retrofit (WHR) programme of works to the Council’s own high-rise housing estate, aimed at bringing homes in line with the Energy Efficiency Standard for Social Housing (ESSH2) via a fabric-first approach.
- The Area-Based Scheme (ABS) programme of works to mixed tenure blocks including private homes at risk of fuel poverty.
- The Mixed Tenure Improvement Service (MTIS) pilot programme of area-based works to low-rise blocks containing a mix of Council-owned and privately-owned homes.

4.3.5. The eight energy efficiency Delivery Areas are proposed to be areas of focus for interventions under the above programmes over the course of the Delivery Plan period, utilising existing Council resources as well as external funding opportunities such as the Social Housing Net Zero Heat Fund. The Delivery Areas include multiple datazones ranked in the 10% most deprived as of the 2020 Scottish Index of Multiple Deprivation (SIMD). Council ownership of homes within the Delivery Areas ranges from 21% to 56%, meaning the Council will require to work closely with owner-occupiers, private landlords, and housing associations to plan and deliver the interventions.

- **ACTION 24: Identify and progress retrofit projects for the energy efficiency Delivery Areas.**
- **ACTION 25: Produce a Retrofitting Strategy to steer the retrofit of the Council’s housing estate.**
- **ACTION 26: Make the case to Scottish Government for additional resources to support the WHR programme, MTIS programme, and other retrofit works.**
- **ACTION 27: Maintain a watching brief on the ESSH2 review.**

## 4.4. Heat pump Delivery Areas

4.4.1. The eight Delivery Areas on the theme of heat pumps (as a route to heat decarbonisation) are summarised in the below table. The table sets out the number of homes within each Delivery Area, the average cost of the retrofit works, and the projected savings these works could be expected to deliver in terms of both heating bills (via reduced usage) and CO<sub>2</sub> emissions.

**Table 02: Heat pump Delivery Areas**

#	Name	Homes	Average retrofit cost	Average annual bill savings	Average annual CO <sub>2</sub> savings (kg)
09	Lochend Butterfly Way	971	£631	£17.10	67.26
10	Waterfront Park	752	£915	£16.07	88.73
11	Robertson Avenue	685	£2,204	£44.19	129.9
12	Fountainbridge	684	£804	£17.73	45.68
13	Oxgangs Avenue	668	£4,622	£120.43	409.64
14	West Pilton Grove	106	£4,337	£223.55	244.86
15	Craigour Place	86	£4,300	£212.71	234.12
16	Elgin Street	79	£3,794	£134.25	147.52

#	Name	Homes	Average retrofit cost	Average annual bill savings	Average annual CO <sub>2</sub> savings (kg)
17	Morrison Crescent	73	£4,086	£149.89	149.48
18	Craighouse Gardens	69	£4,042	£193.54	196.13

- 4.4.2. The 10 above areas represent clusters of homes with the greatest potential to migrate to heat pumps, as the homes in question are generally well suited to heat pumps with limited retrofit required.
- 4.4.3. The scope for interventions in these 10 Delivery Areas at this time is less clear than in the prior eight Delivery Areas. The Council does not consider that the conditions to support a large-scale roll out of heat pumps in Edinburgh are in place at this time. Challenges include:
- The existing electricity price regime, which in many cases makes heat pumps unattractive relative to gas from a running cost perspective.
  - The ability of households to continue to choose gas boilers (with the most recent date quoted for a ban on the installation of replacement boilers being 2035).
  - Limited capacity in the market for the supply, installation, and maintenance of heat pumps.
  - Pressures on the electricity grid.
  - The need for extensive retrofit to many properties to make heat pumps a functional solution, including the need to put in place a hot water solution.
  - A general lack of awareness of heat pumps amongst residents.
- 4.4.4. Notwithstanding the above, there may be scope to take forward pilot / demonstrator projects in the Delivery Areas aimed at developing a workable model for rolling-out heat pump retrofit whilst raising awareness and interest. A key consideration will be the ability of the electricity grid to accommodate the heat pumps.
- **ACTION 28: Assess the scale of any upgrades required for the electricity grid to be able to accommodate heat pumps in the Delivery Areas.**
  - **ACTION 29: Assess the scope to offset the running costs of heat pumps within the Delivery Areas via the installation of solar panels.**
- 4.4.5. For homes in Council ownership, the Council is well placed to carry out interventions, and resources such as the Social Housing Net Zero Heat Fund would help offset the capital costs of these. However, consideration would need to be given to disruption to tenants, impacts on heating bills, and the working life of the existing heating solution.
- **ACTION 30: Assess the scope for heat pump retrofit pilot projects on Council-owned homes within the Delivery Areas.**
- 4.4.6. For homes not in Council ownership, the ability of the Council to act is extremely limited. The Council cannot compel other property owners to switch to heat pumps, and the decision on which heating solution they wish to employ rests with them. The Council must also be cautious about advising other property owners to convert to heat pumps where this could result in higher heating bills and/or reduced comfort, i.e. the Council cannot endorse heat pumps without a full understanding of the specific situation. Further consideration as to how

these Delivery Areas are progressed is required. Home Energy Scotland is a key stakeholder in this respect given its role in providing advice and funding to households.

- **ACTION 31: Engage with Home Energy Scotland to discuss the scope for instigating heat pump retrofit projects on homes owned by third parties within the Delivery Areas.**

4.4.7. With respect to a wider scale roll-out of heat pumps, it is considered that the Council will require to wait until such time as national policy decisions have been taken that make transition to heat pumps more viable.

- **ACTION 32: Maintain a watching brief on the ban of replacement gas boilers.**
- **ACTION 33: Maintain a watching brief on the electricity pricing regime in view of the UK Government pledge to “rebalance” gas and electricity costs.**

4.4.8. The role of the Council with respect to each Delivery Area will depend upon a number of considerations, most significantly the extent of Council ownership. Further information is set out in [Chapter 5](#).

## 4.5. Prospective Heat Network Zones

4.5.1. The Edinburgh LHEES identifies the areas of Edinburgh assessed as having the greatest potential for the roll-out of heat networks. 17 prospective Heat Network Zones have been identified, representing a combined demand of 3,404,609 megawatt hours per annum. The prospective Heat Network Zones are summarised in the below table:

**Table 03: Prospective Heat Network Zones**

ID	Name	Screening criteria	Annual heat demand (MWh / year)	Anchor loads
01	New Town	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	112,025	37
02	Leith Walk	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / meter / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	439,127	43
03	Old Town & Southside	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	706,174	149
04	Gorgie & Dalry	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	630,021	14
05	Craighleith	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	287,103	33
06	Granton	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	190,383	26
07	Leith	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: <math>\geq 2</math></li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	119,369	32



ID	Name	Screening criteria	Annual heat demand (MWh / year)	Anchor loads
08	Portobello & Seafield	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: ≥ 2</li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	88,143	10
09	Morningside	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: ≥ 2</li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	283,938	17
10	South East Edinburgh	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: ≥ 2</li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	187,528	38
11	Colinton Mains	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: ≥ 2</li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	11,675	5
12	South West Edinburgh	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: ≥ 2</li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	119,474	27
13	Heriot-Watt	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: ≥ 2</li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	68,751	17
14	Sighthill & Gyle	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: ≥ 2</li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	138,136	45
15	Ingliston	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: ≥ 2</li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	90,287	34
16	South Queensferry	<ul style="list-style-type: none"> <li>▪ LHD level: 4,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: ≥ 2</li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	75,742	8
17	Second New Town	<ul style="list-style-type: none"> <li>▪ LHD level: 8,000 kWh / metre / year</li> <li>▪ LHD anchor load prioritisation count: ≥ 2</li> <li>▪ Anchor load definition: 500 MWh / year</li> </ul>	185,446	10

- 4.5.2. There are live heat network projects in various stages of development in several of the 17 prospective Heat Network Zones. These include 06: Granton (being led upon by the City of Edinburgh Council); 12: South East Edinburgh (being led upon by Midlothian Energy Limited); and 15: Ingliston (being led upon by Edinburgh Airport).
- 4.5.3. The prospective Heat Network Zones are proposed to form the basis of statutory Heat Network Zones as designated in line with the Heat Networks (Scotland) Act 2021 (“the Act”). The statutory Heat Network Zones will in turn underpin the permitting regime being developed by the Scottish Government, which will offer exclusivity to heat network operators.
- 4.5.4. The Council essentially has three separate (but intersecting) roles with regards to the roll-out of heat networks in Edinburgh, as set out below.
- 4.5.5. Firstly, in its capacity as the local authority for Edinburgh, the Council is under a duty to review and designate Heat Network Zones as set out in the Act and the Heat Networks (Heat Network Zones and Building Assessment Reports) (Scotland) Regulations 2023 “(the

Regulations)”. The Act also places a duty on the Council to receive copies of Building Assessment Reports for buildings in Edinburgh. Additionally, the Council has agreed to make an application to the Scottish Government to be designated the Consent Authority for Edinburgh in line with the Act.

- **ACTION 34: Publish a Heat Network Zone review statement in line with legislation to support the designation of statutory Heat Network Zones.**
- **ACTION 35: Engage with neighbouring local authorities around the scope for cross-boundary Heat Network Zones.**
- **ACTION 36: Prepare a Strategic Environmental Assessment to support the review statement.**
- **ACTION 37: Work with the Scottish Government to develop a consenting regime for Edinburgh, including making a case for fees for heat network consents being set on a full cost recovery basis and for provision to be made for developer contributions.**
- **ACTION 38: Compile data from Building Assessment Reports received by the Council and develop a process for sharing these with prospective developers.**
- **ACTION 39: Engage with the Scottish Government around the strategy for resourcing the costs associated with the Council’s duties under the Heat Networks (Scotland) Act 2021.**
- **ACTION 40: Publish, consult on, and adopt updates to the Edinburgh Design Guidance containing information relating to the development of heat networks.**
- **ACTION 41: Seek to coordinate excavation works for heat networks with other utility works, travel infrastructure works, and other relevant works to maximise efficiencies and minimise disruption.**
- **ACTION 42: Participate in the Danish-Scottish District Heating Mentoring Programme.**

4.5.6. Secondly, as one of Edinburgh’s largest property owners, the Council is itself a major consumer of heat. Given this, the Council could potentially help make heat network developments eligible via its buildings acting as anchor loads. The preparation of Building Assessment Reports for all Council-owned buildings with a demand of 73 megawatt hours per year or greater will inform where the Council’s estate has the greatest potential to play a catalytic role.

- **ACTION 43: Prepare Building Assessment Reports for all eligible Council buildings.**

4.5.7. Thirdly, in line with its target to make Edinburgh a net zero city by 2030, the Council has a potential role in supporting the roll-out of heat networks in Edinburgh, as well as in supporting the overhauling of existing heat networks to become zero direct emissions. The specific role of the Council with respect to each Heat Network Zone will depend upon a number of considerations, most significantly the extent of Council ownership (further information on each Heat Network Zone is set out in [Chapter 5](#)).

- **ACTION 44: Appoint a concessionaire to deliver the Granton Waterfront heat network.**
- **ACTION 45: Produce a business case looking at the scope to connect Council buildings to a proposed southeast Edinburgh heat network.**
- **ACTION 46: Identify a preferred model for supporting the roll-out of future Council-led heat networks in Edinburgh.**

- **ACTION 47:** Develop a business case looking at the scope for Energy for Edinburgh Limited to deliver heat network projects on a joint venture approach, to include exploration of embedding cooperative principles and community wealth building.
- **ACTION 48:** Develop and support proposals for heat networks in further Heat Network Zones where resources permit.
- **ACTION 49:** Promote the integration of heat network suitability analysis with all new construction and development proposals.
- **ACTION 50:** Develop a more detailed database of existing heat networks in Edinburgh and engage with operators around their future plans in terms of overhaul and/or expansion and/or integration into/with other existing or new heat networks.
- **ACTION 51:** Maintain a watching brief on proposals for mandatory connections to heat networks.

## 4.6. Other projects

4.6.1. This section of the Delivery Plans sets out various projects that do not sit within specific Delivery Areas, but which form part of the delivery of the Edinburgh LHEES.

### High-rise housing retrofit

4.6.2. The Council plans to retrofit the 50 high-rise housing blocks in Edinburgh in which it has an interest over the next 10-15 years. It is anticipated that design and development for each block will take approximately 12 months, with a subsequent construction period of approximately 12–24 months. The Council aims to have up to four projects in design and development and a further four projects under construction at any given time. An indicative programme for the first tranche of high-rise housing blocks over the course of the Delivery Plan period is set out in the below table.

**Table 04: Indicative high-rise housing retrofit programme**

Block	Homes	Design and development	Construction
Craigmillar Court	57	2022/23	2023/24
Peffermill Court	57	2022/23	2023/24
Oxcars Court	76	2022/23	2023/24
Inchmickery Court	75	2022/23	2023/24
Cables Wynd House	212	2023/24	2024/25
Linksvie House	95	2023/24	2024/25
Marytree House	91	2023/24	2024/25
Moncrieffe House	91	2023/24	2024/25
Moredun House	91	2023/24	2024/25
Castlevie House	91	2023/24	2025/26
Forteviot House	91	2023/24	2025/26
Little France House	91	2023/24	2025/26
Inchcolm Court	60	2024/25	2025/26

Block	Homes	Design and development	Construction
Inchgarvie Court	60	2024/25	2025/26
Restalrig House	76	2025/26	2026/27
Lochend House	76	2025/26	2026/27
Green dykes House	86	2025/26	2026/27
Wauchope House	86	2025/26	2026/27
Birnies Court	56	2026/27	2027/28
Fidra Court	56	2026/27	2027/28
Hawkhill Court	85	2026/27	2027/28
Nisbett Court	85	2026/27	2027/28
Cobbinshaw House	136	2027/28	2028/29
Dunsyre House	136	2027/28	2028/29
Medwin House	136	2027/28	2029/30
Kilncroft	87	2027/28	2028/29
Drovers Bank	87	2027/28	2028/29
Midcairn	86	2027/28	2029/30
Inchkeith Court	60	2028/29	2029/30
Northview Court	61	2028/29	2029/30

- **ACTION 52: Deliver a programme of retrofit works to the first tranche of high-rise housing blocks in Edinburgh, beginning with Craigmillar Court and Peffermill Court, followed by Inchmickery Court and Oxcars Court.**

#### Non-domestic property retrofit

4.6.3. The information base on non-domestic buildings in Edinburgh is much more limited than for homes, and accordingly fewer projects targeting this segment have been identified at this time. It is anticipated that the Heat in Buildings Bill, which is expected to set mandatory standards for non-domestic buildings in terms of energy efficiency, will shape future action in this area.

- **ACTION 53: Deliver the Enerphit-informed retrofit pilot of Council operational buildings.**
- **ACTION 54: Prepare improvement plans to identify the necessary measures to improve the sustainability of the Council's Investment portfolio.**
- **ACTION 55: Prepare a schedule of 100 of the most complex non-domestic buildings in Edinburgh and engage with owners about future plans for each.**
- **ACTION 56: Participate in the consultation on the Heat in Buildings Bill.**

#### Historic buildings

4.6.4. As set out in the Edinburgh LHEES, the prevalence of historic buildings in Edinburgh is one of the major challenges to delivery. The Strategic Zone plans set out in the Edinburgh LHEES

indicate that this historicity is one of the major drivers of poor energy efficiency in Edinburgh.

- **ACTION 57: Work with Edinburgh World Heritage to take forward a pilot project looking at a whole house retrofit approach to “hard-to-treat” historic homes.**
- **ACTION 58: Maintain a watching brief on work by the Edinburgh Climate Change Institute to develop building archetypes to inform retrofit.**
- **ACTION 59: Engage with the Scottish Government around the scope to amend the Tenements (Scotland) Act 2004 to make it easier for residents to agree to instruct energy efficiency upgrades and changes to heating systems within tenements.**
- **ACTION 60: Work with Edinburgh World Heritage, Historic Environment Scotland, and the University of Edinburgh to consider how to effectively communicate the information on the net zero retrofit of historical properties to the public.**
- **ACTION 61: Publish a refreshed version of the “Guidance for Listed Buildings and Conservation Areas”, including a specific focus on net zero retrofit works.**

### Green heat

4.6.5. The decarbonisation of heat in Edinburgh will require identifying a myriad of heat sources that are alternatives to gas and other fossil fuels. Work can be progressed to increase understanding of opportunities for green heat (and, where relevant, green power).

- **ACTION 62: Support work by the City Heat & Energy Partnership to develop a city-wide Heat and Energy Masterplan.**
- **ACTION 63: Further develop the ParkPower project looking at the potential to export heat from green and blue spaces in Edinburgh.**
- **ACTION 64: Engage with waste heat sources in Edinburgh to improve understanding of the scope to utilise their waste heat for heating buildings.**
- **ACTION 65: Engage with Scottish Water Horizons to improve understanding of the scope to utilise wastewater heat for heating buildings.**
- **ACTION 66: Engage with The Coal Authority to improve understanding of the scope to utilise mine water for heating buildings (and heat storage).**
- **ACTION 67: Explore opportunities to increase solar installations as a means of offsetting electricity costs associated with heat decarbonisation.**
- **ACTION 68: Maintain a watching brief on the H100 pilot and on hydrogen policy.**
- **ACTION 69: Maintain a watching brief on proposals to extend Permitted Development Rights for micro-renewable technologies.**

### New developments

4.6.6. As set out in the Edinburgh LHEES, new developments represent the most straightforward segment of Edinburgh’s building stock to decarbonise given the ability to design-in net zero elements from the outset.

- **ACTION 70: Via City Plan 2030 and subsequent policy and guidance documents, set increasingly rigorous net zero standards for new developments in Edinburgh.**
- **ACTION 71: Ensure where possible that all new Council developments utilise zero direct emissions heating sources and are designed on a fabric first basis.**

- **ACTION 72: Ensure where possible that all new buildings developed by the Council are designed to operate with a maximum supply/flow temperature of 55°C.**

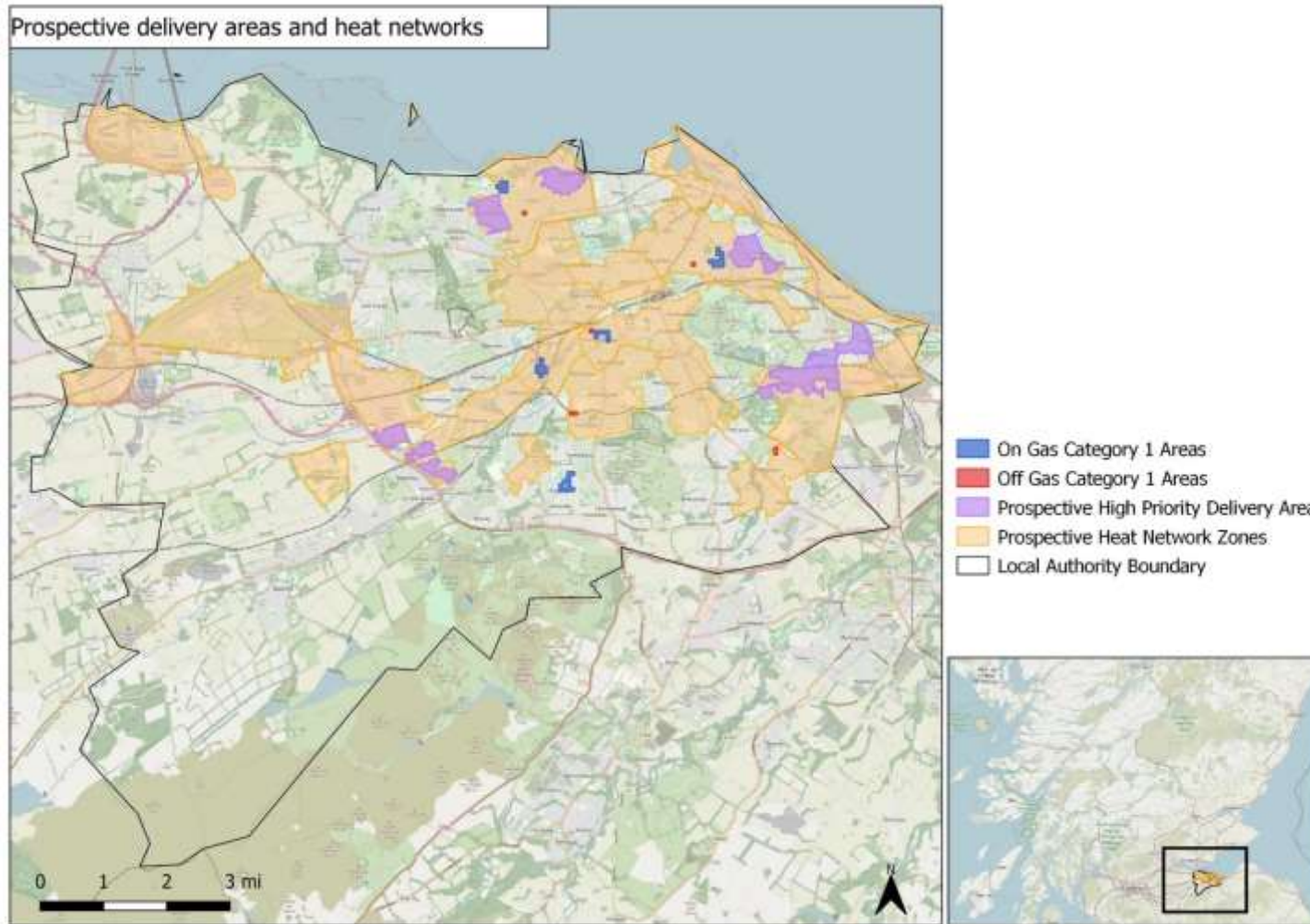
#### Other housing retrofit measures

4.6.7. In addition to the items set out above, there are other potential interventions that can be taken forward at this time with regards to housing retrofit.

- **ACTION 73: Deliver phase two of the Net Zero Communities pilot, providing detailed archetype modelling of measures and costs of net zero interventions including evaluation of community energy generation potential and deep modelling of “comfort as a service” potential.**
- **ACTION 74: Support the installation of smart meters in all Council-owned homes in Edinburgh.**
- **ACTION 75: Explore with partners the scope to create a Net Zero Community Hub as a means of educating residents of Edinburgh about decarbonisation and energy efficiency.**
- **ACTION 76: Explore with partners the scope to take forward low-cost interventions with disproportionately great impacts on energy efficiency, e.g. carpeting uncarpeted floors to reduce air leakage.**

## 5. Delivery Areas and Heat Network Zones

### 5.1. Overview plan of Delivery Areas and Heat Network Zones



## 5.2. Delivery Area 01: Restalrig & Lochend (energy efficiency)

- 5.2.1. This Delivery Area relates to the retrofit of homes to improve their energy efficiency.
- 5.2.2. Delivery Area 01: Restalrig & Lochend includes **2,147** homes in northeast Edinburgh. The majority of homes are low rise properties dating from the early twentieth century, but the Delivery Area also includes three 1960s high rise blocks of flats (Hawkhill Court, Nisbet Court, and Restalrig House).
- 5.2.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£8,389**; this would be expected to deliver average annual energy bill savings of **£293.03** and average annual CO<sub>2</sub> savings of **730.38** kilogrammes.
- 5.2.4. The below table summarises the breakdown of tenure in this Delivery Area. The Council is the largest owner, but there are significant numbers of homes across all tenures.

**Table 05: Tenure of homes in Delivery Area 01: Restalrig & Lochend**

Tenure	Count
Housing association	273
Local authority	929
Owner occupied	760
Privately rented	185

- 5.2.5. The below table summarises the recommended interventions in this Delivery Area. These cover a wide range, with the most common item being double glazing upgrades.<sup>5</sup>

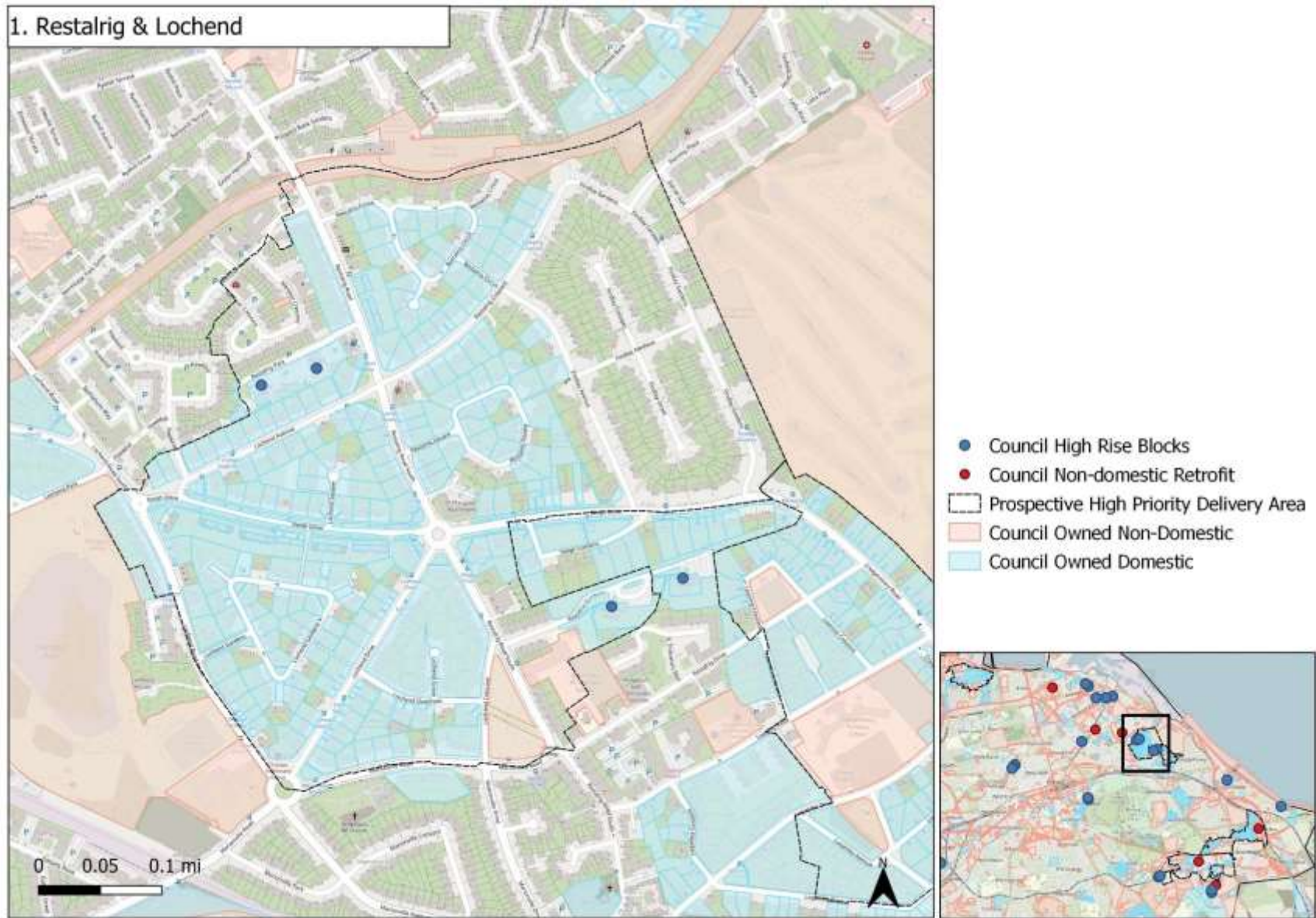
**Table 06: Recommended interventions to homes in Delivery Area 01: Restalrig & Lochend**

Intervention	Quantity
Cavity wall insulation required	475
Internal wall insulation required	55
External wall insulation required	467
Less than 100mm loft insulation	381
Flat roof insulation	6
Room in the loft insulation	2
Single glazing upgrade	72
Double glazing upgrade	2,121
Solar PV suitable	170
Suspended floor insulation	498
Solid floor insulation	28
<b>Total</b>	<b>4,275</b>

- 5.2.6. Interventions in this Delivery Area are proposed to be taken forward via the WHR programme, ABS programme, and MTIS.

<sup>5</sup> It is noted that this sets out the full suite of potential interventions as recommended by the PEAT. The actual interventions to be taken forward will be determined by the Council on a case-by-case basis based upon practical site-specific considerations, for example cost and disruption to residents.





### 5.3. Delivery Area 02: Bingham & Magdalene (energy efficiency)

5.3.1. This Delivery Area relates to the retrofit of homes to improve their energy efficiency.

5.3.2. Delivery Area 02: Bingham & Magdalene includes **1,575** homes in southeast Edinburgh. The majority of homes in this Delivery Area are low rise properties dating from the 1960s and from the late twentieth century.

5.3.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£12,941**; this would be expected to deliver average annual energy bill savings of **£327.04** and average annual CO<sub>2</sub> savings of **1,510.27** kilogrammes.

5.3.4. The below table summarises the breakdown of tenure in this Delivery Area. The Council is the largest owner, followed by owner occupiers.

**Table 07: Tenure of homes in Delivery Area 02: Bingham & Magdalene**

Tenure	Count
Housing association	65
Local authority	834
Owner occupied	575
Privately rented	101

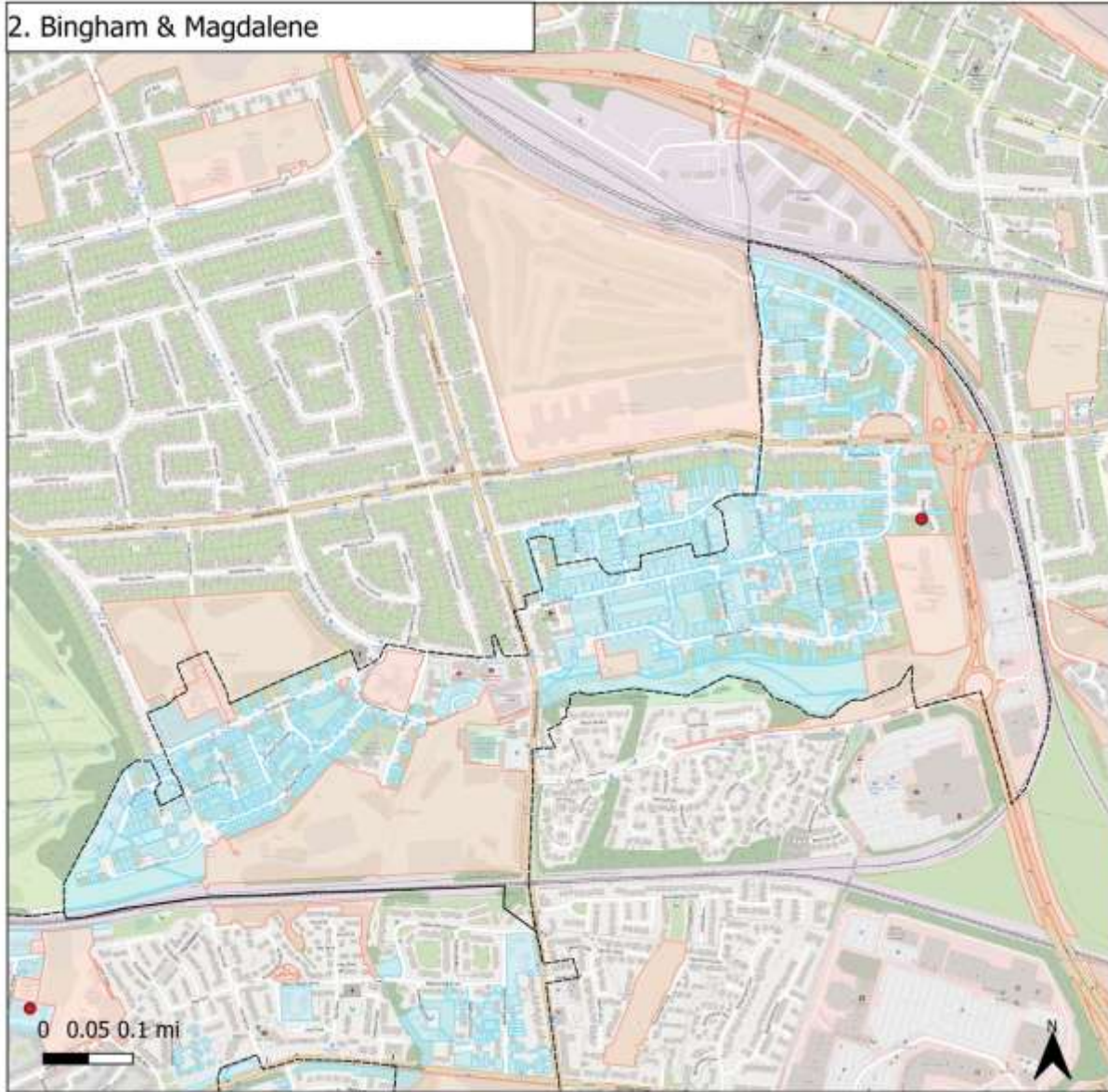
5.3.5. The below table summarises the recommended interventions in this Delivery Area. These cover a wide range, with the most common item being double glazing upgrades.

**Table 08: Recommended interventions to homes in Delivery Area 02: Bingham & Magdalene**

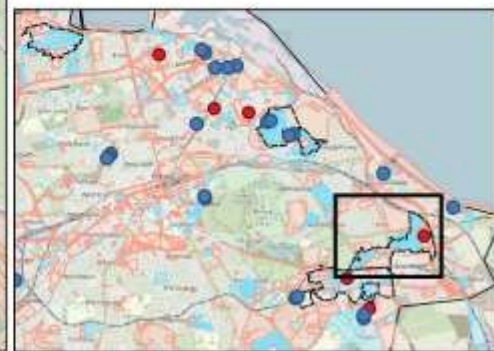
Intervention	Quantity
Cavity wall insulation required	148
Internal wall insulation required	1
External wall insulation required	16
Less than 100mm loft insulation	355
Flat roof insulation	3
Room in the loft insulation	15
Single glazing upgrade	73
Double glazing upgrade	1,489
Solar PV suitable	462
Suspended floor insulation	770
Solid floor insulation	16
<b>Total</b>	<b>3,348</b>

5.3.6. Interventions in this Delivery Area are proposed to be taken forward via the WHR programme, ABS programme, and MTIS.

### 2. Bingham & Magdalene



- Council High Rise Blocks
- Council Non-domestic Retrofit
- Prospective High Priority Delivery Area
- Council Owned Non-Domestic
- Council Owned Domestic



## 5.4. Delivery Area 03: Restalrig & Craigentiny (energy efficiency)

5.4.1. This Delivery Area relates to the retrofit of homes to improve their energy efficiency.

5.4.2. Delivery Area 03: Restalrig & Craigentiny includes **810** homes in northeast Edinburgh. The majority of homes in this Delivery Area are mid-rise properties built in phases from the 1930s to the 2000s.

5.4.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£5,557**; this would be expected to deliver average annual energy bill savings of **£221.45** and average annual CO<sub>2</sub> savings of **546.75** kilogrammes.

5.4.4. The below table summarises the breakdown of tenure in this Delivery Area. The largest number of homes are owner occupied, followed closely by Council-owned homes.

**Table 09: Tenure of homes in Delivery Area 03: Restalrig & Craigentiny**

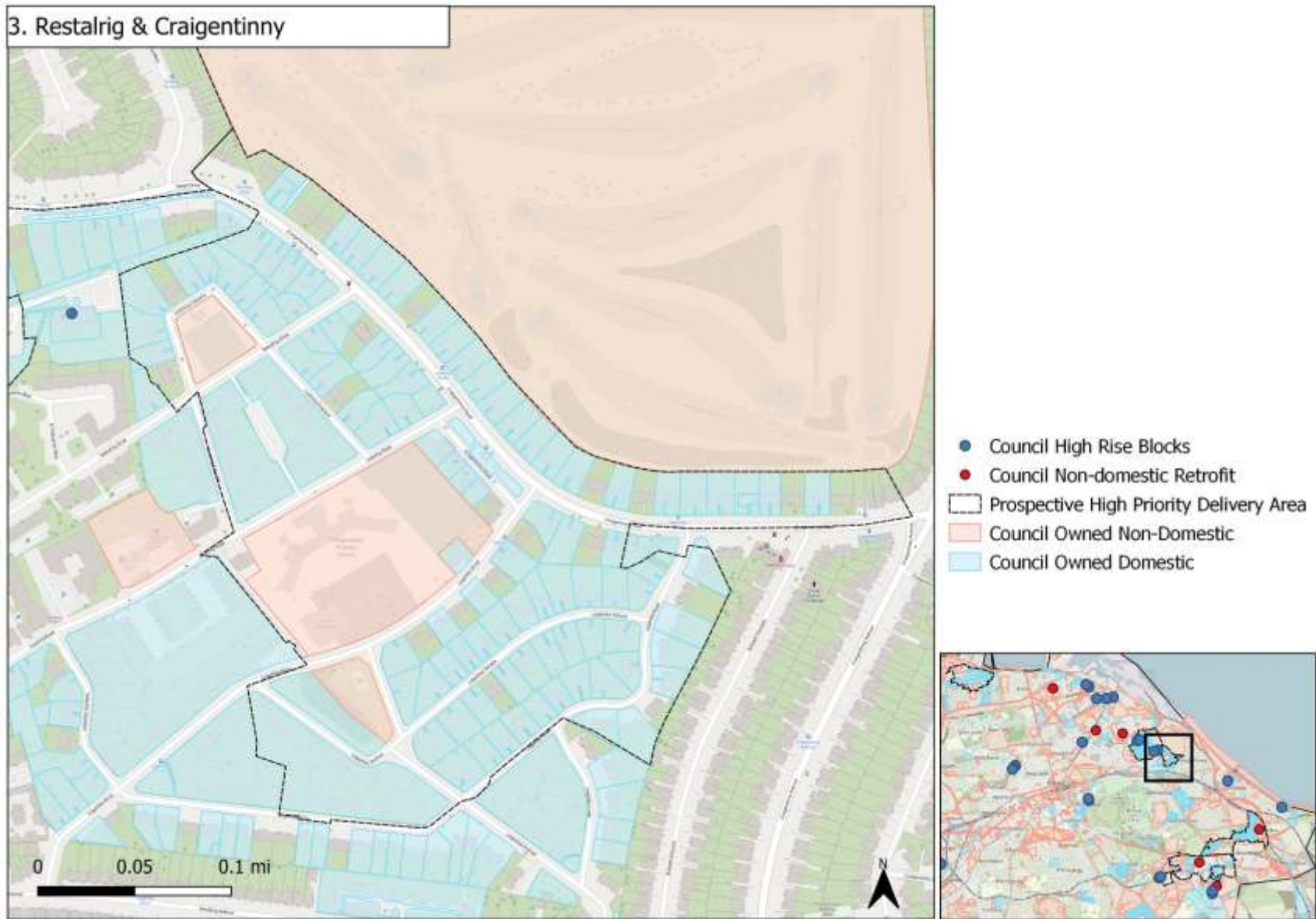
Tenure	Count
Housing association	33
Local authority	306
Owner occupied	354
Privately rented	117

5.4.5. The below table summarises the recommended interventions in this Delivery Area. These cover a wide range, with the most common item being double glazing upgrades.

**Table 10: Recommended interventions to homes in Delivery Area 03: Restalrig & Craigentiny**

Intervention	Quantity
Cavity wall insulation required	383
Internal wall insulation required	3
External wall insulation required	30
Less than 100mm loft insulation	91
Flat roof insulation	1
Room in the loft insulation	2
Single glazing upgrade	205
Double glazing upgrade	785
Solar PV suitable	8
Suspended floor insulation	35
Solid floor insulation	0
<b>Total</b>	<b>1,543</b>

5.4.6. Interventions in this Delivery Area are proposed to be taken forward via the WHR programme, ABS programme, and MTIS.



## 5.5. Delivery Area 04: The Calders (energy efficiency)

- 5.5.1. This Delivery Area relates to the retrofit of homes to improve their energy efficiency.
- 5.5.2. Delivery Area 04: The Calders includes **1,456** homes in southwest Edinburgh. The majority of homes in this Delivery Area are mid-rise flats dating from the 1960s. The area also includes six high-rise blocks of flats also dating from the 1960s (Cobbinshaw House North; Cobbinshaw House South; Dunsyre House North; Dunsyre House South; Medwin House North; and Medwin House South).
- 5.5.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£5,319**; this would be expected to deliver average annual energy bill savings of **£206.25** and average annual CO<sub>2</sub> savings of **415.94** kilogrammes.
- 5.5.4. The below table summarises the breakdown of tenure in this Delivery Area. The largest number of homes are Council-owned homes, followed by owner occupied homes.

**Table 11: Tenure of homes in Delivery Area 04: The Calders**

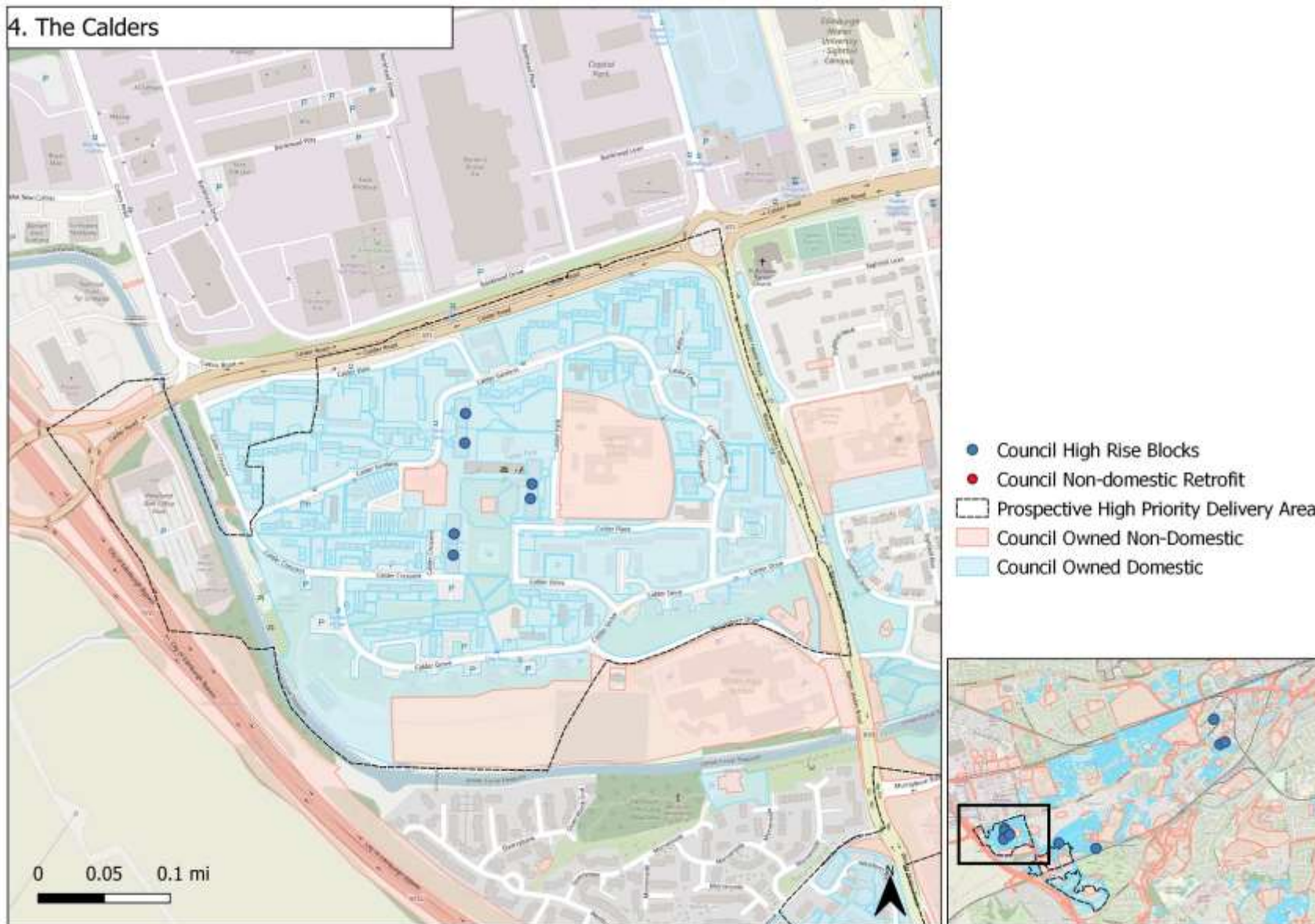
Tenure	Count
Housing association	48
Local authority	889
Owner occupied	379
Privately rented	140

- 5.5.5. The below table summarises the recommended interventions in this Delivery Area. These cover a wide range, with the most common item being double glazing upgrades.

**Table 12: Recommended interventions to homes in Delivery Area 04: The Calders**

Intervention	Quantity
Cavity wall insulation required	174
Internal wall insulation required	1
External wall insulation required	100
Less than 100mm loft insulation	95
Flat roof insulation	2
Room in the loft insulation	0
Single glazing upgrade	37
Double glazing upgrade	1,384
Solar PV suitable	3
Suspended floor insulation	137
Solid floor insulation	28
<b>Total</b>	<b>1,961</b>

- 5.5.6. Interventions in this Delivery Area are proposed to be taken forward via the WHR programme, ABS programme, and MTIS.



## 5.6. Delivery Area 05: Granton, Wardieburn & Royston (energy efficiency)

- 5.6.1. This Delivery Area relates to the retrofit of homes to improve their energy efficiency.
- 5.6.2. Delivery Area 05: Granton, Wardieburn & Royston includes **2,041** homes in north Granton. The majority of homes in this Delivery Area are mid-rise flats dating from the 1940s-1950s.
- 5.6.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£5,028**; this would be expected to deliver average annual energy bill savings of **£169.27** and average annual CO<sub>2</sub> savings of **415.40** kilogrammes.
- 5.6.4. The below table summarises the breakdown of tenure in this Delivery Area. The majority of homes are Council-owned homes.

**Table 13: Tenure of homes in Delivery Area 05: Granton, Wardieburn & Royston**

Tenure	Count
Housing association	175
Local authority	1,362
Owner occupied	400
Privately rented	104

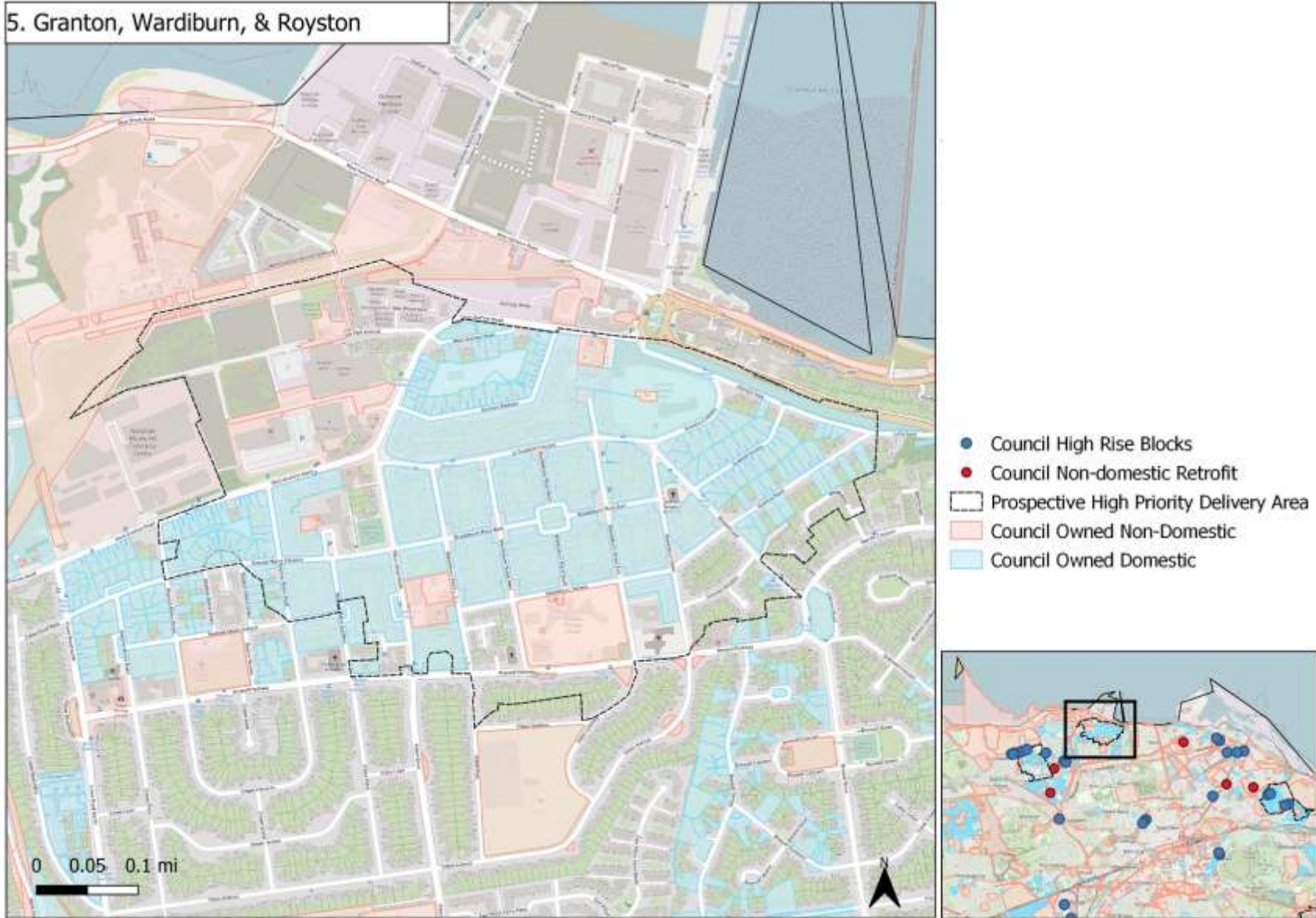
- 5.6.5. The below table summarises the recommended interventions in this Delivery Area. These cover a wide range, with the most common item being double glazing upgrades.

**Table 14: Recommended interventions to homes in Delivery Area 05: Granton, Wardieburn & Royston**

Intervention	Quantity
Cavity wall insulation required	171
Internal wall insulation required	7
External wall insulation required	6
Less than 100mm loft insulation	245
Flat roof insulation	6
Room in the loft insulation	14
Single glazing upgrade	175
Double glazing upgrade	1,869
Solar PV suitable	21
Suspended floor insulation	320
Solid floor insulation	4
<b>Total</b>	<b>2,838</b>

- 5.6.6. Interventions in this Delivery Area are proposed to be taken forward via the WHR programme, ABS programme, and MTIS.





## 5.7. Delivery Area 06: Niddrie & Craigmillar (energy efficiency)

- 5.7.1. This Delivery Area relates to the retrofit of homes to improve their energy efficiency.
- 5.7.2. Delivery Area 06: Niddrie & Craigmillar includes **3,005** homes in east Edinburgh. It includes a wide variety of properties, ranging from period houses to modern flats, among them two 1960s high rise blocks (Craigmillar Court and Peffermill Court).
- 5.7.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£8,113**; this would be expected to deliver average annual energy bill savings of **£195.75** and average annual CO<sub>2</sub> savings of **821.55** kilogrammes.
- 5.7.4. The below table summarises the breakdown of tenure in this Delivery Area. The largest number of homes are owned by housing associations, with a significant number also owned by the Council and owner occupied.

**Table 15: Tenure of homes in Delivery Area 06: Niddrie & Craigmillar**

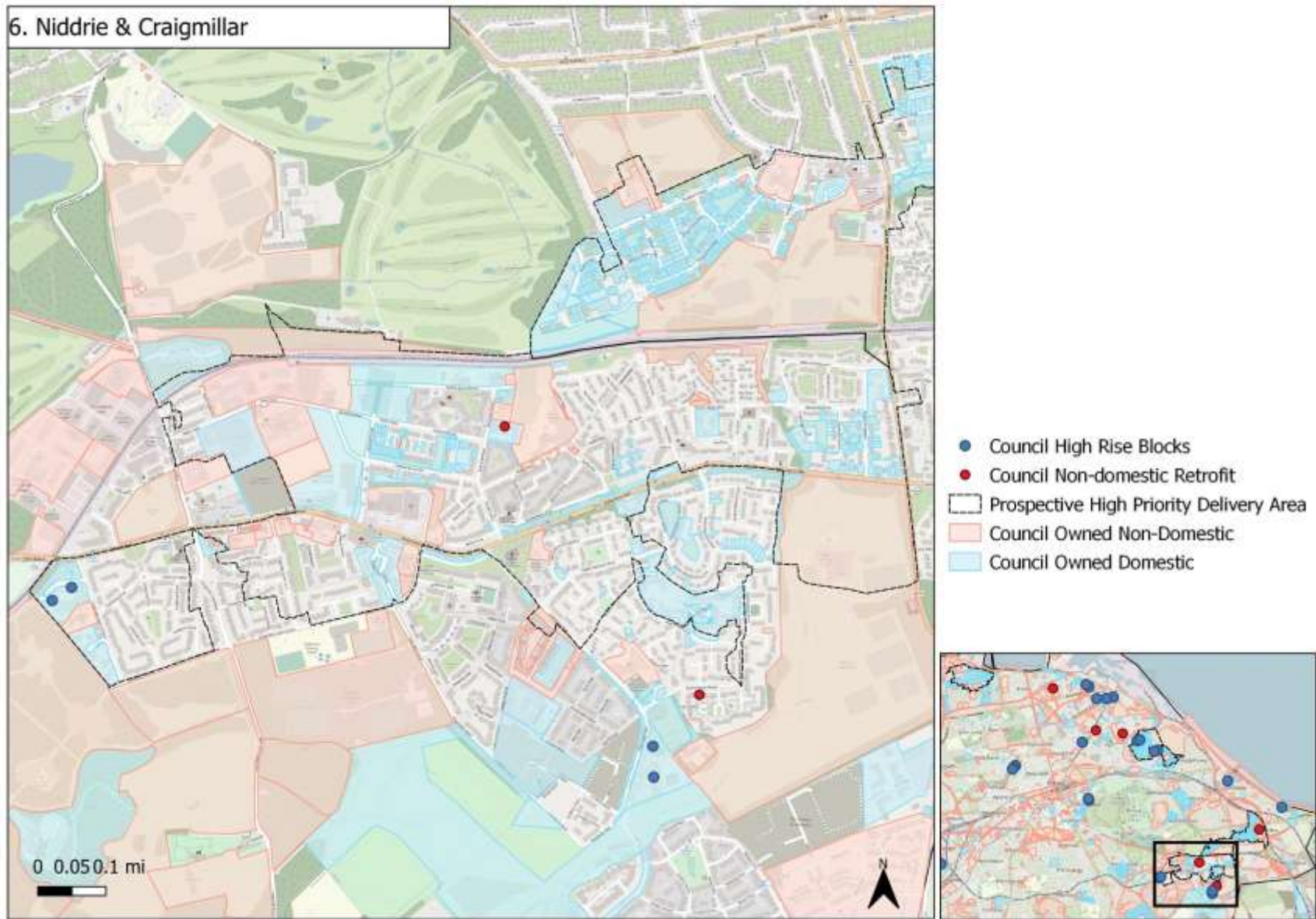
Tenure	Count
Housing association	1,074
Local authority	870
Owner occupied	844
Privately rented	217

- 5.7.5. The below table summarises the recommended interventions in this Delivery Area. These cover a wide range, with the most common item being double glazing upgrades.

**Table 16: Recommended interventions to homes in Delivery Area 06: Niddrie & Craigmillar**

Intervention	Quantity
Cavity wall insulation required	131
Internal wall insulation required	63
External wall insulation required	134
Less than 100mm loft insulation	536
Flat roof insulation	25
Room in the loft insulation	32
Single glazing upgrade	123
Double glazing upgrade	1,697
Solar PV suitable	430
Suspended floor insulation	347
Solid floor insulation	53
<b>Total</b>	<b>3,571</b>

- 5.7.6. Interventions in this Delivery Area are proposed to be taken forward via the WHR programme, ABS programme, and MTIS.



## 5.8. Delivery Area 07: Clovenstone & Wester Hailes (energy efficiency)

- 5.8.1. This Delivery Area relates to the retrofit of homes to improve their energy efficiency.
- 5.8.2. Delivery Area 07: Clovenstone & Wester Hailes includes **1,393** homes in southwest Edinburgh. The majority of homes in this Delivery Area are mid-rise flats built in phases from the late twentieth century.
- 5.8.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£6,862**; this would be expected to deliver average annual energy bill savings of **£180.30** and average annual CO<sub>2</sub> savings of **611.38** kilogrammes.
- 5.8.4. The below table summarises the breakdown of tenure in this Delivery Area. The majority of homes are Council-owned.

**Table 17: Tenure of homes in Delivery Area 07: Clovenstone & Wester Hailes**

Tenure	Count
Housing association	341
Local authority	776
Owner occupied	202
Privately rented	74

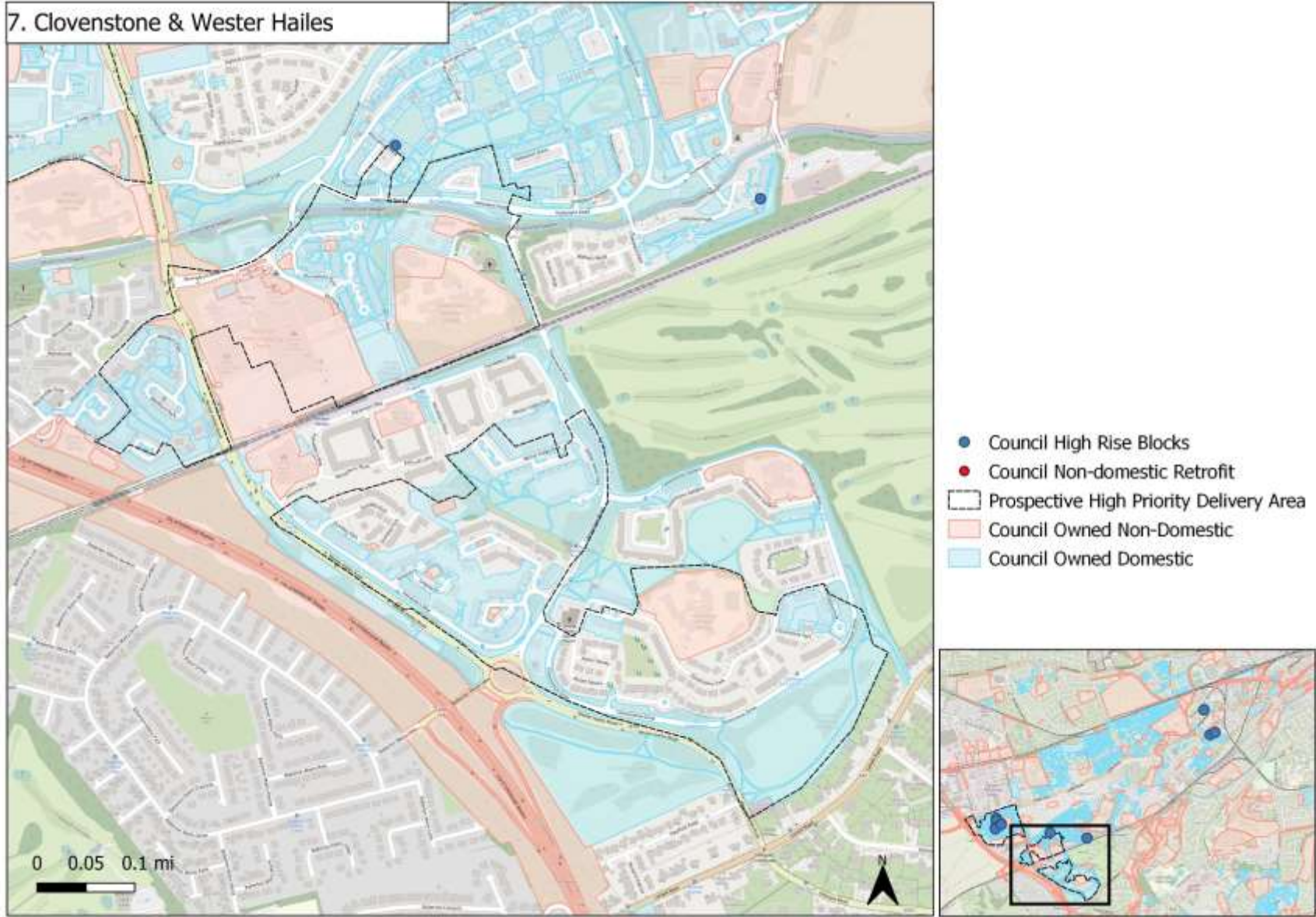
- 5.8.5. The below table summarises the recommended interventions in this Delivery Area. These cover a wide range, with the most common item being double glazing upgrades.

**Table 18: Recommended interventions to homes in Delivery Area 07: Clovenstone & Wester Hailes**

Intervention	Quantity
Cavity wall insulation required	164
Internal wall insulation required	1
External wall insulation required	70
Less than 100mm loft insulation	189
Flat roof insulation	1
Room in the loft insulation	3
Single glazing upgrade	25
Double glazing upgrade	1,312
Solar PV suitable	147
Suspended floor insulation	120
Solid floor insulation	11
<b>Total</b>	<b>2,043</b>

- 5.8.6. Interventions in this Delivery Area are proposed to be taken forward via the WHR programme, ABS programme, and MTIS.

7. Clovenstone & Wester Hailes



## 5.9. Delivery Area 08: Muirhouse (energy efficiency)

- 5.9.1. This Delivery Area relates to the retrofit of homes to improve their energy efficiency.
- 5.9.2. Delivery Area 08: Muirhouse includes **2,427** homes in north Edinburgh. The Delivery Area comprises a mix of low-rise and mid-rise properties dating from the 1960s to the 2020s. It includes multiple high-rise flats.
- 5.9.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£7,439**; this would be expected to deliver average annual energy bill savings of **£245.24** and average annual CO<sub>2</sub> savings of **668.94** kilogrammes.
- 5.9.4. The below table summarises the breakdown of tenure in this Delivery Area. The majority of homes are Council owned, followed by housing association owned.

**Table 19: Tenure of homes in Delivery Area 08: Muirhouse**

Tenure	Count
Housing association	737
Local authority	1,241
Owner occupied	377
Privately rented	72

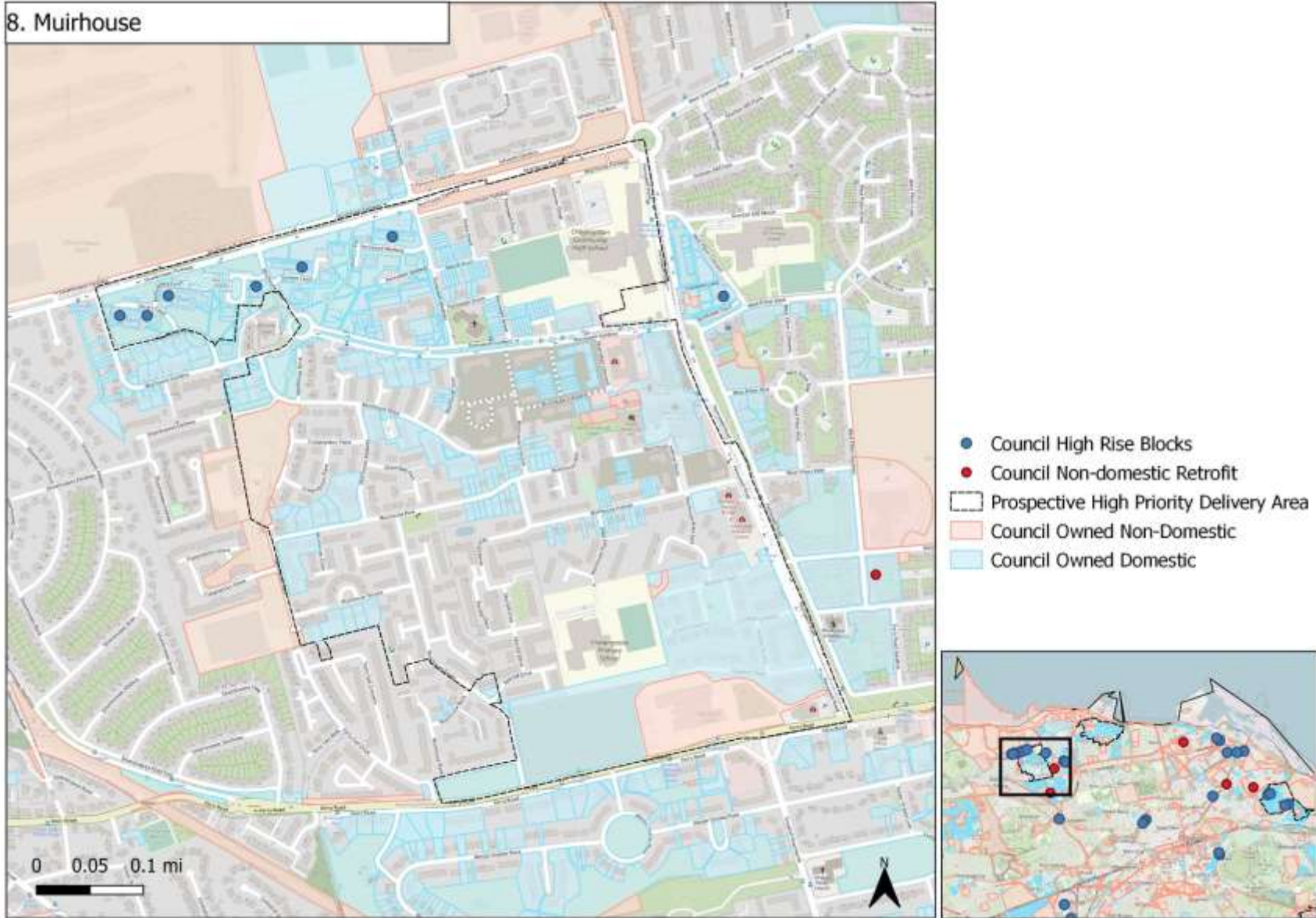
- 5.9.5. The below table summarises the recommended interventions in this Delivery Area. These cover a wide range, with the most common item being double glazing upgrades.

**Table 20: Recommended interventions to homes in Delivery Area 08: Muirhouse**

Intervention	Quantity
Cavity wall insulation required	45
Internal wall insulation required	10
External wall insulation required	306
Less than 100mm loft insulation	562
Flat roof insulation	2
Room in the loft insulation	3
Single glazing upgrade	18
Double glazing upgrade	1,480
Solar PV suitable	160
Suspended floor insulation	239
Solid floor insulation	68
<b>Total</b>	<b>2,893</b>

- 5.9.6. Interventions in this Delivery Area are proposed to be taken forward via the WHR programme, ABS programme, and MTIS.

### 8. Muirhouse



## 5.10. Delivery Area 09: Lochend Butterfly Way (heat pumps)

- 5.10.1. This Delivery Area relates to the retrofit of homes from gas boilers to heat pumps.
- 5.10.2. Delivery Area 09: Lochend Butterfly Way includes **971** homes. This Delivery Area comprises a cluster of mid-rise blocks of flats dating from the 2000s and 2010s, located between Easter Road football stadium and Lochend Park.
- 5.10.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£631**; this would be expected to deliver average annual energy bill savings of **£17.10** and average annual CO<sub>2</sub> savings of **67.26** kilogrammes. This does not include the cost of the heat pump itself, only the interventions required for the heat pump to function optimally.
- 5.10.4. The below table summarises the breakdown of tenure in this Delivery Area. This area is dominated by owner occupied and privately rented homes, with very limited Council and housing association-owned properties.

**Table 21: Tenure of homes in Delivery Area 09: Lochend Butterfly Way**

Tenure	Count
Housing association	10
Local authority	2
Owner occupied	571
Privately rented	388

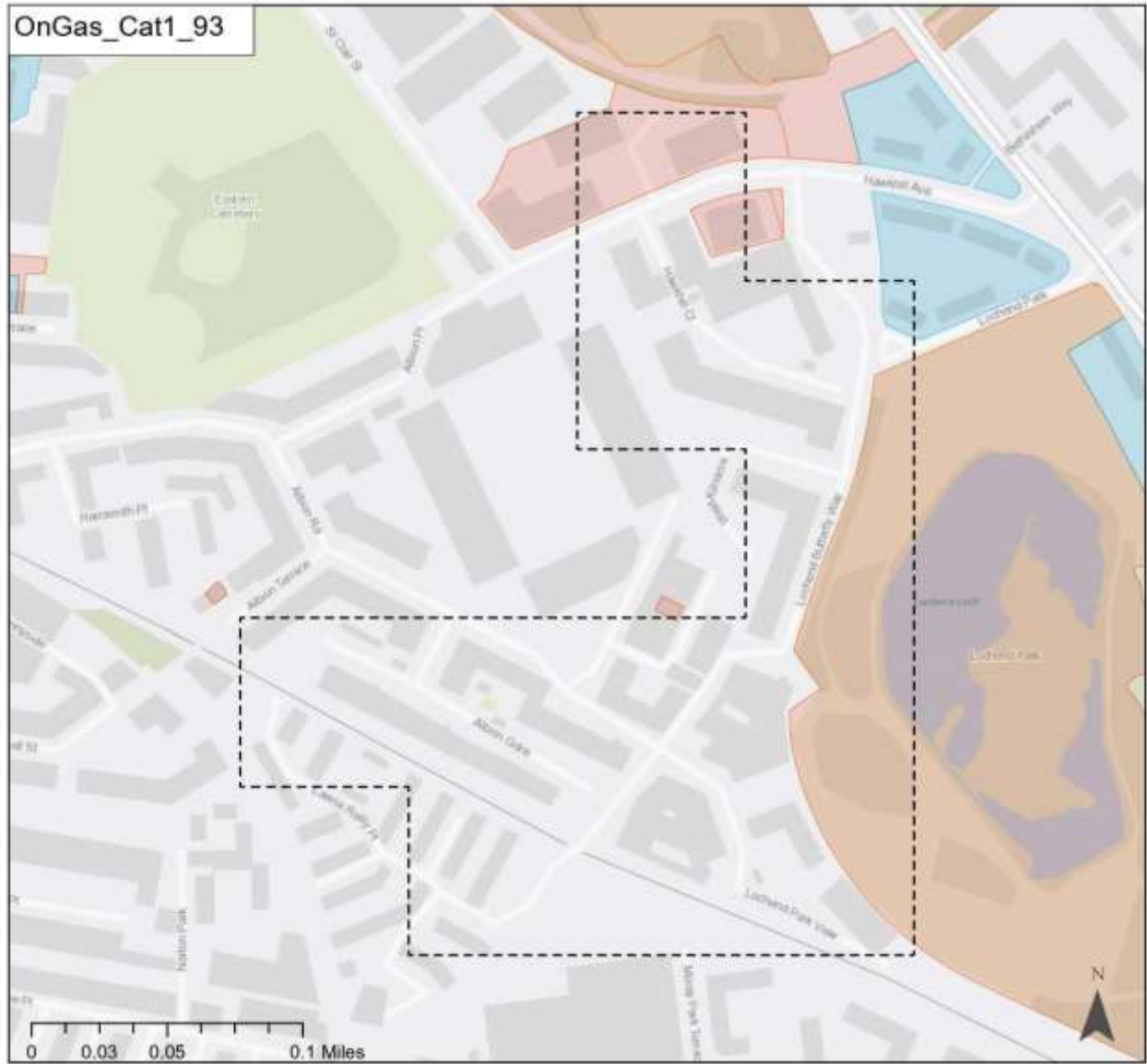
- 5.10.5. The below table summarises the recommended interventions in this Delivery Area in order to render the homes in question suitable for the installation of heat pumps. The number of interventions is relatively low, primarily comprising improvements to loft insulation and upgrading of single glazed windows.

**Table 22: Recommended interventions to homes in Delivery Area 09: Lochend Butterfly Way**

Intervention	Quantity
Cavity wall insulation required	0
Internal wall insulation required	0
External wall insulation required	0
Less than 100mm loft insulation	50
Flat roof insulation	5
Room in the loft insulation	0
Single glazing upgrade	2
Double glazing upgrade	30
Solar PV suitable	1
Suspended floor insulation	16
Solid floor insulation	0
<b>Total</b>	<b>104</b>

- 5.10.6. Given the limited Council ownerships in this area, any project aimed at rolling out heat pumps would entail working with the private owners/landlords in the area to deploy them.





### City of Edinburgh Council

#### On Gas Category 1 Delivery Areas

This map spatially displays results from the LHEES Stage 4 analysis for Category 1 On-Gas properties. This map shows one of the top 5 delivery areas with the highest property counts.

Category 1 = properties where minimal fabric upgrade is needed prior to heat pump installation and they have a wet heating system in place.

- On Gas Category 1 Delivery Areas
- Council High-Rise Blocks
- Council Non-domestic Retrofit
- Council Owned Domestic
- Council Owned Non-domestic



Changeworks © 2023  
Contains OS data © Crown Copyright and database right 2020

## 5.11. Delivery Area 10: Waterfront Park (heat pumps)

- 5.11.1. This Delivery Area relates to the retrofit of homes from gas boilers to heat pumps.
- 5.11.2. Delivery Area 10: Waterfront Park includes **752** homes. This Delivery Area comprises a cluster of mid-rise blocks of flats dating from the 2000s, located between West Granton Road and Forthquarter Park, adjacent to the Council's regeneration area. It falls within the Granton Waterfront prospective Heat Network Zone.
- 5.11.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£915**; this would be expected to deliver average annual energy bill savings of **£16.07** and average annual CO<sub>2</sub> savings of **88.73** kilogrammes. This does not include the cost of the heat pump itself, only the interventions required for the heat pump to function optimally.
- 5.11.4. The below table summarises the breakdown of tenure in this Delivery Area. The bulk of homes are privately owned, but with a significant number of homes owned by the West Granton Housing Co-operative.

**Table 23: Tenure of homes in Delivery Area 10: Waterfront Park**

Tenure	Count
Housing association	117
Local authority	17
Owner occupied	427
Privately rented	191

- 5.11.5. The below table summarises the recommended interventions in this Delivery Area. The number of interventions is relatively low, primarily comprising double glazing and loft insulation. Multiple flats are identified as being suitable for solar PV.

**Table 24: Recommended interventions to homes in Delivery Area 10: Waterfront Park**

Intervention	Quantity
Cavity wall insulation required	0
Internal wall insulation required	0
External wall insulation required	0
Less than 100mm loft insulation	14
Flat roof insulation	0
Room in the loft insulation	0
Single glazing upgrade	1
Double glazing upgrade	39
Solar PV suitable	23
Suspended floor insulation	6
Solid floor insulation	3
<b>Total</b>	<b>86</b>

- 5.11.6. A pragmatic approach to this Delivery Area would be to engage with the West Granton Housing Co-operative to explore the scope for installing heat pumps in their properties.



### City of Edinburgh Council

#### On Gas Category 1 Delivery Areas

This map spatially displays results from the LHEES Stage 4 analysis for Category 1 On-Gas properties. This map shows one of the top 5 delivery areas with the highest property counts.

Category 1 = properties where minimal fabric upgrade is needed prior to heat pump installation and they have a wet heating system in place.

- On Gas Category 1 Delivery Areas
- Council High-Rise Blocks
- Council Non-domestic Retrofit
- Council Owned Domestic
- Council Owned Non-domestic



Changeworks © 2023  
Contains OS data © Crown Copyright and database right 2020

## 5.12. Delivery Area 11: Robertson Avenue (heat pumps)

- 5.12.1. This Delivery Area relates to the retrofit of homes from gas boilers to heat pumps.
- 5.12.2. Delivery Area 11: Robertson Avenue includes **685** homes. This Delivery Area comprises a cluster of mid-rise blocks of flats dating from the 2000s and 2010s, located around Robertson Avenue in the Slateford neighbourhood of Edinburgh.
- 5.12.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£2,204**; this would be expected to deliver average annual energy bill savings of **£44.19** and average annual CO<sub>2</sub> savings of **129.9** kilogrammes. This does not include the cost of the heat pump itself, only the interventions required for the heat pump to function optimally.
- 5.12.4. The below table summarises the breakdown of tenure in this Delivery Area. This area is dominated by owner occupied and privately rented homes, with very limited Council and housing association-owned properties.

**Table 25: Tenure of homes in Delivery Area 11: Robertson Avenue**

Tenure	Count
Housing association	1
Local authority	12
Owner occupied	433
Privately rented	239

- 5.12.5. The below table summarises the recommended interventions in this Delivery Area. The vast majority of interventions concern upgrading to double glazing.

**Table 26: Recommended interventions to homes in Delivery Area 11: Robertson Avenue**

Intervention	Quantity
Cavity wall insulation required	0
Internal wall insulation required	0
External wall insulation required	0
Less than 100mm loft insulation	38
Flat roof insulation	6
Room in the loft insulation	0
Single glazing upgrade	2
Double glazing upgrade	321
Solar PV suitable	0
Suspended floor insulation	0
Solid floor insulation	0
<b>Total</b>	<b>367</b>

- 5.12.6. Given the limited Council ownerships in this area, any project aimed at rolling out heat pumps would entail working with the private owners/landlords in the area to deploy them.



### City of Edinburgh Council

#### On Gas Category 1 Delivery Areas

This map spatially displays results from the LHEES Stage 4 analysis for Category 1 On-Gas properties. This map shows one of the top 5 delivery areas with the highest property counts.

Category 1 = properties where minimal fabric upgrade is needed prior to heat pump installation and they have a wet heating system in place.

-  On Gas Category 1 Delivery Areas
-  Council High-Rise Blocks
-  Council Non-domestic Retrofit
-  Council Owned Domestic
-  Council Owned Non-domestic



Changeworks © 2023  
Contains OS data © Crown Copyright and database right 2020

### 5.13. Delivery Area 12: Fountainbridge (heat pumps)

- 5.13.1. This Delivery Area relates to the retrofit of homes from gas boilers to heat pumps.
- 5.13.2. Delivery Area 12: Fountainbridge includes **684** homes. This Delivery Area comprises a cluster of mid-rise blocks of flats mainly dating from the 2000s, located in the Fountainbridge neighbourhood of Edinburgh to the northeast of the major regeneration areas.
- 5.13.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£804**; this would be expected to deliver average annual energy bill savings of **£17.73** and average annual CO<sub>2</sub> savings of **45.68** kilogrammes. This does not include the cost of the heat pump itself, only the interventions required for the heat pump to function optimally.
- 5.13.4. The below table summarises the breakdown of tenure in this Delivery Area. The bulk of homes are privately owned, but with some housing association-owned homes.

**Table 27: Tenure of homes in Delivery Area 12: Fountainbridge**

Tenure	Count
Housing association	64
Local authority	3
Owner occupied	235
Privately rented	382

- 5.13.5. The below table summarises the recommended interventions in this Delivery Area. The vast majority of interventions concern upgrading to double glazing.

**Table 28: Recommended interventions to homes in Delivery Area 12: Fountainbridge**

Intervention	Quantity
Cavity wall insulation required	0
Internal wall insulation required	0
External wall insulation required	0
Less than 100mm loft insulation	4
Flat roof insulation	0
Room in the loft insulation	0
Single glazing upgrade	1
Double glazing upgrade	115
Solar PV suitable	0
Suspended floor insulation	0
Solid floor insulation	0
<b>Total</b>	<b>120</b>

- 5.13.6. A pragmatic approach to this Delivery Area would be to engage with housing associations to explore the scope for installing heat pumps in their properties.



### City of Edinburgh Council

#### On Gas Category 1 Delivery Areas

This map spatially displays results from the LHEES Stage 4 analysis for Category 1 On-Gas properties. This map shows one of the top 5 delivery areas with the highest property counts.

Category 1 = properties where minimal fabric upgrade is needed prior to heat pump installation and they have a wet heating system in place.

-  On Gas Category 1 Delivery Areas
-  Council High-Rise Blocks
-  Council Non-domestic Retrofit
-  Council Owned Domestic
-  Council Owned Non-domestic



Changeworks © 2023  
Contains OS data © Crown Copyright and database right 2020

## 5.14. Delivery Area 13: Oxgangs Avenue (heat pumps)

- 5.14.1. This Delivery Area relates to the retrofit of homes from gas boilers to heat pumps.
- 5.14.2. Delivery Area 13: Oxgangs Avenue includes **668** homes. This Delivery Area comprises a cluster of mid-rise blocks of flats mainly dating from the mid-20<sup>th</sup> century, located in the Oxgangs neighbourhood of Edinburgh.
- 5.14.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£4,622**; this would be expected to deliver average annual energy bill savings of **£120.43** and average annual CO<sub>2</sub> savings of **409.64** kilogrammes. This does not include the cost of the heat pump itself, only the interventions required for the heat pump to function optimally.
- 5.14.4. The below table summarises the breakdown of tenure in this Delivery Area. The Council is the largest owner of homes in this area, with a significant number of homes also owned by various housing associations.

**Table 29: Tenure of homes in Delivery Area 13: Oxgangs Avenue**

Tenure	Count
Housing association	152
Local authority	282
Owner occupied	187
Privately rented	47

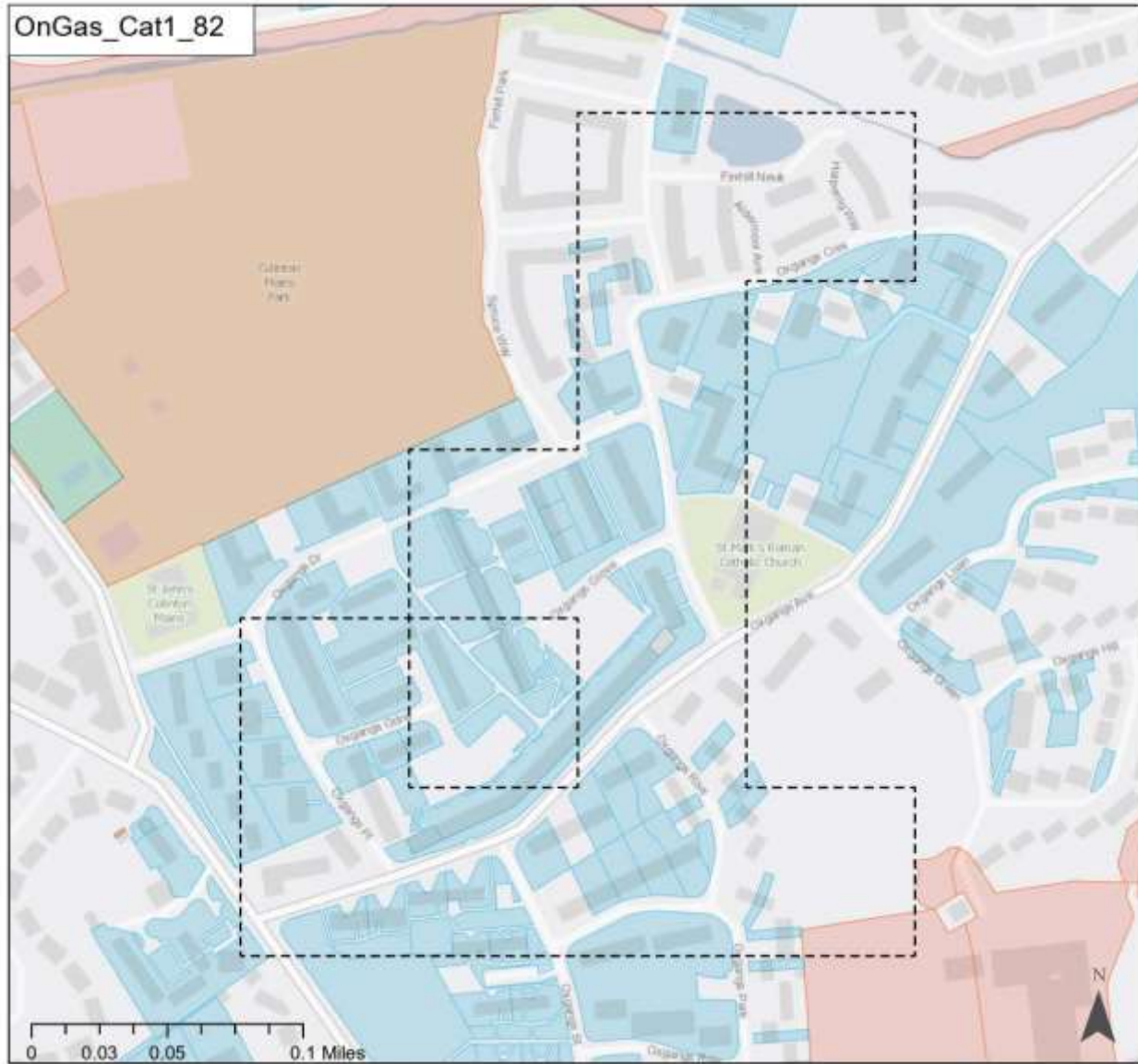
- 5.14.5. The below table summarises the recommended interventions in this Delivery Area. The vast majority of interventions concern upgrading to double glazing and loft insulation.

**Table 30: Recommended interventions to homes in Delivery Area 13: Oxgangs Avenue**

Intervention	Quantity
Cavity wall insulation required	0
Internal wall insulation required	0
External wall insulation required	0
Less than 100mm loft insulation	101
Flat roof insulation	0
Room in the loft insulation	1
Single glazing upgrade	25
Double glazing upgrade	448
Solar PV suitable	35
Suspended floor insulation	37
Solid floor insulation	8
<b>Total</b>	<b>655</b>

- 5.14.6. Given the high proportion of Council-owned homes in this Delivery Area, the Council is well-placed to take forward interventions focusing on its own stock.





### City of Edinburgh Council

#### On Gas Category 1 Delivery Areas

This map spatially displays results from the LHEES Stage 4 analysis for Category 1 On-Gas properties. This map shows one of the top 5 delivery areas with the highest property counts.

Category 1 = properties where minimal fabric upgrade is needed prior to heat pump installation and they have a wet heating system in place.

-  On Gas Category 1 Delivery Areas
-  Council High-Rise Blocks
-  Council Non-domestic Retrofit
-  Council Owned Domestic
-  Council Owned Non-domestic



Changeworks © 2023  
Contains OS data © Crown Copyright and database right 2020

## 5.15. Delivery Area 14: West Pilton Grove (heat pumps)

- 5.15.1. This Delivery Area relates to the retrofit of homes not currently connect to the gas grid to heat pumps.
- 5.15.2. Delivery Area 14: West Pilton Avenue includes **120** homes. This Delivery Area comprises two 1950s high-rise blocks (Inchcolm Court and Inchgarvie Court) in Pilton. As set out in [section 4.6](#), these properties are scheduled to be subject to energy efficiency retrofit works.
- 5.15.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£4,337**; this would be expected to deliver average annual energy bill savings of **£225.55** and average annual CO<sub>2</sub> savings of **244.86** kilogrammes. This does not include the cost of the heat pump itself, only the interventions required for the heat pump to function optimally.
- 5.15.4. The below table summarises the breakdown of tenure in this Delivery Area. All homes bar one are owned by the Council.<sup>6</sup>

**Table 31: Tenure of homes in Delivery Area 14: West Pilton Grove**

Tenure	Count
Housing association	0
Local authority	119
Owner occupied	1
Privately rented	0

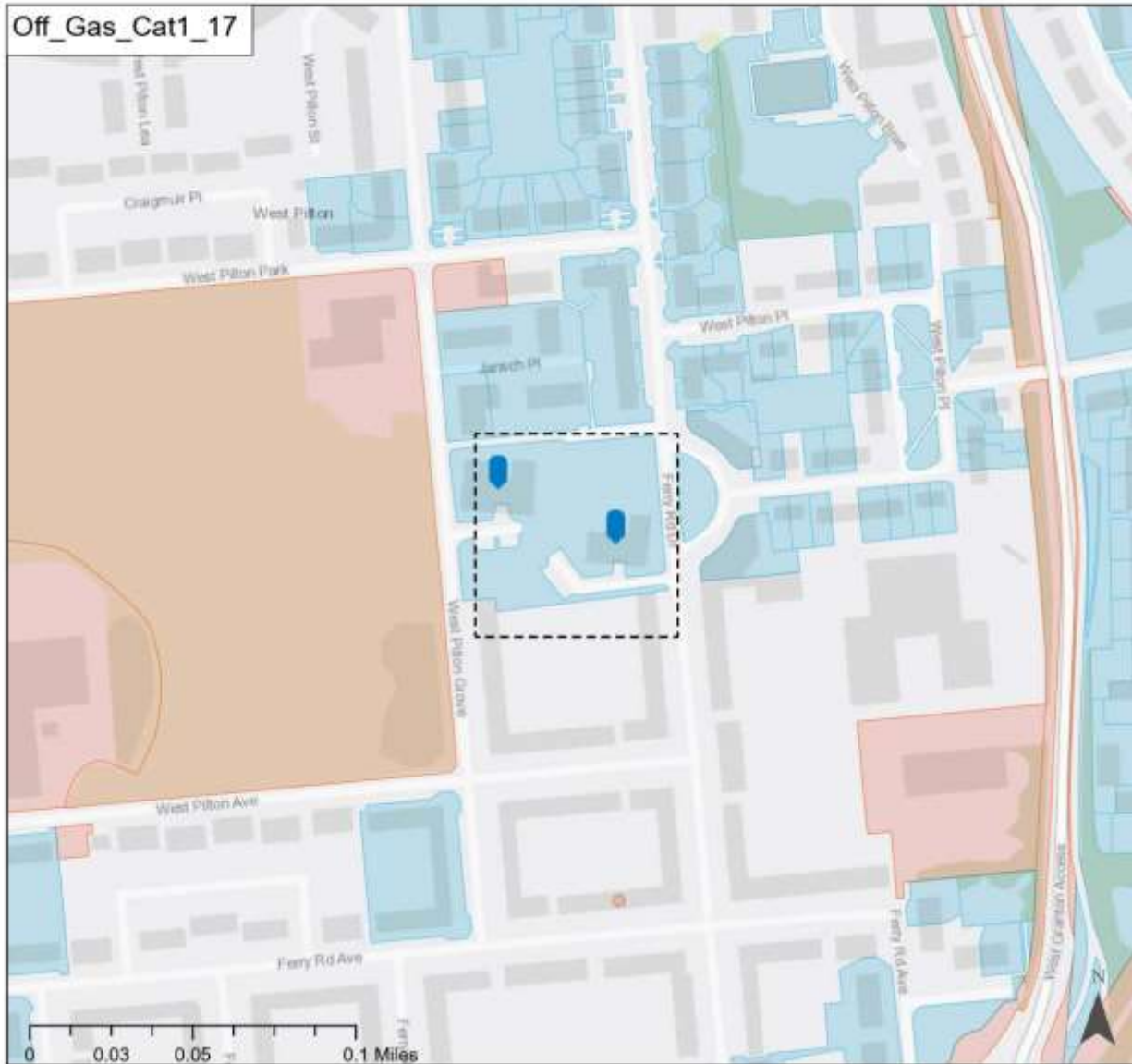
- 5.15.5. The below table summarises the recommended interventions in this Delivery Area. Virtually all the interventions concern upgrading to double glazing.

**Table 32: Recommended interventions to homes in Delivery Area 14: West Pilton Grove**

Intervention	Quantity
Cavity wall insulation required	0
Internal wall insulation required	0
External wall insulation required	0
Less than 100mm loft insulation	5
Flat roof insulation	0
Room in the loft insulation	0
Single glazing upgrade	1
Double glazing upgrade	106
Solar PV suitable	0
Suspended floor insulation	0
Solid floor insulation	0
<b>Total</b>	<b>112</b>

- 5.15.6. Given the high proportion of Council-owned homes in this Delivery Area, the Council is well-placed to take forward interventions focusing on its own stock.

<sup>6</sup> These figures are the Council's own figures as the figures produced by the LHEES Methodology are incorrect.



### City of Edinburgh Council

#### Off Gas Category 1 Delivery Areas

This map spatially displays results from the LHEES Stage 4 analysis for Category 1 Off-Gas properties. This map shows one of the top 5 delivery areas with the highest property counts.

Category 1 = properties which are considered to be highly suited to a heat pump solution, as there is an existing wet heating system in place and the property is well insulated

- Off Gas Category 1 Delivery Areas
- Council High-Rise Blocks
- Council Non-domestic Retrofit
- Council Owned Domestic
- Council Owned Non-domestic



Changeworks © 2023  
Contains OS data © Crown Copyright and database right 2020

## 5.16. Delivery Area 15: Craigour Place (heat pumps)

- 5.16.1. This Delivery Area relates to the retrofit of homes not currently connect to the gas grid to heat pumps.
- 5.16.2. Delivery Area 15: Craigour Place includes **86** homes. This Delivery Area comprises four high-rise blocks of flats dating from the 1960s (Castleview House, Little France House, Marytree House, Moredun House) in the Craigour neighbourhood. As set out in [section 4.6](#), these properties are scheduled to be subject to energy retrofit works.
- 5.16.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£4,300**; this would be expected to deliver average annual energy bill savings of **£212.71** and average annual CO<sub>2</sub> savings of **234.12** kilogrammes. This does not include the cost of the heat pump itself, only the interventions required for the heat pump to function optimally.
- 5.16.4. All homes bar 11 in this Delivery Area are owned by the Council.<sup>7</sup>

**Table 33: Tenure of homes in Delivery Area 15: Craigour Place**

Tenure	Count
Housing association	0
Local authority	353
Owner occupied	11
Privately rented	0

- 5.16.5. The below table summarises the recommended interventions for Little France House only. All interventions were around double-glazing upgrades.

**Table 34: Recommended interventions to homes in Delivery Area 15: Craigour Place**

Intervention	Quantity
Cavity wall insulation required	0
Internal wall insulation required	0
External wall insulation required	0
Less than 100mm loft insulation	0
Flat roof insulation	0
Room in the loft insulation	0
Single glazing upgrade	0
Double glazing upgrade	86
Solar PV suitable	0
Suspended floor insulation	0
Solid floor insulation	0
<b>Total</b>	<b>86</b>

- 5.16.6. Given the high proportion of Council-owned homes in this Delivery Area, the Council is well-placed to take forward interventions focusing on its own stock.

<sup>7</sup> These figures are the Council's own figures as the figures produced by the LHEES Methodology are incorrect.



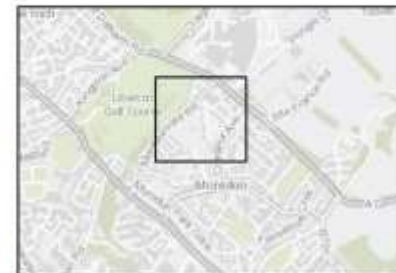
### City of Edinburgh Council

#### Off Gas Category 1 Delivery Areas

This map spatially displays results from the LHEES Stage 4 analysis for Category 1 Off-Gas properties. This map shows one of the top 5 delivery areas with the highest property counts.

Category 1 = properties which are considered to be highly suited to a heat pump solution, as there is an existing wet heating system in place and the property is well insulated

- Off Gas Category 1 Delivery Areas
- Council High-Rise Blocks
- Council Non-domestic Retrofit
- Council Owned Domestic
- Council Owned Non-domestic



Changeworks © 2023  
Contains OS data © Crown Copyright and database right 2020

## 5.17. Delivery Area 16: Elgin Street (heat pumps)

- 5.17.1. This Delivery Area relates to the retrofit of homes not currently connect to the gas grid to heat pumps.
- 5.17.2. Delivery Area 16: Elgin Street includes **79** homes. This Delivery Area comprises blocks of mid-rise retirement flats dating from the 1990s between Leith Walk and Easter Road.
- 5.17.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£3,794**; this would be expected to deliver average annual energy bill savings of **£134.25** and average annual CO<sub>2</sub> savings of **147.52** kilogrammes. This does not include the cost of the heat pump itself, only the interventions required for the heat pump to function optimally.
- 5.17.4. All homes in this Delivery Area are owned by the housing association Harbour Homes.

**Table 35: Tenure of homes in Delivery Area 16: Elgin Street**

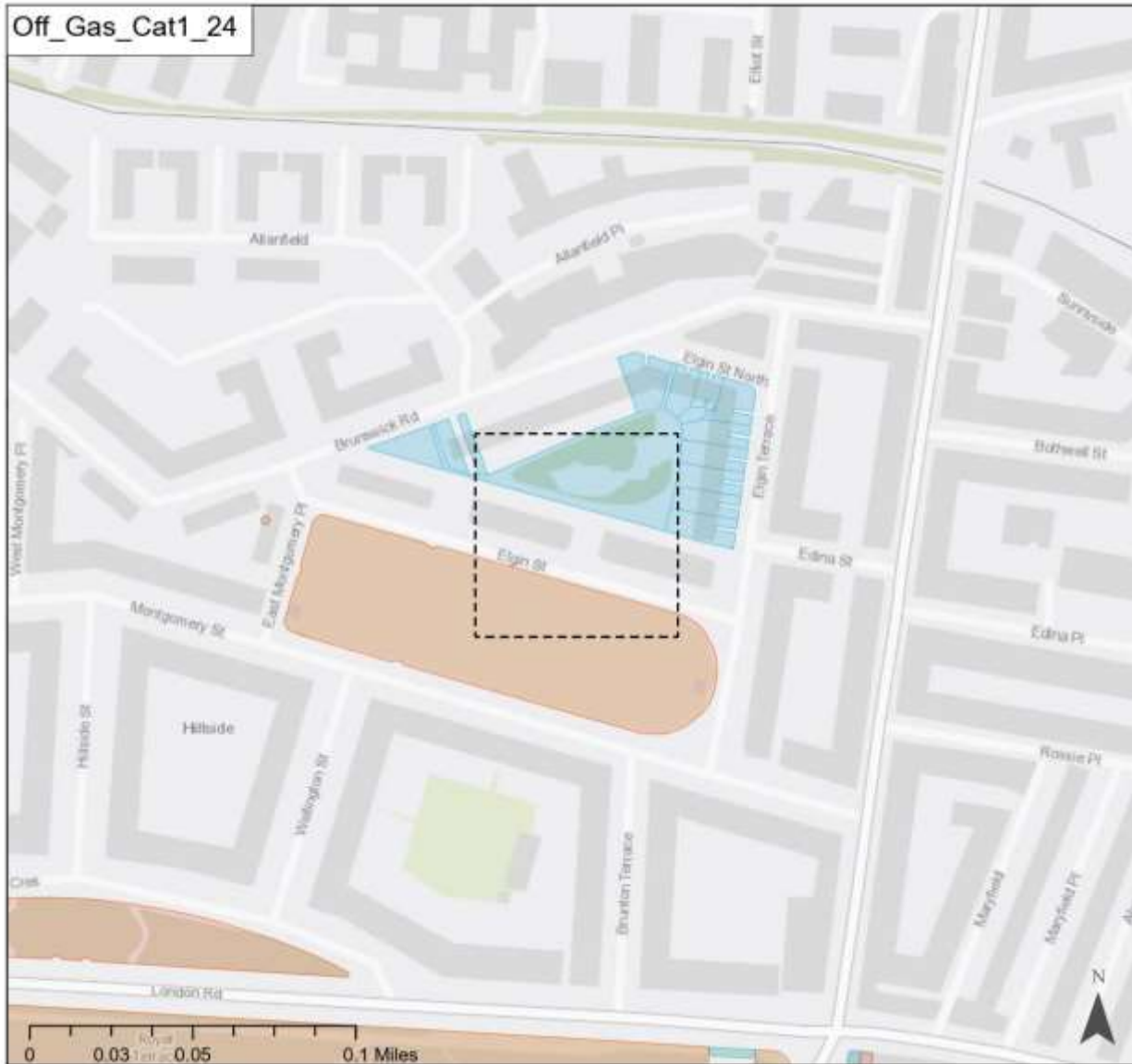
Tenure	Count
Housing association	79
Local authority	0
Owner occupied	0
Privately rented	0

- 5.17.5. The below table summarises the recommended interventions in this Delivery Area. The vast majority of interventions relate to double glazing upgrades.

**Table 36: Recommended interventions to homes in Delivery Area 16: Elgin Street**

Intervention	Quantity
Cavity wall insulation required	0
Internal wall insulation required	0
External wall insulation required	0
Less than 100mm loft insulation	4
Flat roof insulation	0
Room in the loft insulation	0
Single glazing upgrade	1
Double glazing upgrade	79
Solar PV suitable	0
Suspended floor insulation	0
Solid floor insulation	0
<b>Total</b>	<b>84</b>

- 5.17.6. Taking forward heat pump projects in this Delivery Area will require engagement with Harbour Homes.



### City of Edinburgh Council

#### Off Gas Category 1 Delivery Areas

This map spatially displays results from the LHEES Stage 4 analysis for Category 1 Off-Gas properties. This map shows one of the top 5 delivery areas with the highest property counts.

Category 1 = properties which are considered to be highly suited to a heat pump solution, as there is an existing wet heating system in place and the property is well insulated

- Off Gas Category 1 Delivery Areas
- Council High-Rise Blocks
- Council Non-domestic Retrofit
- Council Owned Domestic
- Council Owned Non-domestic



Changeworks © 2023  
Contains OS data © Crown Copyright and database right 2020

## 5.18. Delivery Area 17: Morrison Crescent (heat pumps)

- 5.18.1. This Delivery Area relates to the retrofit of homes not currently connect to the gas grid to heat pumps.
- 5.18.2. Delivery Area 17: Morrison Crescent includes **73** homes. This Delivery Area comprises blocks of mid-rise flats dating from the 1990s in Edinburgh city centre.
- 5.18.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£4,086**; this would be expected to deliver average annual energy bill savings of **£149.89** and average annual CO<sub>2</sub> savings of **149.48** kilogrammes. This does not include the cost of the heat pump itself, only the interventions required for the heat pump to function optimally.
- 5.18.4. The below table summarises the breakdown of tenure in this Delivery Area. The majority of homes are owned by housing associations.

**Table 37: Tenure of homes in Delivery Area 17: Morrison Crescent**

Tenure	Count
Housing association	64
Local authority	0
Owner occupied	5
Privately rented	4

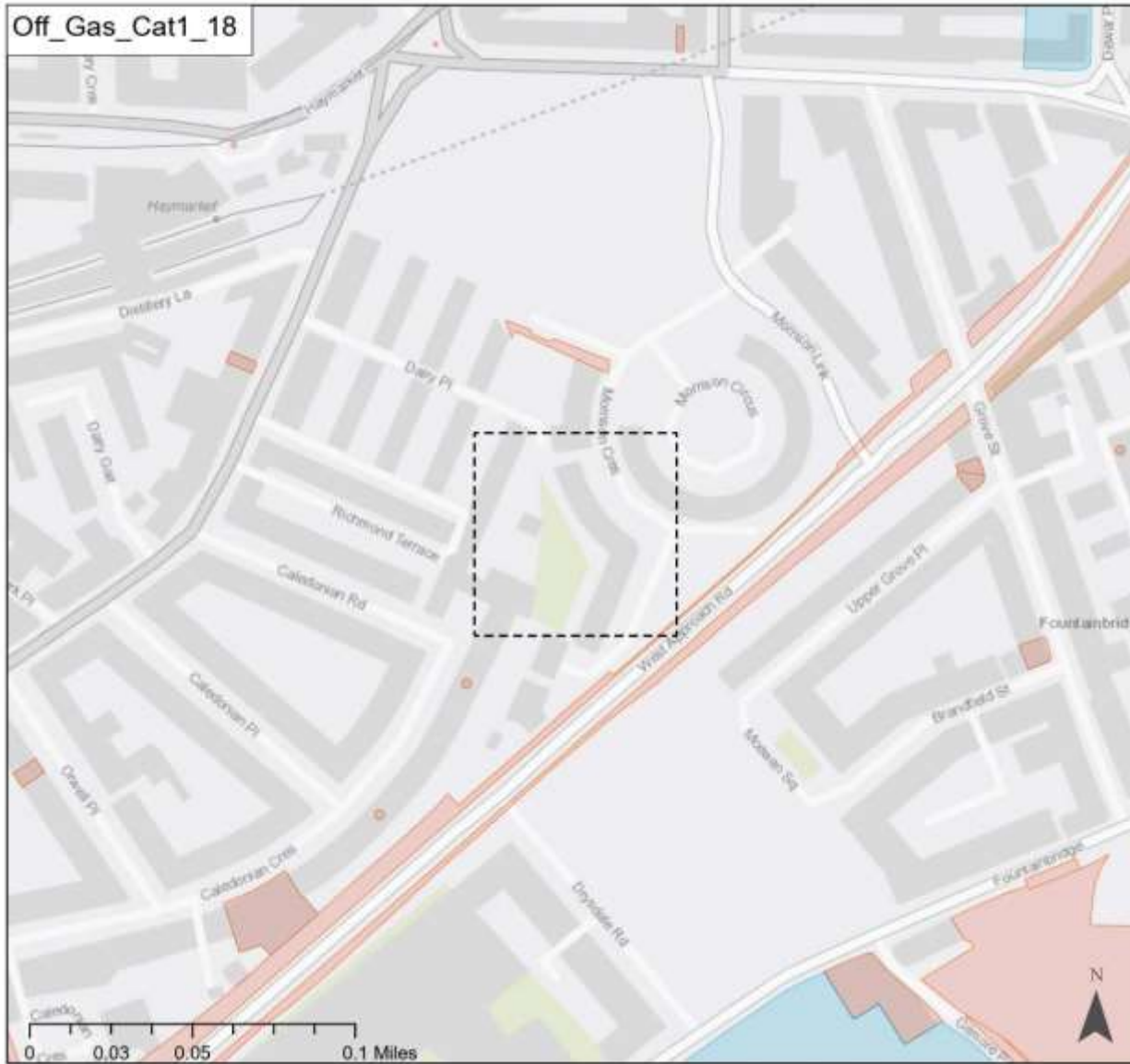
- 5.18.5. The below table summarises the recommended interventions in this Delivery Area. All interventions relate to double glazing upgrades.

**Table 38: Recommended interventions to homes in Delivery Area 17: Morrison Crescent**

Intervention	Quantity
Cavity wall insulation required	0
Internal wall insulation required	0
External wall insulation required	0
Less than 100mm loft insulation	0
Flat roof insulation	0
Room in the loft insulation	0
Single glazing upgrade	0
Double glazing upgrade	73
Solar PV suitable	0
Suspended floor insulation	0
Solid floor insulation	0
<b>Total</b>	<b>73</b>

- 5.18.6. A pragmatic approach to this Delivery Area would be to engage with housing associations to explore the scope for installing heat pumps in their properties.





### City of Edinburgh Council

#### Off Gas Category 1 Delivery Areas

This map spatially displays results from the LHEES Stage 4 analysis for Category 1 Off-Gas properties. This map shows one of the top 5 delivery areas with the highest property counts.

Category 1 = properties which are considered to be highly suited to a heat pump solution, as there is an existing wet heating system in place and the property is well insulated

-  Off Gas Category 1 Delivery Areas
-  Council High-Rise Blocks
-  Council Non-domestic Retrofit
-  Council Owned Domestic
-  Council Owned Non-domestic



Changeworks © 2023  
Contains OS data © Crown Copyright and database right 2020

## 5.19. Delivery Area 18: Craighouse Gardens (heat pumps)

- 5.19.1. This Delivery Area relates to the retrofit of homes not currently connect to the gas grid to heat pumps.
- 5.19.2. Delivery Area 18: Craighouse Gardens includes **69** homes. This Delivery Area comprises blocks of mid-rise flats dating from the 1980s in the Craighouse area of Edinburgh.
- 5.19.3. The estimated average cost of energy efficiency interventions in this Delivery Area is **£4,042**; this would be expected to deliver average annual energy bill savings of **£193.54** and average annual CO<sub>2</sub> savings of **196.13** kilogrammes. This does not include the cost of the heat pump itself, only the interventions required for the heat pump to function optimally.
- 5.19.4. The below table summarises the breakdown of tenure in this Delivery Area. All homes were privately owned.

**Table 39: Tenure of homes in Delivery Area 18: Craighouse Gardens**

Tenure	Count
Housing association	0
Local authority	0
Owner occupied	56
Privately rented	13

- 5.19.5. The below table summarises the recommended interventions in this Delivery Area. The vast majority of interventions relate to double glazing upgrades.

**Table 40: Recommended interventions to homes in Delivery Area 18: Craighouse Gardens**

Intervention	Quantity
Cavity wall insulation required	0
Internal wall insulation required	0
External wall insulation required	0
Less than 100mm loft insulation	10
Flat roof insulation	0
Room in the loft insulation	0
Single glazing upgrade	1
Double glazing upgrade	69
Solar PV suitable	0
Suspended floor insulation	1
Solid floor insulation	1
<b>Total</b>	<b>82</b>

- 5.19.6. Given the limited Council ownerships in this area, any project aimed at rolling out heat pumps would entail working with the private owners/landlords in the area to deploy them.



## City of Edinburgh Council

### Off Gas Category 1 Delivery Areas

This map spatially displays results from the LHEES Stage 4 analysis for Category 1 Off-Gas properties. This map shows one of the top 5 delivery areas with the highest property counts.

Category 1 = properties which are considered to be highly suited to a heat pump solution, as there is an existing wet heating system in place and the property is well insulated

-  Off Gas Category 1 Delivery Areas
-  Council High-Rise Blocks
-  Council Non-domestic Retrofit
-  Council Owned Domestic
-  Council Owned Non-domestic



Changeworks © 2023  
Contains OS data © Crown Copyright and  
database right 2020

## 5.20. Heat Network Zone 01: New Town

5.20.1. Headline information on the first prospective Heat Network Zone, “New Town”, is set out in the below table:

**Table 41: Headline information on Heat Network Zone 01: New Town**

<b>LHD level</b>	8,000 kWh / metre / year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	112,025
<b>Total loads</b>	1,560
<b>Anchor loads</b>	37
<b>Area</b>	52 hectares

5.20.2. This Heat Network Zone encompasses Edinburgh’s first New Town, along with the adjacent St James Quarter. It includes multiple large buildings, including shops, hotels, offices, and civic buildings such as General Register House. The Council has relatively few building ownerships in this Heat Network Zone with the most significant being the Assembly Rooms complex on George Street.

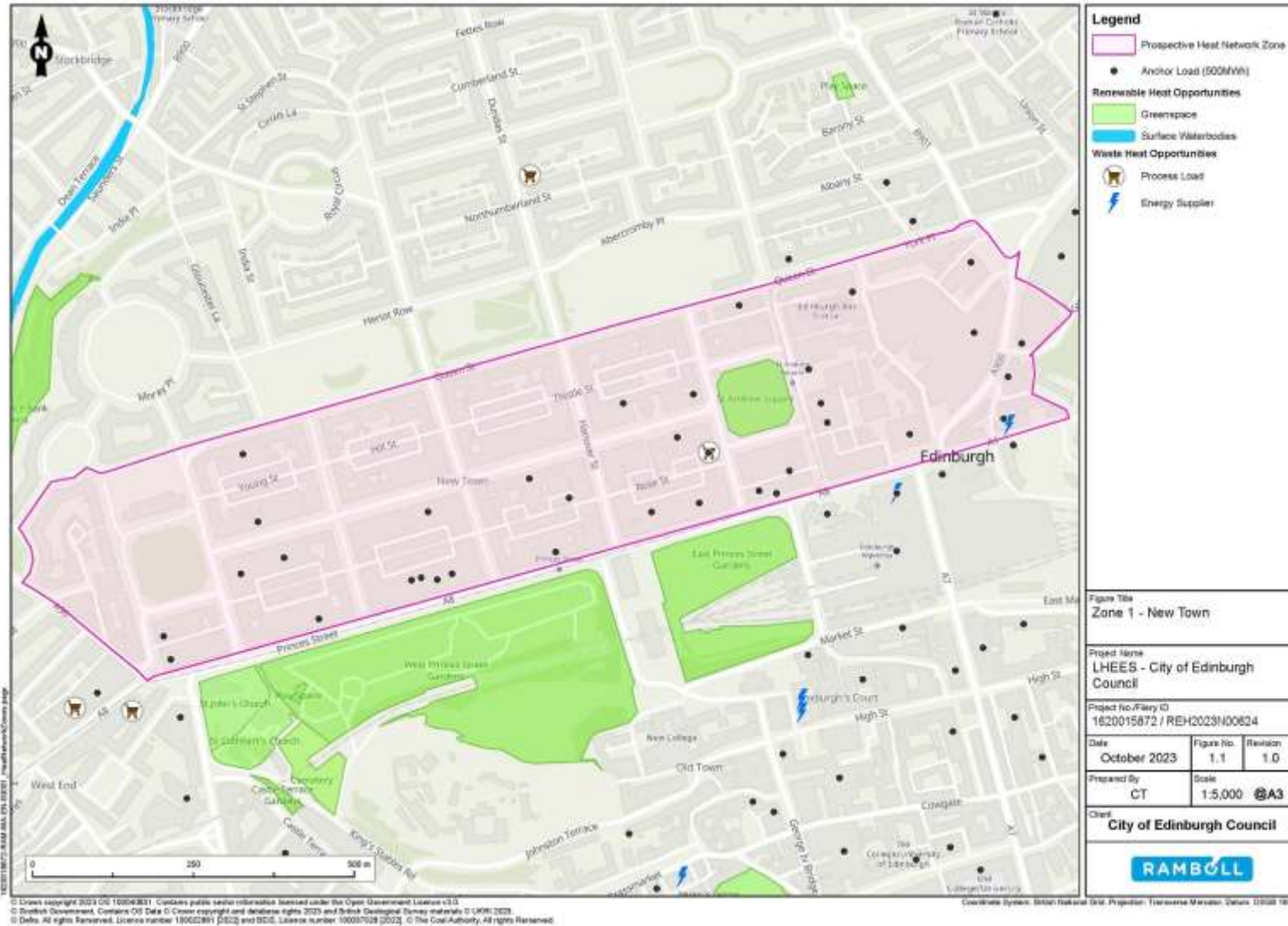
5.20.3. Potential heat sources within this Heat Network Zone include the Sainsbury's supermarket on St Andrew Square, a major sewer running beneath Princes Street Gardens, and green spaces such as Charlotte Square and St Andrew Square.

5.20.4. This Heat Network Zone forms part of the largest potential Heat Network Zone in Edinburgh identified in the First National Assessment.

5.20.5. The key challenges associated with the delivery of a heat network in this area concern its historical character. The bulk of buildings in the area are listed, making any interventions complex. The subterranean conditions are particularly complex with shallow basements, utilities, and old concrete tram sleepers. The heavily built-up nature of the New Town, coupled with its protected character, may also make finding a suitable location for an energy centre challenging.

5.20.6. The planned public realm works to George Street may represent an opportunity to future proof via the installation of ducts for pipes. Consideration would be needed as to whether this represents the optimal route for pipes.

5.20.7. A preliminary assessment of this Heat Network Zone suggests that it may have potential, but that the practical challenges and the Council’s limited ownerships may prove significant impediments.



Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

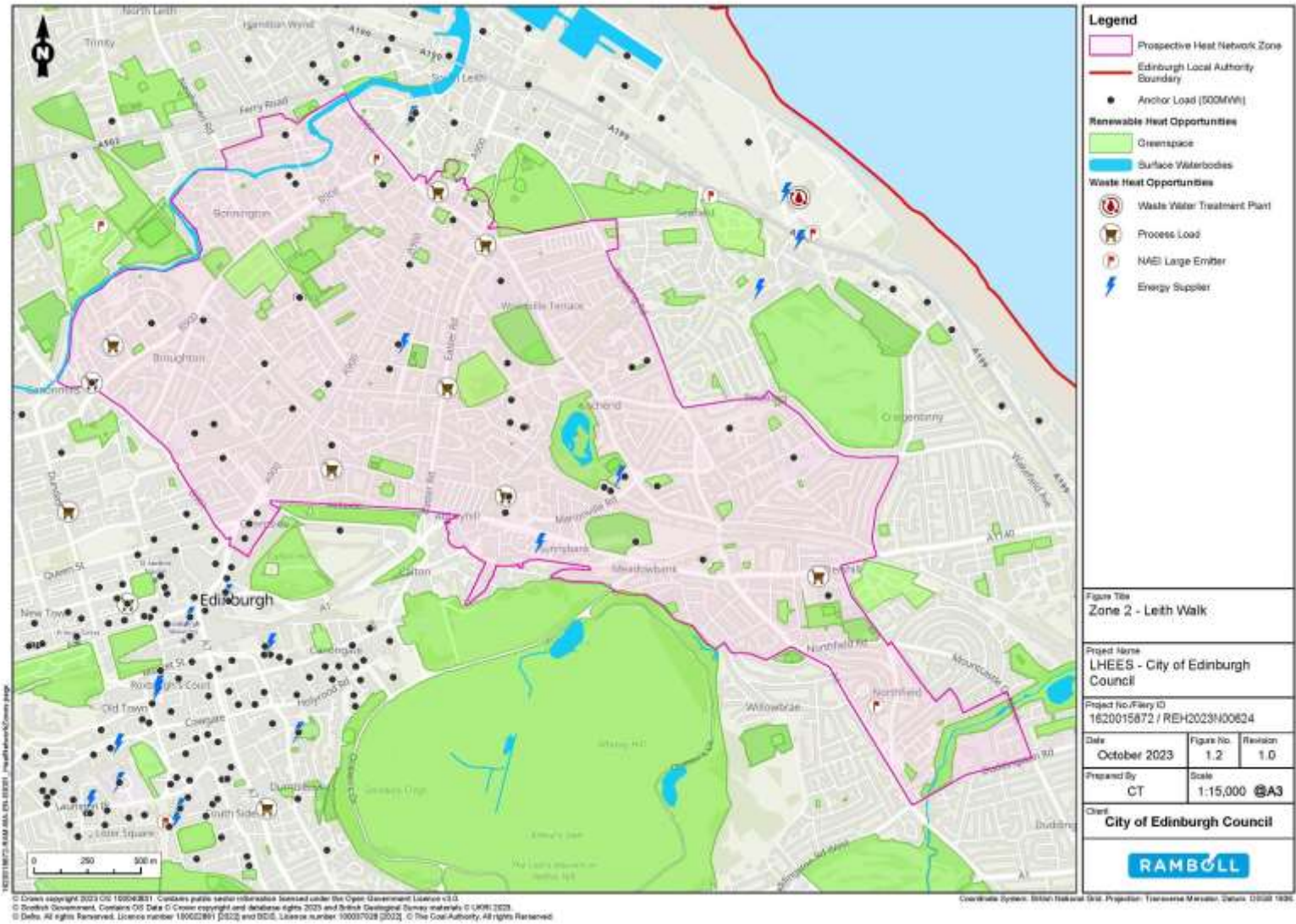
## 5.21. Heat Network Zone 02: Leith Walk

5.21.1. Headline information on the second prospective Heat Network Zone, “Leith Walk”, is set out in the below table:

**Table 42: Headline information on Heat Network Zone 02: Leith Walk**

<b>LHD level</b>	8,000 kWh / metre / year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	439,127
<b>Total loads</b>	15,149
<b>Anchor loads</b>	43
<b>Area</b>	551 hectares

- 5.21.2. This Heat Network Zone encompasses the urban corridor between Edinburgh city centre and Leith. This is a heavily built-up area that includes some of the most densely populated parts of Scotland. The anchor loads across the site include a number of industrial properties which it is judged may come forward for redevelopment in future so further analysis would be required to identify a refined list of anchor loads offering the greatest certainty. The anchor loads are relatively dispersed across the Heat Network Zone meaning there is no obvious nexus for a heat network in this location. Key Council-owned buildings in this Heat Network Zone include Drummond Community High School and Leith Academy.
- 5.21.3. Potential heat sources in this Heat Network Zone include multiple supermarkets; multiple major sewers running beneath the site (particularly a sewer running east-west across the site with a flow rate of over 832.24 litres per second); green spaces such as Lochend Park and Pilrig Park; and water bodies such as the Water of Leith.
- 5.21.4. The area in question is densely developed with many historical properties. The route for pipes will be a key consideration. It is recognised that Leith Walk in particular has seen extensive works in recent years and any further excavations would cause additional disruption.
- 5.21.5. A preliminary assessment of this Heat Network Zone suggests that it may have potential, but that the scattered nature of the anchor loads may make delivery complex.



Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

## 5.22. Heat Network Zone 03: Old Town & Southside

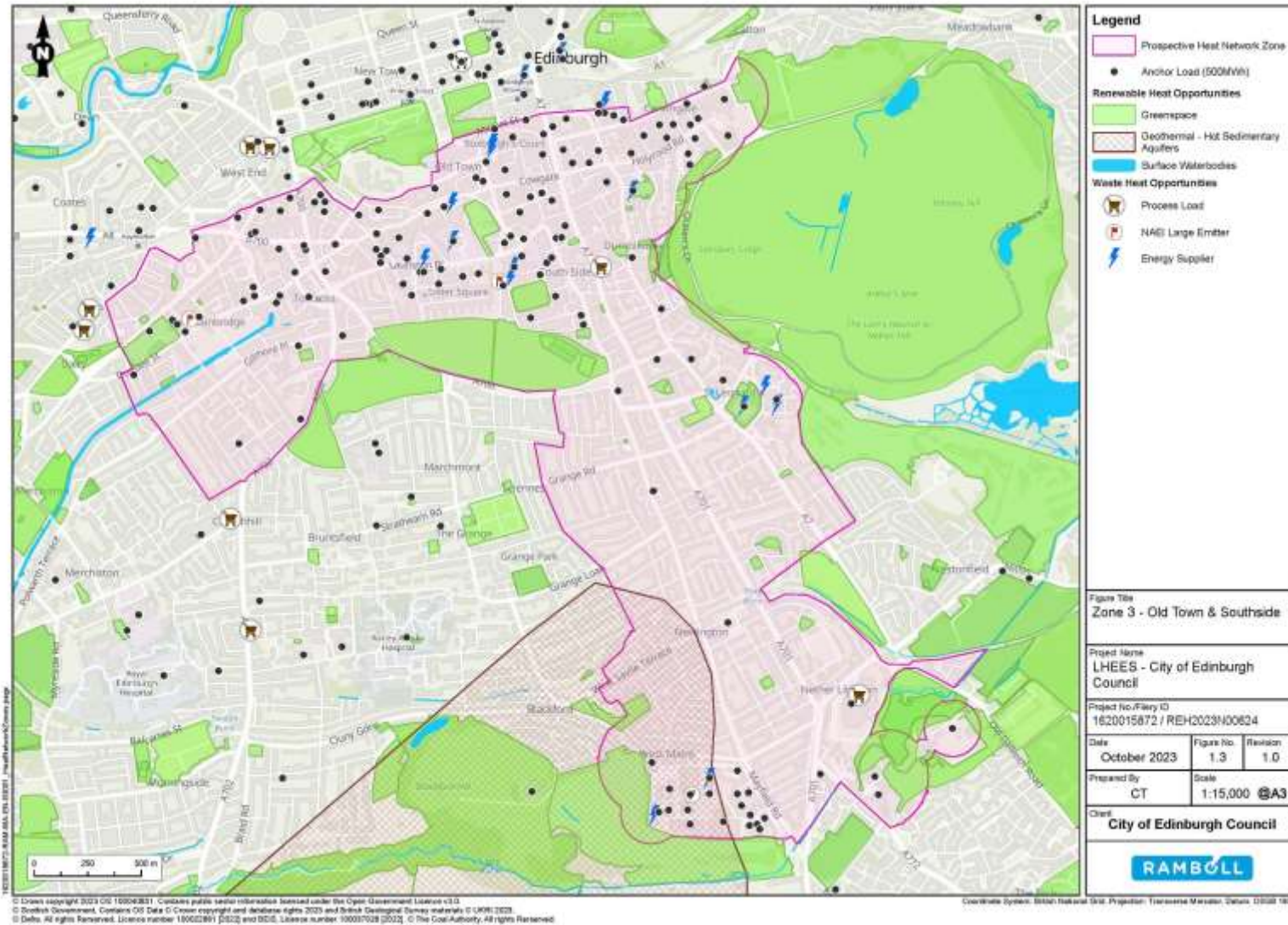
5.22.1. Headline information on the third prospective Heat Network Zone, “Old Town & Southside”, is set out in the below table:

**Table 43: Headline information on Heat Network Zone 03: Old Town & Southside**

<b>LHD level</b>	8,000 kWh / metre / year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	706,174
<b>Total loads</b>	12,736
<b>Anchor loads</b>	149
<b>Area</b>	568 hectares

- 5.22.2. This Heat Network Zone encompasses Edinburgh’s Old Town, along with the modern Exchange District and Fountainbridge neighbourhoods to the west. It stretches south to the University of Edinburgh’s King’s Buildings campus. This Heat Network Zone includes a wide variety of anchor loads, including hotels, offices, and civic buildings. The University of Edinburgh is a key stakeholder within this Heat Network Zone with its various central campuses, the aforementioned King’s Buildings campus, and the Pollock Halls student accommodation area falling within the Zone. Key Council-owned buildings include the Royal Lyceum Theatre; Tollcross Primary School; and Usher Hall.
- 5.22.3. The anchor loads in this Heat Network Zone are somewhat clustered around the arterial roads running west to east from Dundee Street to Holyrood Road, suggesting this may represent a logical pipe route, potentially with a spur running up Lothian Road. Planning public realm and active travel works at Fountainbridge and Lothian Road may represent an opportunity to future proof via the installation of ducts for pipes. A connection to the southern part of the site may prove more challenging.
- 5.22.4. Potential heat sources within this Heat Network Zone include supermarkets; multiple major sewers; the Union Canal; green spaces such as the Meadows; substations; and potential geothermal resources to the south.
- 5.22.5. This Heat Network Zone forms part of the largest potential Heat Network Zone in Edinburgh identified in the First National Assessment.
- 5.22.6. The key challenges associated with the delivery of a heat network in this area concern its historical character coupled with challenging subterranean conditions.
- 5.22.7. A preliminary assessment of this Heat Network Zone suggests that it has strong potential given the clustering of anchor loads and the range of potential heat sources.





Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

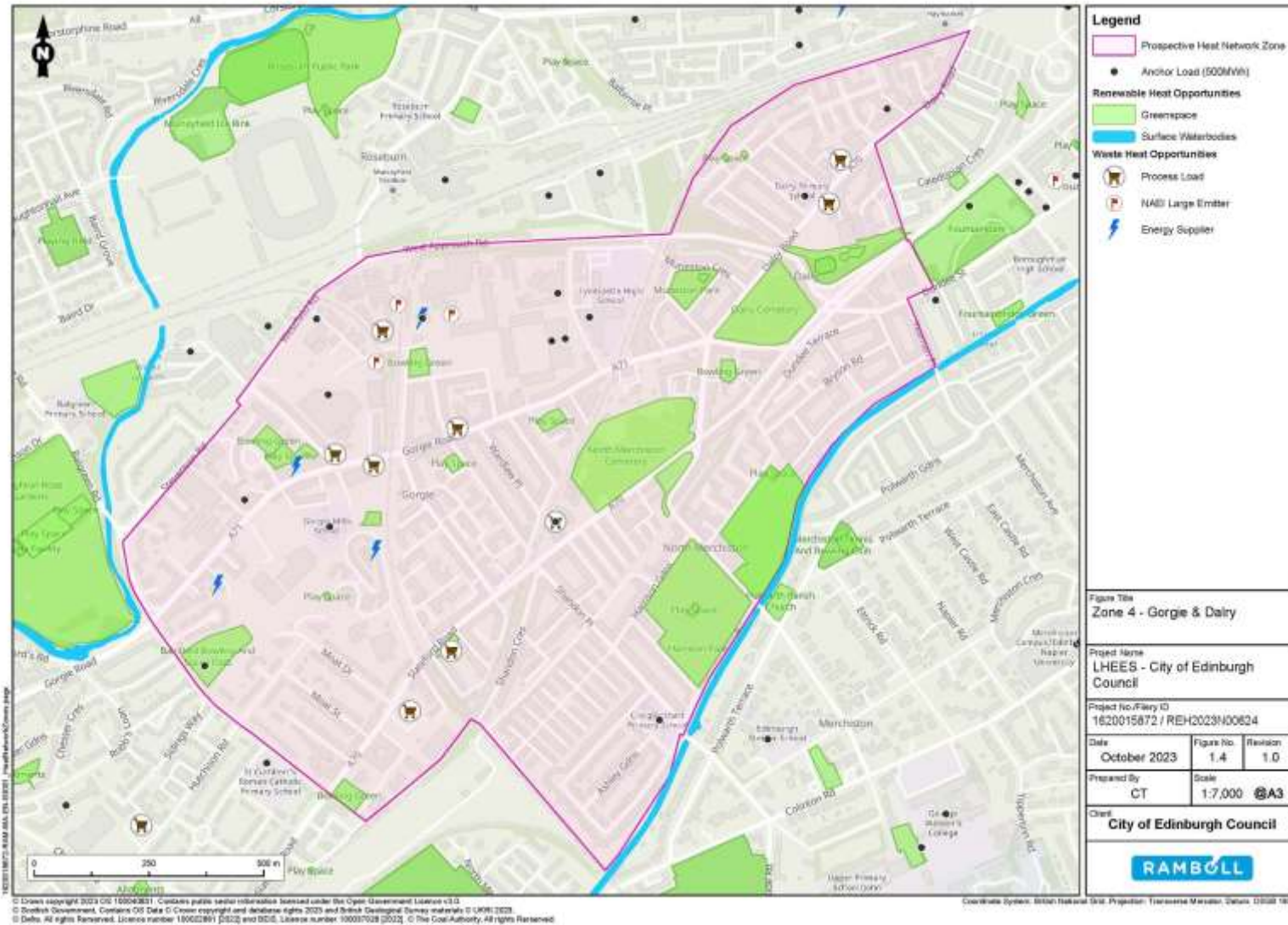
## 5.23. Heat Network Zone 04: Gorgie & Dalry

5.23.1. Headline information on the fourth prospective Heat Network Zone, “Gorgie & Dalry”, is set out in the below table:

**Table 44: Headline information on Heat Network Zone 04: Gorgie & Dalry**

<b>LHD level</b>	8,000 kWh / metre / year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	630,021
<b>Total loads</b>	3,846
<b>Anchor loads</b>	14
<b>Area</b>	168 hectares

- 5.23.2. This Heat Network Zone encompasses neighbourhoods to the southwest of Edinburgh city centre. It has relatively few anchor loads, with such loads as there are being primarily located to the north of the site. Key Council-owned buildings include Tynecastle High School and Craiglockhart Primary School.
- 5.23.3. Potential heat sources within this Heat Network Zone include multiple supermarkets; major industrial uses at Wheatfield Road; the Union Canal; and green spaces such as Harrison Park.
- 5.23.4. A preliminary assessment of this Heat Network Zone suggests that it may have lesser potential than other Zones due primarily to the relatively low number of anchor loads.



Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

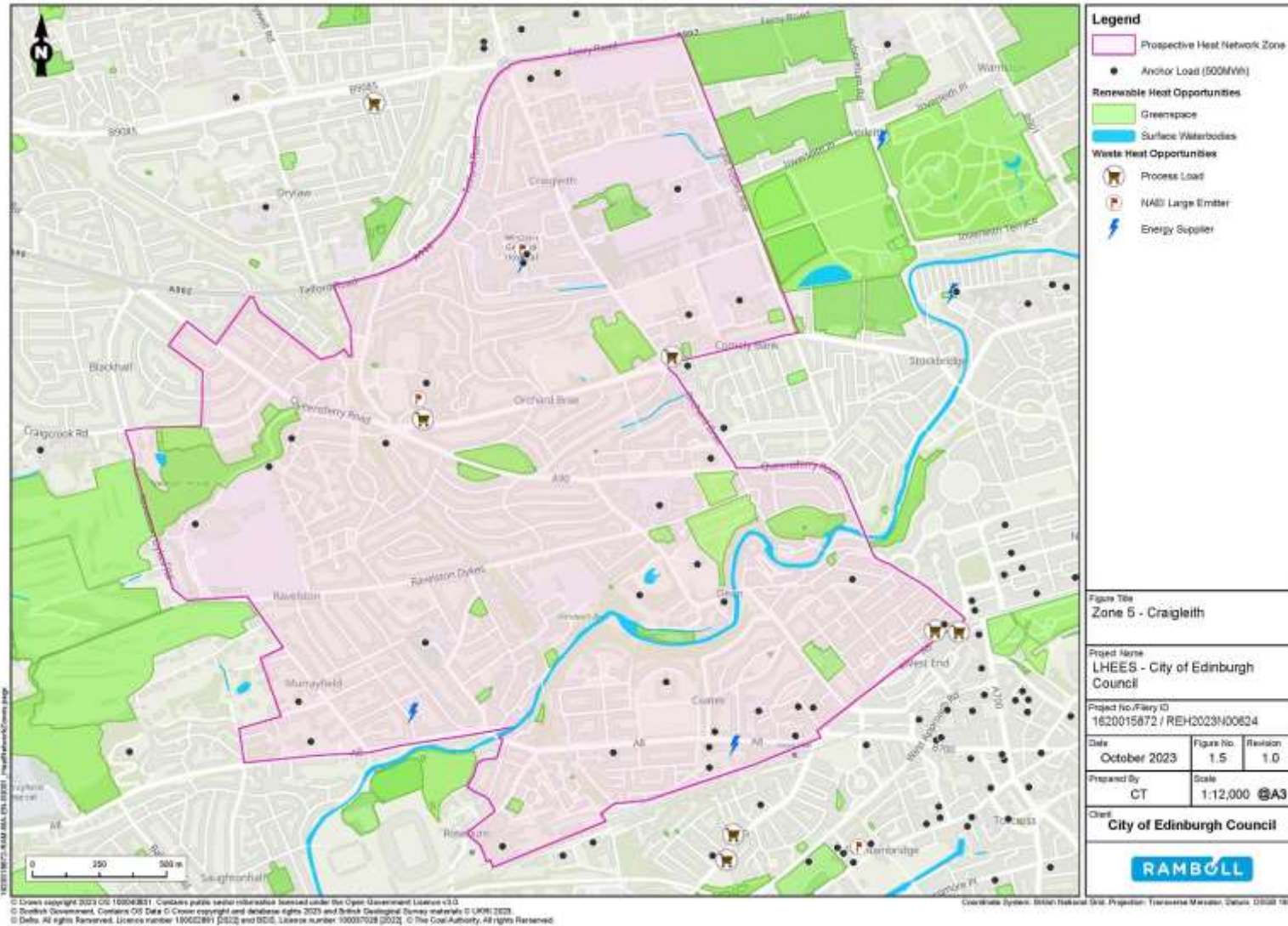
## 5.24. Heat Network Zone 05: Craigleith

- 5.24.1. Headline information on the fifth prospective Heat Network Zone, “Craigleith”, is set out in the below table:

**Table 45: Headline information on Heat Network Zone 05: Craigleith**

<b>LHD level</b>	8,000 kWh / metre / year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	287,103
<b>Total loads</b>	7,589
<b>Anchor loads</b>	33
<b>Area</b>	506 hectares

- 5.24.2. This Heat Network Zone encompasses neighbourhoods to the northwest of Edinburgh city centre. Anchor loads in this Heat Network Zone including the Western General Hospital. Key Council-owned buildings include Broughton High School.
- 5.24.3. The anchor loads in this Heat Network Zone are relatively dispersed.
- 5.24.4. Potential heat sources within this Heat Network Zone include supermarkets and the Water of Leith.
- 5.24.5. A preliminary assessment of this Heat Network Zone suggests that it may have lesser potential than other Zones due primarily to scattered nature of the anchor loads.



Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

## 5.25. Heat Network Zone 06: Granton

- 5.25.1. Headline information on the sixth prospective Heat Network Zone, “Granton”, is set out in the below table:

**Table 46: Headline information on Heat Network Zone 06: Granton**

<b>LHD level</b>	4,000 kWh / metre / year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	190,383
<b>Total loads</b>	8,425
<b>Anchor loads</b>	26
<b>Area</b>	522 hectares

- 5.25.2. This Heat Network Zone encompasses the Granton Waterfront regeneration area in north Edinburgh – including brownfield land in and around the former Granton Gasworks – along with the housing estates of Muirhouse, Pennywell, and Pilton to the south. The Council itself has significant land and property ownerships in this area.
- 5.25.3. The anchor loads in this Heat Network Zone are somewhat clustered to the north of West Granton Road, with a smaller cluster around Ferry Road. The project developed by the Council focuses on the northern cluster, with the potential to add links to the southern cluster. In principle, the heat network could be expanded organically in future to encompass the other areas of the wider Heat Network Zone. A key aspect of this Heat Network Zone is the large-scale new housing and other development led by the Council planned for the Granton Waterfront regeneration area, with the intention being that these new properties will connect to the heat network from the outset.
- 5.25.4. Potential heat sources within this Heat Network Zone include the Firth of Forth; major sewers; supermarkets; and substations. Assessments commissioned by the Council suggest that the preferred solution would be a 4-megawatt heat pump utilising heat from the sewer running beneath Granton Waterfront, supplemented by two 10 megawatt electric boilers.
- 5.25.5. This Heat Network Zone is currently the subject of a live project, with the Council aiming to have a concessionaire to design, build and operate a heat network fully appointed by Q1 2025 and the first phase of the heat network operational in 2026. The development of this heat network is expected to inform projects to roll out heat networks in other Zones.



Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

## 5.26. Heat Network Zone 07: Leith

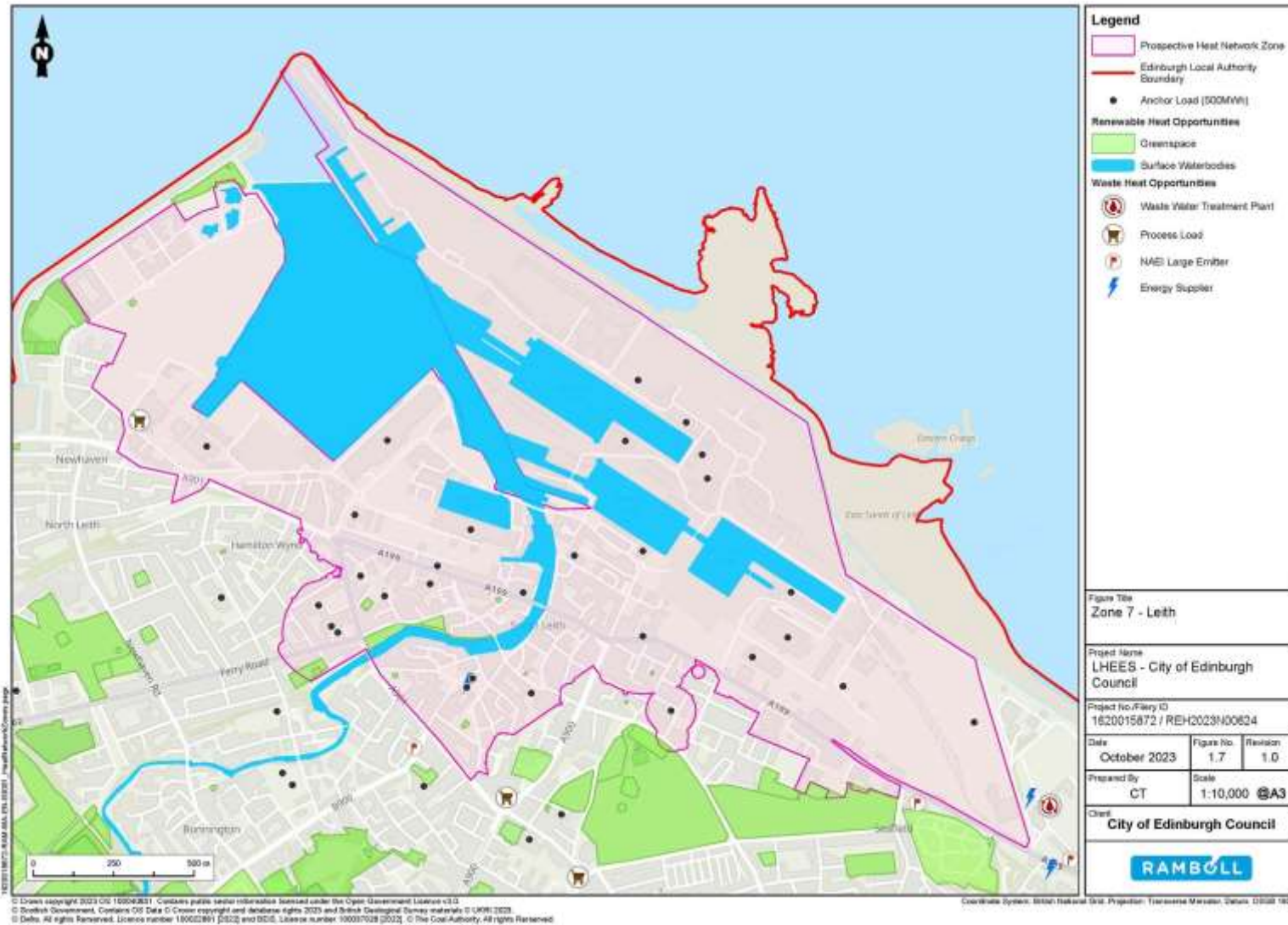
- 5.26.1. Headline information on the seventh prospective Heat Network Zone, “Leith”, is set out in the below table:

**Table 47: Headline information on Heat Network Zone 07: Leith**

<b>LHD level</b>	8,000 kWh / metre / year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	119,369
<b>Total loads</b>	2,047
<b>Anchor loads</b>	32
<b>Area</b>	273 hectares

- 5.26.2. This Heat Network Zone encompasses the Port of Leith along with surrounding residential and commercial areas.
- 5.26.3. The anchor loads in this Heat Network Zone are primarily within the Port of Leith, along with buildings such as the Ocean Terminal shopping centre, the Victoria Quay office building (home to Scottish Government officers), and other commercial properties.
- 5.26.4. Potential heat sources within this Heat Network Zone include the Firth of Forth, major sewers, and the Seafield Waste Water Treatment Plant immediately to the east.
- 5.26.5. Forth Ports, as the owner and operator of the Port of Leith, would be a key partner in the development of a heat network in this area.





Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

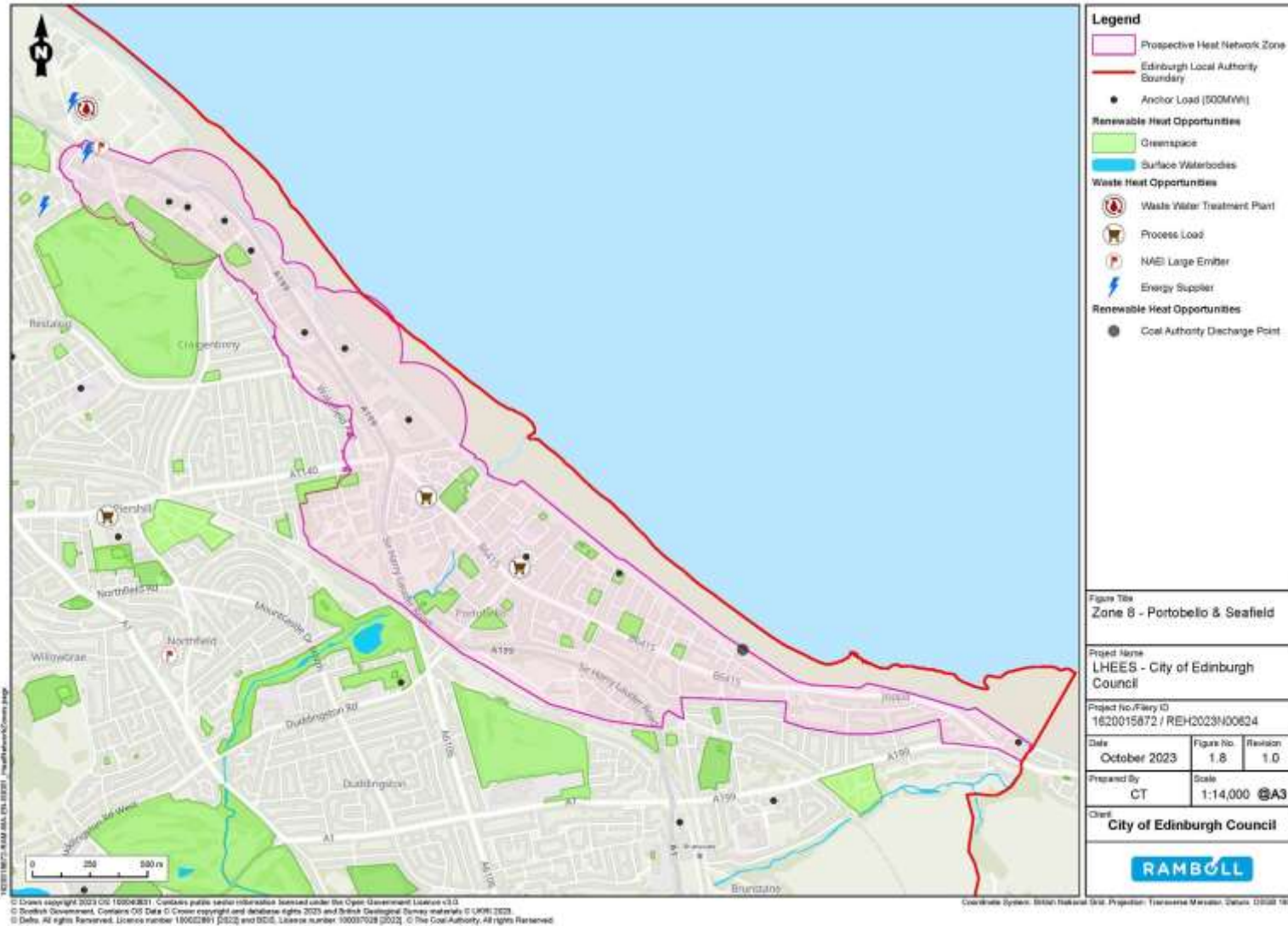
## 5.27. Heat Network Zone 08: Portobello & Seafield

- 5.27.1. Headline information on the eighth prospective Heat Network Zone, “Portobello & Seafield”, is set out in the below table:

**Table 48: Headline information on Heat Network Zone 08: Portobello & Seafield**

<b>LHD level</b>	4,000 kWh / metre / year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	88,143
<b>Total loads</b>	2,975
<b>Anchor loads</b>	10
<b>Area</b>	218 hectares

- 5.27.2. This Heat Network Zone encompasses a strip of land along the coast of Edinburgh between Seafield and Joppa. It includes the historical suburbs of Portobello and Joppa along with land at Seafield primarily occupied by industrial units and retail warehouses. The land at Seafield is proposed to be largely redeveloped to deliver a new residential-led mixed-use neighbourhood., which could in principle be connected to a heat network from the outset.
- 5.27.3. The anchor loads in this Heat Network Zone are generally located to the northeast of Seafield Road East and Portobello High Street, suggesting that this may be a local pipe route.
- 5.27.4. Potential heat sources within this Heat Network Zone include the Firth of Forth; a major sewer running under the Zone; and the Seafield Waste Water Treatment Plant. As part of early work around the redevelopment, initial assessment has been carried out into the scope to utilise waste heat from the Treatment Plant.
- 5.27.5. Many of the anchor loads in this area are existing commercial uses in Seafield, which as set out above is earmarked as a potential strategic redevelopment area. Any development of a heat network in this Zone would need to be integrated with development proposals, including any excavation works associated with active travel upgrades and other projects.
- 5.27.6. This Heat Network Zone may offer potential for a cross-boundary Heat Network Zone as it abuts Musselburgh in East Lothian.



Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

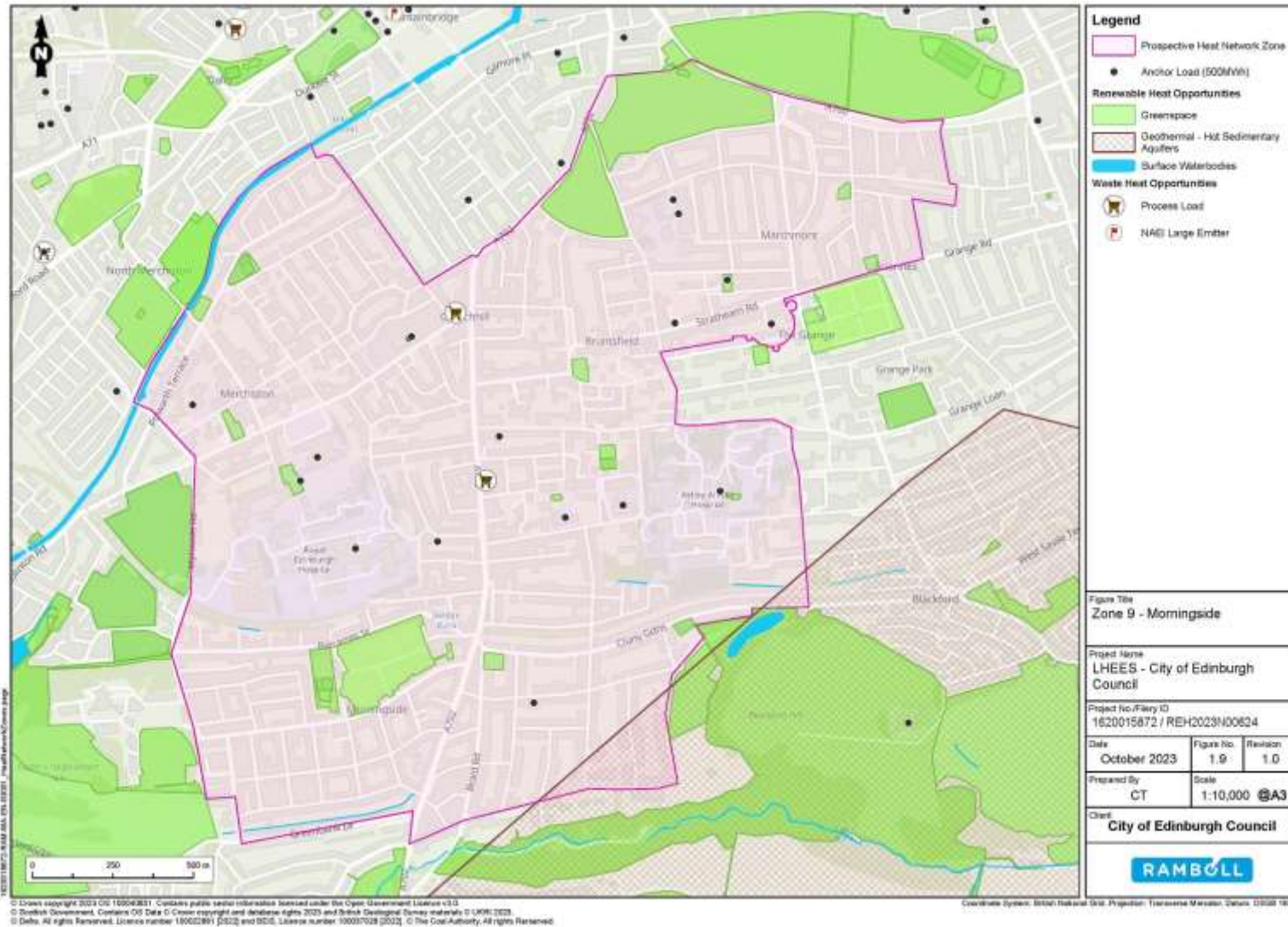
## 5.28. Heat Network Zone 09: Morningside

- 5.28.1. Headline information on the ninth prospective Heat Network Zone, “Morningside”, is set out in the below table:

**Table 49: Headline information on Heat Network Zone 09: Morningside**

<b>LHD level</b>	8,000 kWh / metre / year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	283,938
<b>Total loads</b>	7,306
<b>Anchor loads</b>	17
<b>Area</b>	373 hectares

- 5.28.2. This Heat Network Zone encompasses suburban neighbourhoods such as Bruntsfield, Marchmont, Merchiston, and Morningside to the east and west of Morningside Road. It is primarily residential, with ground-floor commercial uses.
- 5.28.3. The anchor loads in this Heat Network Zone include the Royal Edinburgh Hospital, the Merchiston campus of Edinburgh Napier University, and George Watson’s College. Key Council ownerships include James Gillespie's High School. The Astley Ainslie Hospital is earmarked for closure and represents a redevelopment opportunity.
- 5.28.4. Potential heat sources within this Heat Network Zone include a major sewer and supermarkets, with geothermal potential identified to the south of the Zone.
- 5.28.5. Engagement with NHS Lothian, Edinburgh Napier University, and other key stakeholders would be essential in bringing forward a heat network in this area.



Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

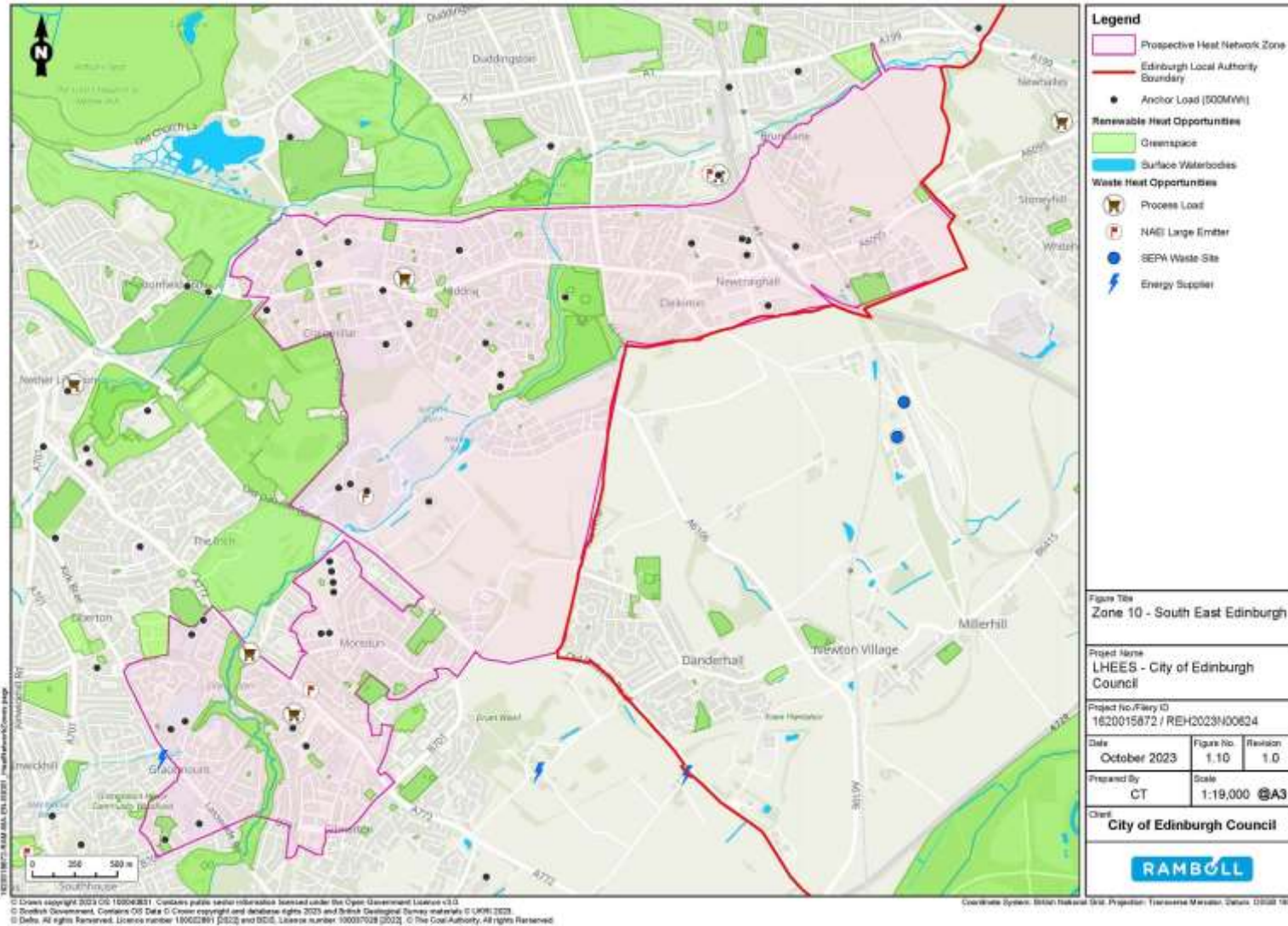
## 5.29. Heat Network Zone 10: South East Edinburgh

- 5.29.1. Headline information on the tenth prospective Heat Network Zone, “South East Edinburgh”, is set out in the below table:

**Table 50: Headline information on Heat Network Zone 10: South East Edinburgh**

<b>LHD level</b>	4,000 kWh / metre / year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	187,528
<b>Total loads</b>	8,422
<b>Anchor loads</b>	38
<b>Area</b>	809 hectares

- 5.29.2. This Heat Network Zone encompasses land in southeast Edinburgh, including the suburbs of Gracemount and Moredun; Edinburgh BioQuarter; the residential neighbourhoods of Craigmillar, Greendykes, and Niddrie; and Fort Kinnaird retail park. It includes major development areas such as Edinburgh BioQuarter and Brunstane.
- 5.29.3. There are a large number of anchor loads in this Heat Network Zone with multiple small clusters including Council buildings at Gracemount and Craigmillar, Edinburgh BioQuarter (particularly the Royal Infirmary of Edinburgh), and Fort Kinnaird.
- 5.29.4. Potential heat sources within this Heat Network Zone include supermarkets and water courses along with the Millerhill Recycling and Energy Recovery Centre (MRERC) to the southeast.
- 5.29.5. Significant work has been undertaken to date around the prospect for a heat network in this area. The Council has worked with NHS Lothian and the University of Edinburgh to explore the scope for a heat network operated by Midlothian Energy Limited and fed by the MRERC to serve Edinburgh BioQuarter and the surrounding area. Separately, the Council has previously explored the scope for a heat network serving a cluster of Council and NHS Lothian-owned buildings in Gracemount using a closed loop 750-kilowatt ground source heat pump with a 2,300-kilowatt electric boiler top-up.
- 5.29.6. This Heat Network Zone may offer potential for a cross-boundary Heat Network Zone as it abuts both Midlothian and East Lothian.



Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

## 5.30. Heat Network Zone 11: Colinton Mains

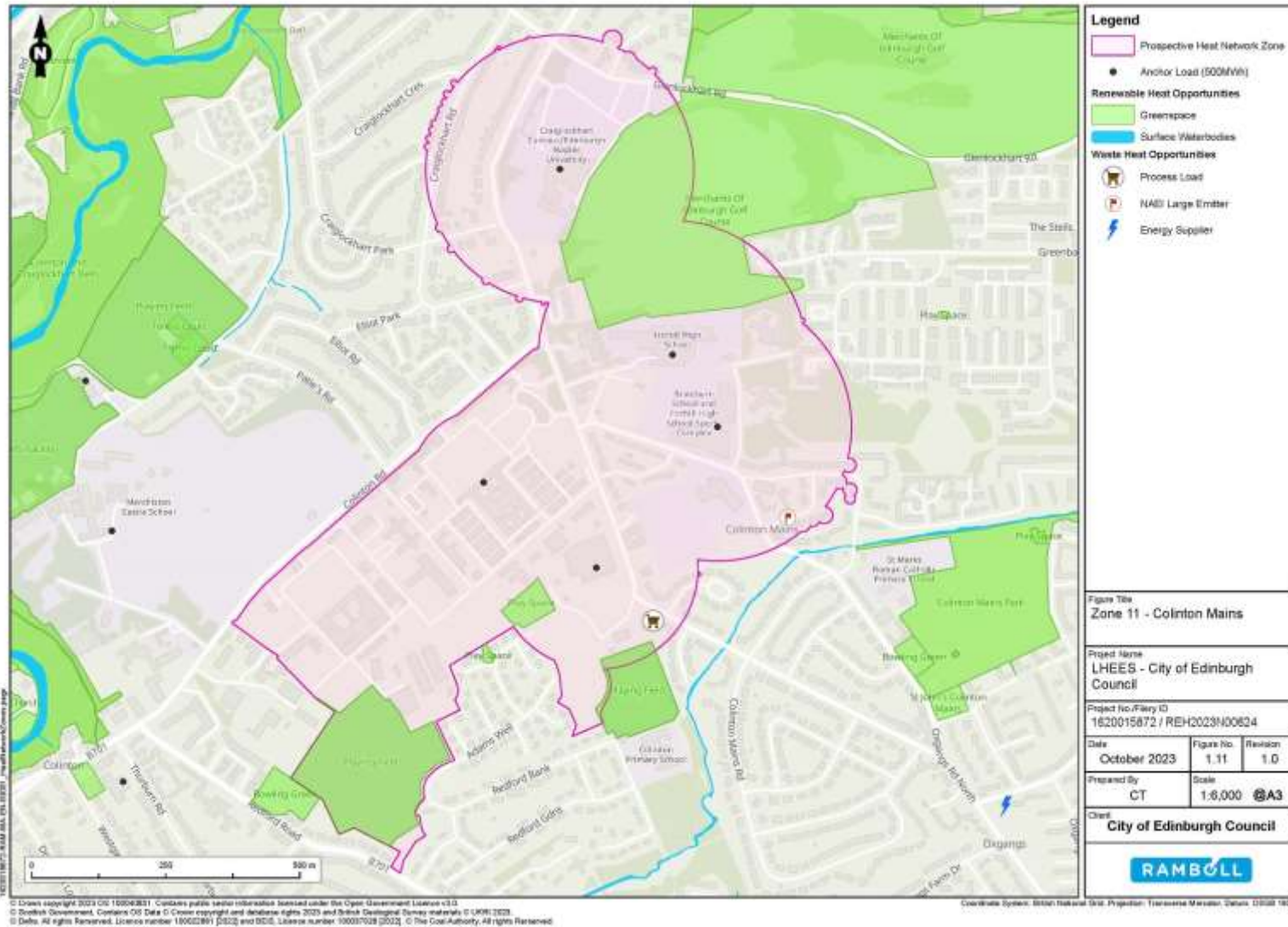
- 5.30.1. Headline information on the eleventh prospective Heat Network Zone, “Colinton Mains”, is set out in the below table:

**Table 51: Headline information on Heat Network Zone 11: Colinton Mains**

<b>LHD level</b>	4,000 kWh / metre / year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	11,675
<b>Total loads</b>	312
<b>Anchor loads</b>	5
<b>Area</b>	81 hectares

- 5.30.2. This Heat Network Zone encompasses land in southwest Edinburgh. It is based upon a cluster of five anchor loads: Redford Barracks, a Tesco supermarket at Colinton Mains Drive, the Craiglockhart campus of Edinburgh Napier University, Firrhill School, and Braidburn School.
- 5.30.3. Relatively few potential heat sources have been identified within this Heat Network Zone.
- 5.30.4. Given the low number of anchor loads within this Heat Network Zone, buy-in from all anchor loads will likely be necessary to take forward delivery of a heat network here. Consideration would also require to be given to the heat source for any network.





Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

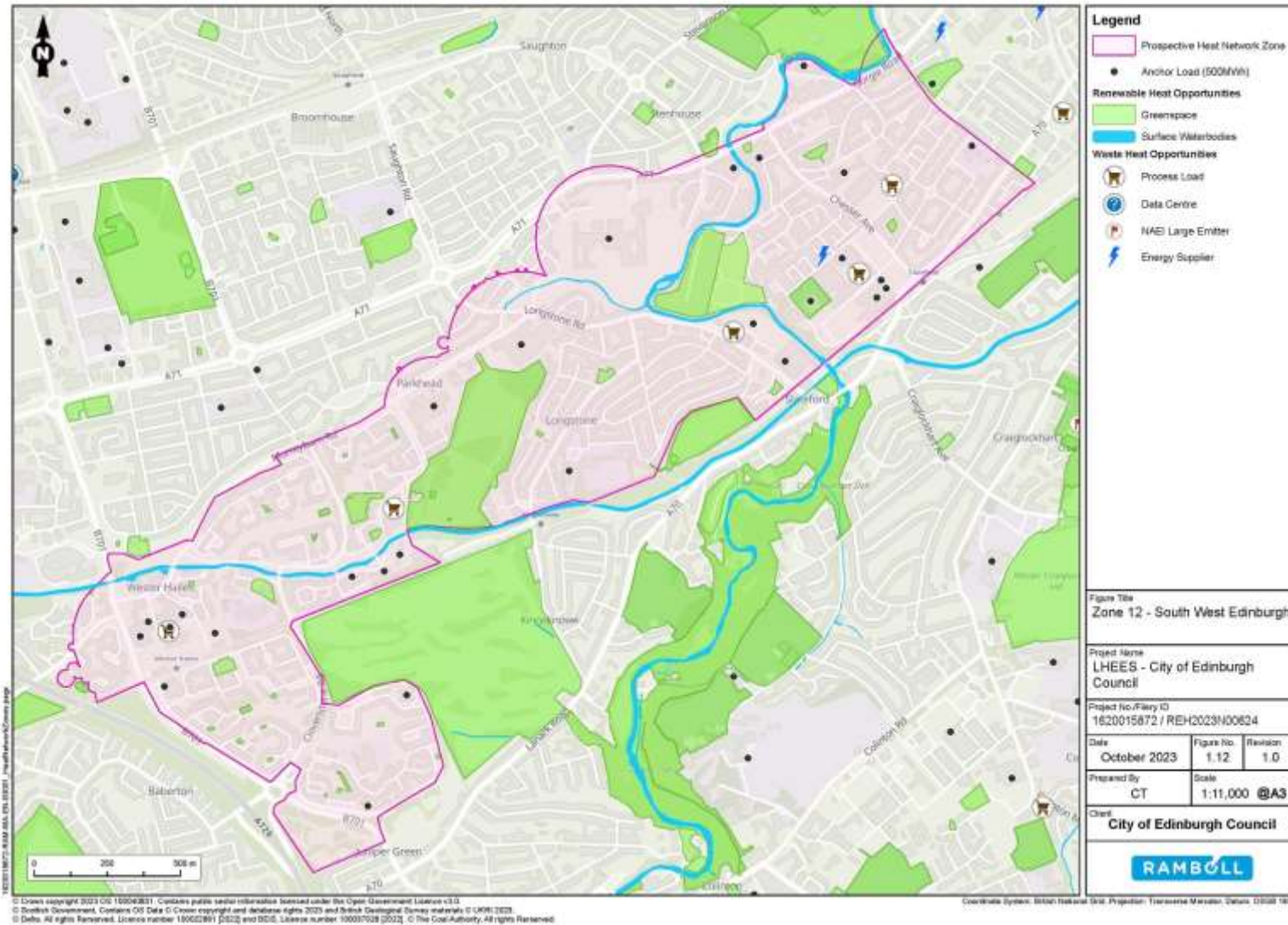
## 5.31. Heat Network Zone 12: South West Edinburgh

- 5.31.1. Headline information on the twelfth prospective Heat Network Zone, “South West Edinburgh”, is set out in the below table:

**Table 52: Headline information on Heat Network Zone 12: South West Edinburgh**

<b>LHD level</b>	8,000 kWh / metre / year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	119,474
<b>Total loads</b>	4,214
<b>Anchor loads</b>	27
<b>Area</b>	276 hectares

- 5.31.2. This Heat Network Zone encompasses a wedge of land in southwest Edinburgh stretching from Wester Hailes to Slateford. This area is primarily residential but also includes Westside Plaza shopping centre, industrial units at Murrayburn, HMP Edinburgh, and a cluster of retail and leisure units in Slateford.
- 5.31.3. The anchor loads in this Heat Network Zone are relatively scattered with multiple small clusters. Council ownerships include Longstone Primary School.
- 5.31.4. Potential heat sources within this Heat Network Zone include supermarkets and potentially also the Union Canal and Water of Leith.
- 5.31.5. A preliminary assessment of this Heat Network Zone suggests that it may have lesser potential than other Zones given the scattered distribution of anchor loads.



Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

## 5.32. Heat Network Zone 13: Heriot-Watt

- 5.32.1. Headline information on the thirteenth prospective Heat Network Zone, “Heriot-Watt”, is set out in the below table:

**Table 53: Headline information on Heat Network Zone 13: Heriot-Watt**

<b>LHD level</b>	4,000 kWh / metre /year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	68,751
<b>Total loads</b>	80
<b>Anchor loads</b>	17
<b>Area</b>	153 hectares

- 5.32.2. This Heat Network Zone encompasses Heriot-Watt University’s campus at Riccarton, Edinburgh. The land includes various teaching and research buildings, along with student accommodation, commercial buildings within Heriot-Watt Research Park, and the Oriam sports facility. The Zone includes significant amounts of land earmarked for future development.
- 5.32.3. Potential heat sources within this Heat Network Zone include green spaces, watercourses, and a major sewer to the east. The quantum of land may also create opportunities for large-scale solar installations.
- 5.32.4. Any development of a heat network in this Zone will be at the discretion of Heriot-Watt University, with the Council supporting as required.



## 5.33. Heat Network Zone 14: Sighthill & Gyle

5.33.1. Information on the fourteenth prospective Heat Network Zone, “Sighthill & Gyle”, is set out in the below table:

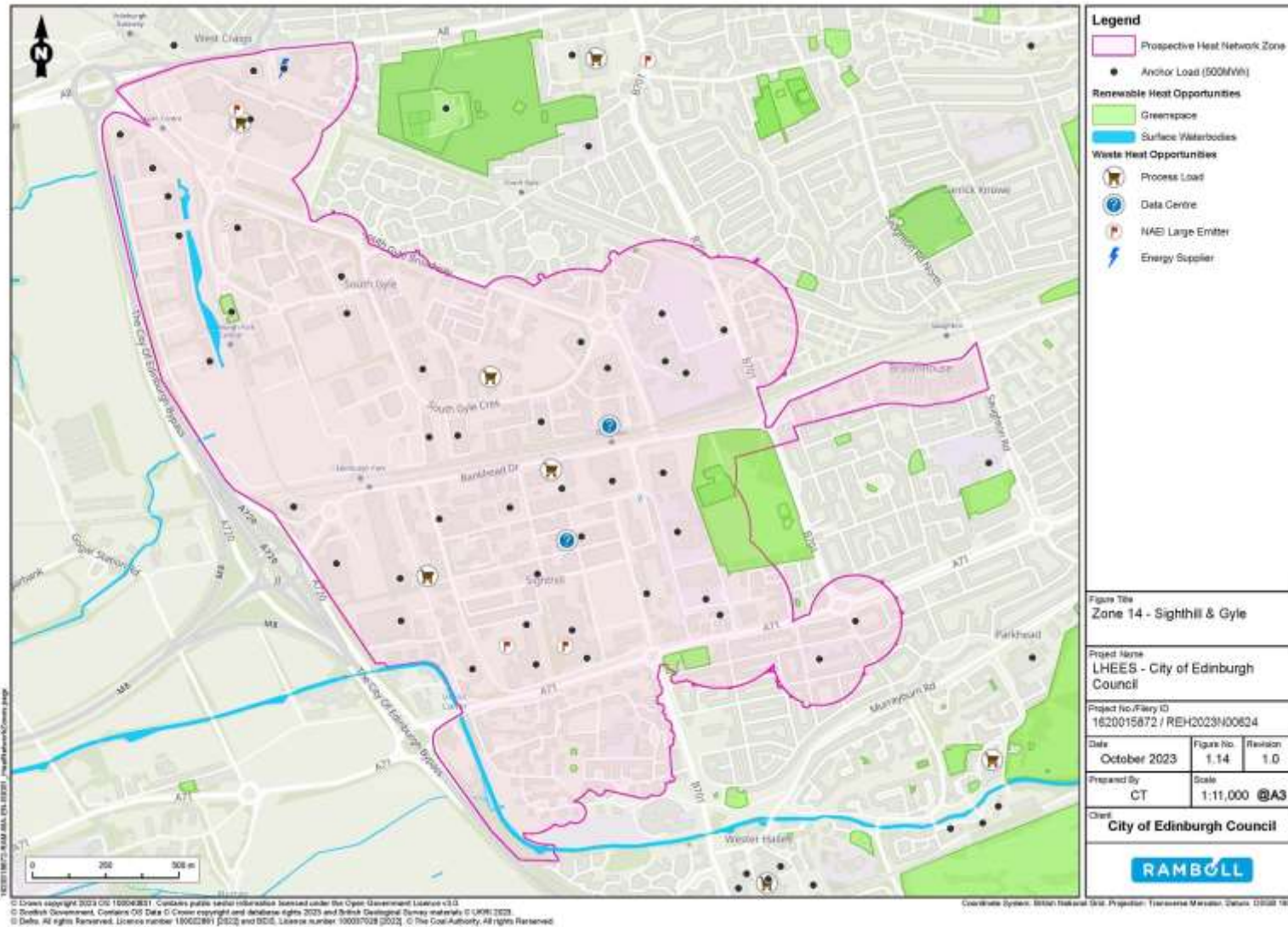
**Table 54: Headline information on Heat Network Zone 14: Sighthill & Gyle**

<b>LHD level</b>	4,000 kWh / metre /year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	138,136
<b>Total loads</b>	2,148
<b>Anchor loads</b>	45
<b>Area</b>	369 hectares

5.33.2. This Heat Network Zone encompasses the Sighthill and South Gyle areas of Edinburgh. It includes a variety of different areas, including industrial units, large office buildings, housing estates, a cluster of public sector buildings in the southeast, the Gyle shopping centre, Hermiston Gait retail park, and hotels. The Zone is relatively densely populated with anchor loads, with a number of smaller clusters. Significant new development is planned for the southern phase of Edinburgh Park.

5.33.3. Potential heat sources within this Heat Network Zone include data centres, supermarkets, major sewers, industrial buildings, and watercourses.

5.33.4. A preliminary assessment of this Heat Network Zone suggests that it has strong potential given the number and variety of anchor loads and the range of potential heat sources.



Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

## 5.34. Heat Network Zone 15: Ingliston

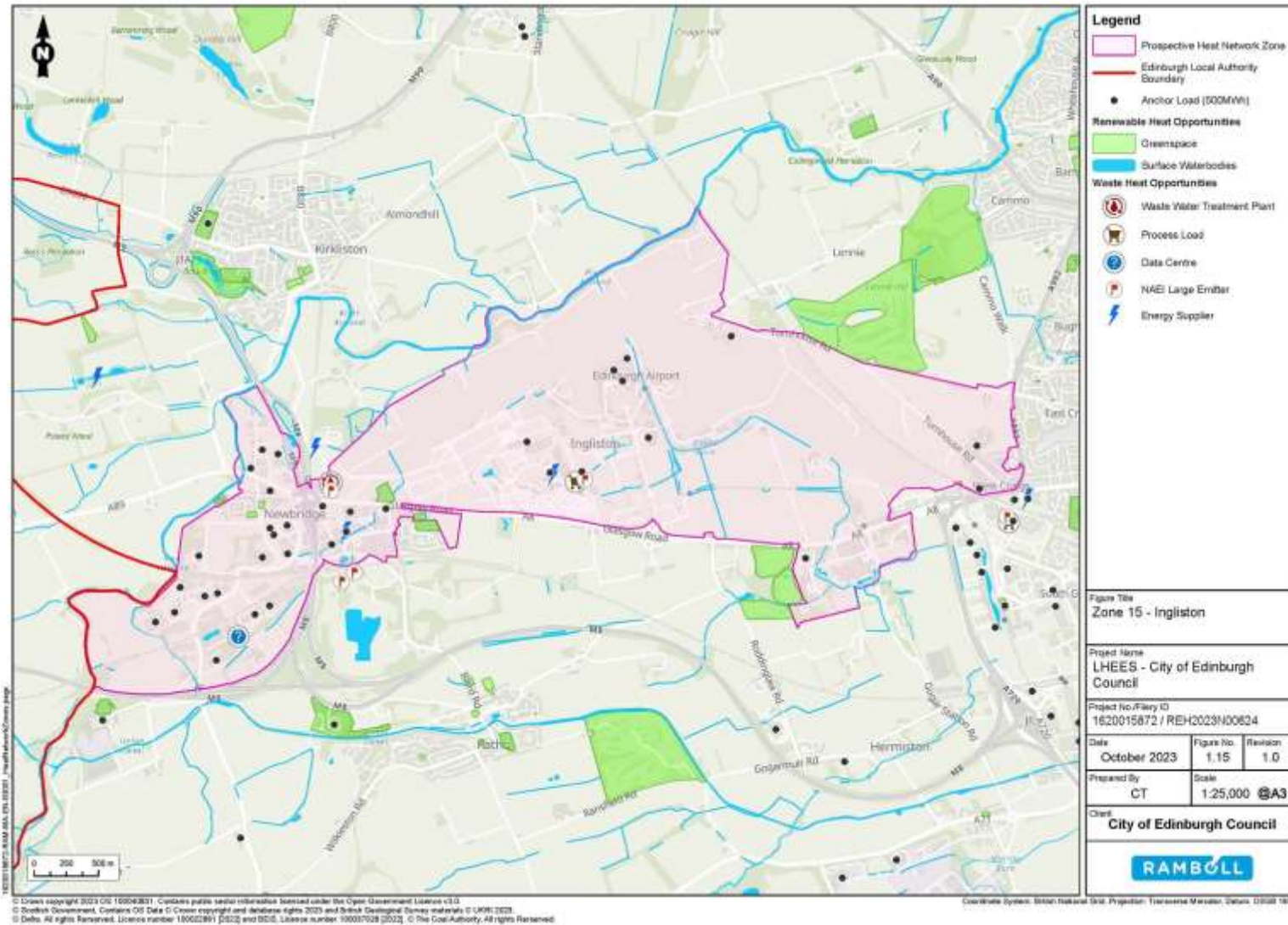
- 5.34.1. Headline information on the fifteenth prospective Heat Network Zone, “Ingliston”, is set out in the below table:

**Table 55: Headline information on Heat Network Zone 15: Ingliston**

<b>LHD level</b>	4,000 kWh / metre /year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	90,287
<b>Total loads</b>	614
<b>Anchor loads</b>	34
<b>Area</b>	1,049 hectares

- 5.34.2. This Heat Network Zone is centred on Edinburgh Airport; it also includes the Royal Highland Showground, large areas of residential development land, the Gogarburn office complex, and the village of Newbridge, which includes a significant quantum of industrial space along with residential areas.
- 5.34.3. The anchor loads in this Heat Network Zone include the Airport itself along with Gogarburn and multiple industrial properties in Newbridge.
- 5.34.4. Potential heat sources within this Heat Network Zone include watercourses and various industrial uses and data centres in Newbridge. The quantum of land may also create opportunities for large-scale solar installations.
- 5.34.5. Edinburgh Airport is currently exploring the development of a heat network that would initially serve the Airport, but with scope for future expansion.





Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

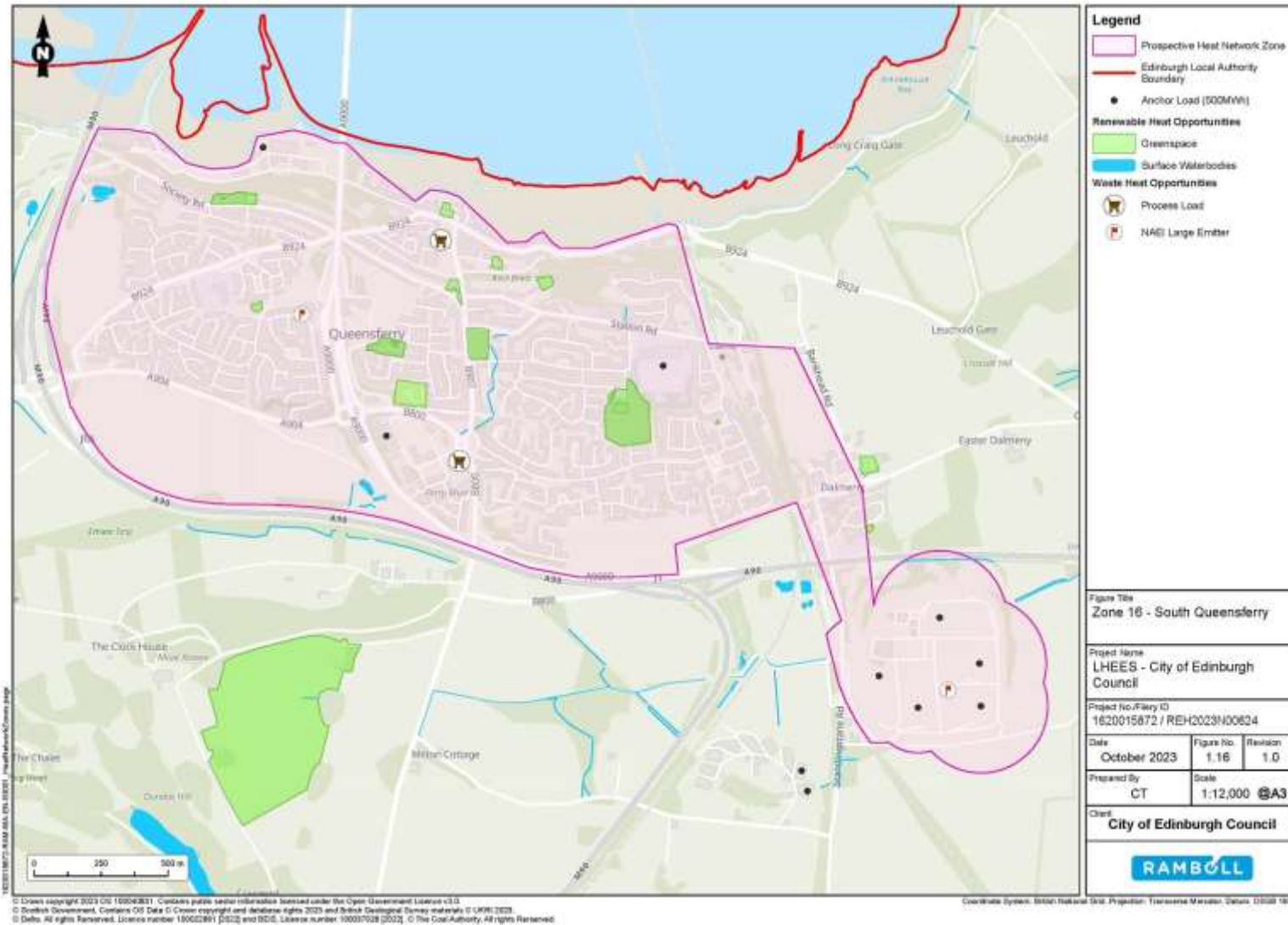
## 5.35. Heat Network Zone 16: South Queensferry

- 5.35.1. Headline information on the sixteenth prospective Heat Network Zone, “South Queensferry”, is set out in the below table:

**Table 56: Headline information on Heat Network Zone 16: South Queensferry**

<b>LHD level</b>	4,000 kWh / metre /year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	75,742
<b>Total loads</b>	4,253
<b>Anchor loads</b>	8
<b>Area</b>	389 hectares

- 5.35.2. This Heat Network Zone encompasses the town of South Queensferry along with the adjacent village of Dalmeny. The area is primarily residential.
- 5.35.3. Anchor loads in this Heat Network Zone are concentrated in the Dalmeny Tank Farm in the southeast of the site, a facility owned by INEOS used for oil storage. Other anchor loads include Queensferry High School.
- 5.35.4. Potential heat sources within this Heat Network Zone include the Firth of Forth along with waste heat sources such as the Dalmeny Tank Farm.
- 5.35.5. Any development of a heat network in this area will require engagement with INEOS given the importance of the Dalmeny Tank Farm.



Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

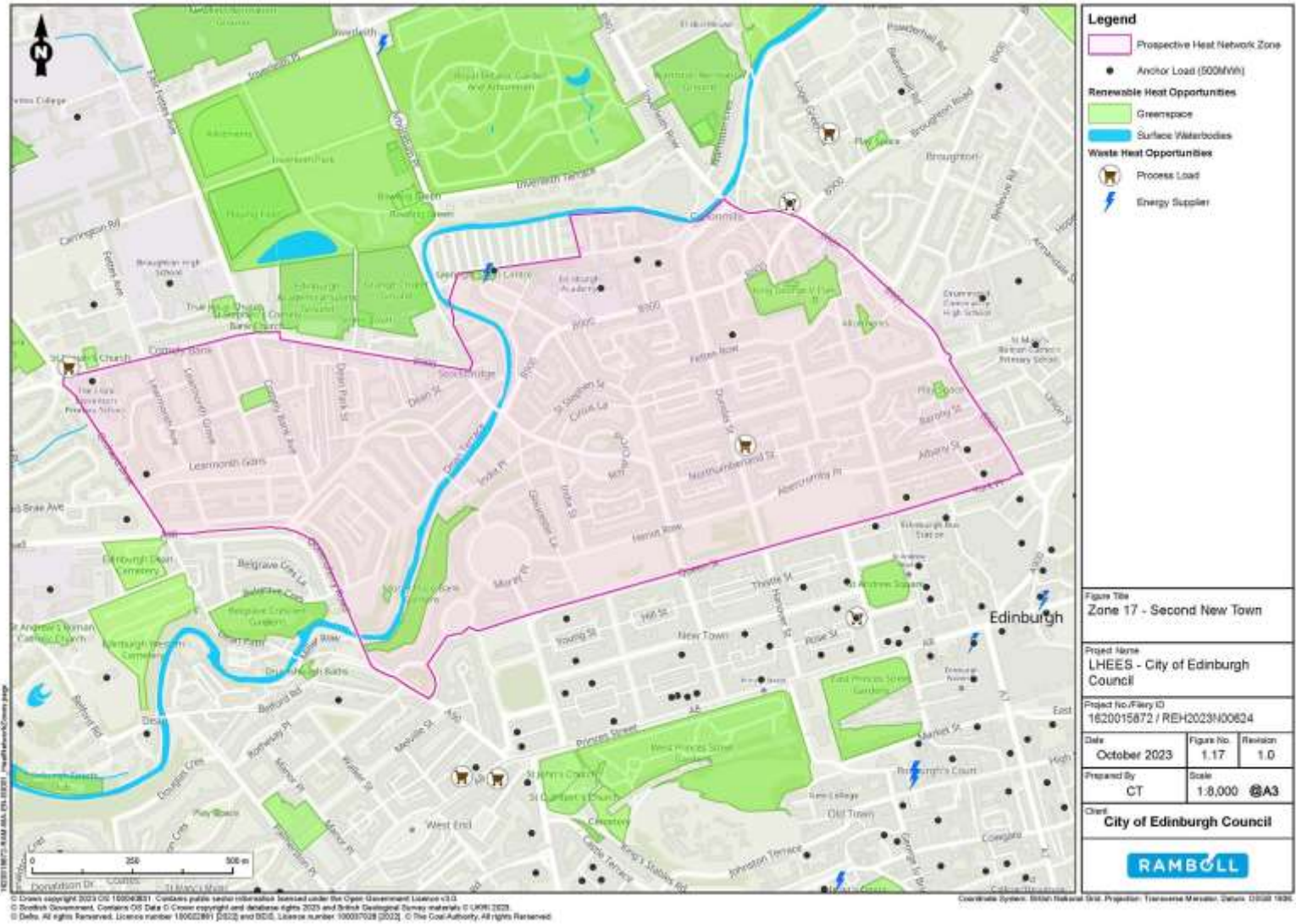
## 5.36. Heat Network Zone 17: Second New Town

- 5.36.1. Headline information on the seventeenth and final prospective Heat Network Zone, “Second New Town”, is set out in the below table:

**Table 57: Headline information on Heat Network Zone 17: Second New Town**

<b>LHD level</b>	8,000 kWh / metre / year
<b>LHD anchor load prioritisation count</b>	≥ 2
<b>Anchor load definition</b>	500 MWh / year
<b>Annual heat demand (MWh / year)</b>	185,446
<b>Total loads</b>	6,284
<b>Anchor loads</b>	10
<b>Area</b>	150 hectares

- 5.36.2. This Heat Network Zone includes Edinburgh’s Second New Town, as developed in the early 19<sup>th</sup> century, and surrounding areas. The Water of Leith runs diagonally through the site.
- 5.36.3. The anchor loads in this Heat Network Zone are somewhat fragmented with no clear pipe route presenting itself.
- 5.36.4. Potential heat sources within this Heat Network Zone include a major sewer that runs under the Zone and, potentially, the Water of Leith.
- 5.36.5. The key challenge associated with the delivery of a heat network in this area concern its historical character coupled with the physical barrier of the Water of Leith.
- 5.36.6. A preliminary assessment of this Heat Network Zone suggests that it may have lesser potential than other Zones due primarily to scattered nature of the anchor loads coupled with practical difficulties associated with the historicity of the area and the Water of Leith.



Contains Ordnance Survey AddressBase Plus data. © Improvement and Development Agency for Local Government copyright and database rights 2023. This product contains data created and maintained by Scottish Local Government. Use of this data is subject to [terms and conditions](#).

## 6. Monitoring of actions

**Table 58: Schedule of actions**

#	Action	Lead Council service	Key partners	Deadline	Considerations
1	Update and revise the Delivery Plan as required.	LHEES Office	N/A	Ongoing	1,2,3,4,5,6
2	Publish the outputs from the Edinburgh LHEES and Delivery Plan in a map-based format.	LHEES Office	N/A	Q4 2024	1,2,3,4,5,6
3	Integrate data from the Edinburgh LHEES with other Council datasets.	LHEES Office	N/A	Ongoing	1,2,3,4,5,6
4	Publish a second iteration of the Edinburgh LHEES and the Delivery Plan by the statutory deadline of December 2028.	LHEES Office	N/A	Q4 2028	1,2,3,4,5,6
5	Establish an LHEES Office on a skeleton basis.	Housing & Regeneration	N/A	Q2 2024	1,2,3,4,5,6
6	Engage with the Scottish Government around the case for revenue funding for the full establishment of an LHEES Office.	Housing & Regeneration	Scottish Government	Q2 2024	1,2,3,4,5,6
7	Develop appropriate governance structures for the delivery, monitoring, and evaluation of the Edinburgh LHEES and Delivery Plan.	LHEES Office	N/A	Q1 2024	1,2,3,4,5,6
8	Assess the potential role of Energy for Edinburgh Limited – the Council's energy services company – as part of the LHEES Office.	LHEES Office	Energy for Edinburgh Limited	Q2 2024	1,2,3,4,5,6
9	Maintain an up-to-date register of key stakeholders.	LHEES Office	Various	Ongoing	1,2,3,4,5,6
10	Establish and/or develop relationships with key stakeholders.	LHEES Office	Various	Ongoing	1,2,3,4,5,6
11	Develop a stakeholder engagement plan.	LHEES Office	Various	Q2 2024	1,2,3,4,5,6
12	Develop proposals for communications activity around the Edinburgh LHEES.	LHEES Office	N/A	Q2 2024	1,2,3,4,5,6
13	Produce a People Strategy and Strategic Workforce Plan to support the recruitment, retention, and development/training of staff for delivery of retrofit works.	Housing and Homelessness	N/A	Ongoing	4,5
14	Conduct an audit of the market in Edinburgh in terms of heat pump installers.	LHEES Office	N/A	Q3 2024	1,2
15	Engage with Scottish Enterprise around the scope to stage “meet the buyer” events to stimulate the supply chain for zero direct emissions heating solutions.	LHEES Office	Scottish Enterprise	Q3 2024	1,2,3

16	Assess the scope to pilot demand aggregation schemes for retrofit works.	LHEES Office	N/A	Q2 2026	1,2,4,5,6
17	Maintain a watching brief on the outputs of the Green Heat Finance Taskforce.	LHEES Office	Green Heat Finance Taskforce	Ongoing	1,2,3,4,5,6
18	Engage with financial providers with a presence in Edinburgh to better understand their products with respect to retrofit and energy efficiency, for example green mortgages.	LHEES Office	Various	Ongoing	1,2,3,4,5,6
19	Engage with potential investors to help them understand the nature and scale of opportunity associated with the Edinburgh LHEES.	LHEES Office	Various	Ongoing	1,2,3,4,5,6
20	Engage with Home Energy Scotland, Business Energy Scotland, and Local Energy Scotland to identify opportunities to jointly increase awareness in Edinburgh of the advice and resources these services can offer.	LHEES Office	Business Energy Scotland; Home Energy Scotland; Local Energy Scotland	Q2 2024	1,2,4,5,6
21	Engage with the Scottish Government around the scope to migrate capital funding for Council projects away from grants towards a contractual model providing greater certainty.	LHEES Office	Scottish Government	Q2 2024	1,2,3,4,5,6
22	Develop the heat network delivery framework as resources permit.	LHEES Office	Heat Network Support Unit	Ongoing	3
23	Develop the heat network delivery programme as resources permit.	LHEES Office	Heat Network Support Unit	Ongoing	3
24	Identify and progress retrofit projects for the energy efficiency Delivery Areas.	Housing and Homelessness	N/A	Ongoing	4,5
25	Produce a Retrofitting Strategy to steer the retrofit of the Council's housing estate.	Housing and Homelessness	N/A	Ongoing	4,5
26	Make the case to Scottish Government for additional resources to support the WHR programme, MTIS programme, and other retrofit works.	Housing and Homelessness	Scottish Government	Ongoing	4,5
27	Maintain a watching brief on the ESSH2 review.	Housing and Homelessness	Scottish Government	Ongoing	4,5
28	Assess the scale of any upgrades required for the electricity grid to be able to accommodate heat pumps in the Delivery Areas.	LHEES Office	Scottish Power Energy Networks	Q2 2025	1,2

29	Assess the scope to offset the running costs of heat pumps within the Delivery Areas via the installation of solar panels.	LHEES Office	N/A	Q2 2025	1,2
30	Assess the scope for heat pump retrofit pilot projects on Council-owned homes within the Delivery Areas.	LHEES Office	N/A	Q4 2025	1,2
31	Engage with Home Energy Scotland to discuss the scope for instigating heat pump retrofit projects on homes owned by third parties within the Delivery Areas.	LHEES Office	Home Energy Scotland	Q4 2025	1,2
32	Maintain a watching brief on the ban of replacement gas boilers.	LHEES Office	Scottish Government	Ongoing	1,2,3
33	Maintain a watching brief on the electricity pricing regime in view of the UK Government pledge to “rebalance” gas and electricity costs.	LHEES Office	UK Government	Ongoing	1,2,3
34	Publish a Heat Network Zone review statement in line with legislation to support the designation of statutory Heat Network Zones.	LHEES Office	Heat Networks & Non-Domestic Regulations Unit	Q4 2024	3
35	Engage with neighbouring local authorities around the scope for cross-boundary Heat Network Zones.	LHEES Office	Other local authorities	Q1 2024	3
36	Prepare a Strategic Environmental Assessment to support the review statement.	LHEES Office	SEA Gateway	Q2 2024	3
37	Work with the Scottish Government to develop a consenting regime for Edinburgh, including making a case for fees for heat network consents being set on a full cost recovery basis and for provision to be made for developer contributions.	LHEES Office	Heat Networks & Non-Domestic Regulations Unit	Q3 2024	3
38	Compile data from Building Assessment Reports received by the Council and develop a process for sharing these with prospective developers.	LHEES Office	Property owners	Ongoing	3
39	Engage with the Scottish Government around the strategy for resourcing the costs associated with the Council’s duties under the Act.	LHEES Office	Heat Networks & Non-Domestic Regulations Unit	Q3 2024	3
40	Publish, consult on, and adopt updates to the Edinburgh Design Guidance containing information relating to the development of heat networks.	Planning	N/A	Q4 2024	3
41	Seek to coordinate excavation works for heat networks with other utility works, travel infrastructure works, and other relevant works to maximise efficiencies and minimise disruption.	LHEES Office	N/A	Ongoing	3



42	Participate in the Danish-Scottish District Heating Mentoring Programme.	LHEES Office	Heat Network Support Unit	Ongoing	3
43	Prepare Building Assessment Reports for all eligible Council buildings.	Strategic Asset Planning	Heat Networks & Non-Domestic Regulations Unit	Ongoing	3
44	Appoint a concessionaire to deliver the Granton Waterfront heat network.	Edinburgh Waterfront	N/A	Q1 2025	3
45	Produce a business case looking at the scope to connect Council buildings to a proposed southeast Edinburgh heat network.	LHEES Office	Midlothian Energy Limited	Q2 2024	3
46	Identify a preferred model for supporting the roll-out of future Council-led heat networks in Edinburgh.	LHEES Office	Heat Network Support Unit	Q3 2024	3
47	Develop a business case looking at the scope for Energy for Edinburgh Limited to deliver heat network projects on a joint venture approach, to include exploration of embedding cooperative principles and community wealth building.	LHEES Office	Energy for Edinburgh Limited	Q2 2024	3
48	Develop and support proposals for heat networks in further Heat Network Zones where resources permit.	LHEES Office	Heat Network Support Unit	Ongoing	3
49	Promote the integration of heat network suitability analysis with all new construction and development proposals.	LHEES Office	N/A	Ongoing	3
50	Develop a more detailed database of existing heat networks in Edinburgh and engage with operators around their future plans in terms of overhaul and/or expansion and/or integration into/with other existing or new heat networks.	LHEES Office	Heat network operators	Q4 2024	3
51	Maintain a watching brief on proposals for mandatory connections to heat networks.	LHEES Office	Heat Networks & Non-Domestic Regulations Unit	Ongoing	3
52	Deliver a programme of retrofit works to the first tranche of high-rise housing blocks in Edinburgh, beginning with Craigmillar Court and Peffermill Court, followed by Inchmickery Court and Oxcars Court.	Housing and Homelessness	Council tenants	Ongoing	4,5
53	Deliver the Enerphit-informed retrofit pilot of Council operational buildings.	Strategic Asset Planning; Sustainable Construction Delivery	Scottish Government	TBD	1,2,3,4,6

54	Prepare improvement plans to identify the necessary measures to improve the sustainability of the Council's Investment portfolio.	Estates	N/A	Ongoing	1,2,3,4,6
55	Prepare a schedule of 100 of the most complex non-domestic buildings in Edinburgh and engage with owners about future plans for each.	LHEES Office	Various building owners	Q2 2024	1,2,3,4,6
56	Participate in the consultation on the Heat in Buildings Bill.	LHEES Office	Scottish Government	Ongoing	1,2,3,4,5,6
57	Work with Edinburgh World Heritage to take forward a pilot project looking at a whole house retrofit approach to "hard-to-treat" historic homes.	LHEES Office	Edinburgh World Heritage	Q3 2024	6
58	Maintain a watching brief on work by the Edinburgh Climate Change Institute to develop building archetypes to inform retrofit.	LHEES Office	Edinburgh Climate Change Institute	Ongoing	6
59	Engage with the Scottish Government around the scope to amend the Tenements (Scotland) Act 2004 to make it easier for residents to agree to instruct energy efficiency upgrades and changes to heating systems within tenements.	LHEES Office	Scottish Government	Ongoing	6
60	Work with Edinburgh World Heritage, Historic Environment Scotland, and the University of Edinburgh to consider how to effectively communicate the information on the net zero retrofit of historical properties to the public.	Planning	Edinburgh World Heritage; Historic Environment Scotland; University of Edinburgh	TBD	6
61	Publish a refreshed version of the "Guidance for Listed Buildings and Conservation Areas", including a specific focus on net zero retrofit works.	Planning	Edinburgh World Heritage; Historic Environment Scotland; University of Edinburgh	TBD	6
62	Support work by the City Heat & Energy Partnership to develop a city-wide Heat and Energy Masterplan.	Policy and Insight	City Heat & Energy Partnership	Ongoing	1,2,3,4,5,6
63	Further develop the ParkPower project looking at the potential to export heat from green and blue spaces in Edinburgh.	LHEES Office	Greenspace Scotland	Ongoing	1,2,3
64	Engage with waste heat sources in Edinburgh to improve understanding of the scope to utilise their waste heat for heating buildings.	LHEES Office	Various waste heat sources	Ongoing	1,2,3
65	Engage with Scottish Water Horizons to improve understanding of the scope to utilise wastewater heat for heating buildings.	LHEES Office	Scottish Water Horizons	Ongoing	1,2,3

66	Engage with The Coal Authority to improve understanding of the scope to utilise mine water for heating buildings (and heat storage).	LHEES Office	The Coal Authority	Ongoing	1,2,3
67	Explore opportunities to increase solar installations as a means of offsetting electricity costs associated with heat decarbonisation.	LHEES Office	Edinburgh Community Solar Co-operative	Ongoing	1,2,3
68	Maintain a watching brief on the H100 pilot and on hydrogen policy.	LHEES Office	Scotia Gas Networks Limited	Ongoing	1,2,3
69	Maintain a watching brief on proposals to extend Permitted Development Rights for micro-renewable technologies.	Planning	N/A	Ongoing	1,2
70	Via City Plan 2030 and subsequent policy and guidance documents, set increasingly rigorous net zero standards for new developments in Edinburgh.	Planning	N/A	Ongoing	1,2,3,4,5,6
71	Ensure where possible that all new Council developments utilise zero direct emissions heating sources and are designed on a fabric first basis.	Strategic Asset Planning; Sustainable Construction Delivery	N/A	Ongoing	1,2,3,4
72	Ensure where possible that all new buildings developed by the Council are designed to operate with a maximum supply/flow temperature of 55°C.	Strategic Asset Planning; Sustainable Construction Delivery	N/A	Ongoing	1,2,3
73	Deliver phase two of the Net Zero Communities pilot, providing detailed archetype modelling of measures and costs of net zero interventions including evaluation of community energy generation potential and deep modelling of “comfort as a service” potential.	Policy and Insight	Changeworks	TBD	1,2,3,4,5,6
74	Support the installation of smart meters in all Council-owned homes in Edinburgh.	Housing and Homelessness	Utilita Energy Limited	Ongoing	4,5
75	Explore with partners the scope to create a Net Zero Community Hub as a means of educating residents of Edinburgh about decarbonisation and energy efficiency.	LHEES Office	Heriot-Watt University	Ongoing	1,2,3,4,5,6
76	Explore with partners the scope to take forward low-cost interventions with disproportionately great impacts on energy efficiency, e.g. carpeting uncarpeted floors to reduce air leakage.	LHEES Office	Various	Ongoing	4,5,6

## 7. Financial resources

### *Grant funding*

#### **Energy Efficient Scotland: Area Based Scheme (EES:ABS)**

<b>Administered by:</b>	Scottish Government.
<b>Who can apply:</b>	Local authorities.
<b>What is it:</b>	Funding awarded to local authorities to deliver energy efficiency upgrades (primarily solid wall insulation) to private households in areas with high levels of fuel poverty.
<b>How much:</b>	The City of Edinburgh Council received £5.16 million for 2022/23.
<b>When:</b>	Funding is announced annually.
<b>Notes:</b>	The management of the City of Edinburgh Council's EES:ABS works are carried out on its behalf by Changeworks.
<b>Link:</b>	<a href="https://www.gov.scot/publications/area-based-schemes">https://www.gov.scot/publications/area-based-schemes</a> <a href="https://www.changeworks.org.uk/projects/energy-efficient-scotland-area-based-schemes">https://www.changeworks.org.uk/projects/energy-efficient-scotland-area-based-schemes</a>

#### **Social Housing Net Zero Heat Fund**

<b>Administered by:</b>	Scottish Government.
<b>Who can apply:</b>	Local authorities; registered social landlords; ESCOs.
<b>What is it:</b>	Funding for social housing projects delivering zero emission heating systems such as heat pumps and heat networks and energy efficiency works.
<b>How much:</b>	Grant funding equivalent to 45%-50% of eligible costs is available. A total of £200 million is available over five years.
<b>When:</b>	Invitations for bids will be announced annually with quarterly deadlines.
<b>Notes:</b>	N/A.
<b>Link:</b>	<a href="https://www.gov.scot/publications/social-housing-net-zero-heat-fund---call-for-funding-applications/pages/overview">https://www.gov.scot/publications/social-housing-net-zero-heat-fund---call-for-funding-applications/pages/overview</a>

#### **Scotland's Public Sector Heat Decarbonisation Fund**

<b>Administered by:</b>	Salix Finance.
<b>Who can apply:</b>	Local authorities; universities; arm's-length external organisations.
<b>What is it:</b>	Funding for energy efficiency measures and the installation of zero-emissions heating systems in public sector buildings.
<b>How much:</b>	Grant funding equivalent to 80% of eligible costs is available. A total of £20 million is available.
<b>When:</b>	The first round of applications was held in November – December 2023.
<b>Notes:</b>	N/A.
<b>Link:</b>	<a href="https://www.gov.scot/news/new-grant-funding-to-decarbonise-public-sector-buildings/">https://www.gov.scot/news/new-grant-funding-to-decarbonise-public-sector-buildings/</a>

### Home Energy Scotland Grant and Loan (grant element)

<b>Administered by:</b>	Home Energy Scotland.
<b>Who can apply:</b>	Homeowners.
<b>What is it:</b>	Funding for homeowners for energy efficiency improvements and the installation of renewable technologies.
<b>How much:</b>	Grant funding for energy efficiency improvements equivalent to 75% of eligible costs (capped at £7,500); for heat pumps of up to £7,500; and for high heat retention storage heaters of up to £2,500.
<b>When:</b>	Applications can be made at any time.
<b>Notes:</b>	Households in rural areas can access additional funding.
<b>Link:</b>	<a href="https://www.homeenergyscotland.org/funding/grants-loans">https://www.homeenergyscotland.org/funding/grants-loans</a>

### Warmer Homes Scotland

<b>Administered by:</b>	Local Energy Scotland / Warmworks Scotland.
<b>Who can apply:</b>	Homeowners and tenants of privately-owned properties living in homes with a poor energy rating who are either aged 75+ with no working heating system or 16+ and in receipt of a passport benefit or income-related benefit.
<b>What is it:</b>	Funding for home improvements associated with warming covering 40 measures including insulation, draught-proofing, and heating systems, based upon the recommendations of an assessor.
<b>How much:</b>	Applicants typically receive works to the value of £5,000.
<b>When:</b>	Applications can be made at any time.
<b>Notes:</b>	For more expensive improvements, such as solid wall insulation, the applicant is required to make a contribution; the applicant can access an interest free loan towards this.
<b>Link:</b>	<a href="https://www.homeenergyscotland.org/funding/warmer-homes-scotland">https://www.homeenergyscotland.org/funding/warmer-homes-scotland</a>

### ECO4

<b>Administered by:</b>	Large UK energy suppliers.
<b>Who can apply:</b>	Homeowners and tenants who are in receipt of certain benefits and live in properties with an EPC rating of 'D' or below.
<b>What is it:</b>	Support for "fabric first" energy upgrades to homes (e.g. insulation and replacement boilers) that will reduce energy bills for people who are in greatest need, e.g. social housing tenants; people on low incomes; and people in fuel poverty.
<b>How much:</b>	Variable. Typical values are up to £14,000 for external wall insulation and up to £7,000 for first-time central heating.
<b>When:</b>	The fund will run from 1 April 2022 until 31 March 2026.
<b>Notes:</b>	Applications are made via energy suppliers. Local authorities can identify households outwith the national criteria via the "ECO4 Flex" mechanism.
<b>Link:</b>	<a href="https://www.ofgem.gov.uk/publications/eco4-guidance-local-authority-administration">https://www.ofgem.gov.uk/publications/eco4-guidance-local-authority-administration</a>

### Great British Insulation Scheme

- Administered by:** Large UK energy suppliers.
- Who can apply:** Homeowners. 80% of funding is ring-fenced for households in homes with an EPC rating of D or below and in homes in Council Tax bands A to E. 20% is ring-fenced for the most vulnerable households, e.g. those on means-tested benefits or in fuel poverty.
- What is it:** Support for energy upgrades to homes (e.g. insulation) for people who do not currently benefit from other government support. The focus will be on lower cost measures such as loft insulation and cavity wall insulation.
- How much:** The fund has been capitalised with £1 billion. The average expenditure per home is expected to be approximately £1,500. Applicants may be required to make a contribution for more expensive measures.
- When:** The fund will run from April 2023 until March 2026.
- Notes:** Applications are expected to be made via energy suppliers. ECO+ is intended to meet a wider customer base than ECO4.
- Link:** <https://energysavingtrust.org.uk/what-is-the-uk-governments-eco-scheme>

### Energy Redress Scheme

- Administered by:** Energy Saving Trust.
- Who can apply:** Registered charities; community benefit societies; community interest companies; co-operative societies.
- What is it:** A grant fund to support vulnerable energy consumers, including via the Carbon Emissions Reduction Fund aimed at reducing households' carbon emissions.
- How much:** Variable by funding stream, but up to £200,000.
- When:** Future application deadlines are to be confirmed. The scheme will run until 2024.
- Notes:** N/A.
- Link:** <https://energyredress.org.uk>

### Let's Do Net Zero Community Buildings Fund

- Administered by:** Local Energy Scotland.
- Who can apply:** Constituted non-profit distributing community organisations who own or lease community buildings.
- What is it:** Funding towards the installation of renewable technologies such as heat pumps in community buildings.
- How much:** Applicants can receive up to 80% of eligible costs to a maximum of £80,000.
- When:** The fund will run until 31 March 2025, subject to funding availability.
- Notes:** N/A.
- Link:** <https://localenergy.scot/funding/lets-do-net-zero-community-buildings-fund>

### **Let's Do Net Zero: Off Electricity Grid Communities Fund**

<b>Administered by:</b>	Local Energy Scotland.
<b>Who can apply:</b>	Community organisations who operate independent electricity grids.
<b>What is it:</b>	Funding to decarbonise and futureproof existing local independent electrical grids not connected to the National Grid.
<b>How much:</b>	Capital funding of up to 90% of costs. A total of £4,000,000 is available for 2023/24.
<b>When:</b>	Capital funding is available until March 2023.
<b>Notes:</b>	N/A.
<b>Link:</b>	<a href="https://localenergy.scot/funding/lets-do-net-zero-off-electricity-grid-communities-fund">https://localenergy.scot/funding/lets-do-net-zero-off-electricity-grid-communities-fund</a>

### **Community Heat Development Programme**

<b>Administered by:</b>	Local Energy Scotland.
<b>Who can apply:</b>	Constituted non-profit distributing community organisations; groups of householders. Housing associations, local authorities, and businesses cannot lead bids but can join consortiums.
<b>What is it:</b>	Funding to help develop ideas for locally-generated, low/zero carbon heat project ideas, for example communal heating systems.
<b>How much:</b>	Local Energy Scotland will provide expert advice.
<b>When:</b>	Applications can be made at any time.
<b>Notes:</b>	N/A.
<b>Link:</b>	<a href="https://localenergy.scot/funding/community-heat-development-programme">https://localenergy.scot/funding/community-heat-development-programme</a>

### **Climate Action Fund – Energy and Climate**

<b>Administered by:</b>	National Lottery Community Fund.
<b>Who can apply:</b>	Various community organisations (including charities and SCIOs); schools; universities; community councils; partnerships.
<b>What is it:</b>	Funding to encourage people to use energy in an environmentally friendly way, bring communities together to explore ways to promote energy efficiency, and enable communities to engage with opportunities for clean energy generation. Funding is mainly revenue.
<b>How much:</b>	£500,000 to £1.5 million.
<b>When:</b>	Applications can be made at any time until December 2023.
<b>Notes:</b>	N/A.
<b>Link:</b>	<a href="https://www.tnlcommunityfund.org.uk/funding/programmes/climate-action-fund-energy">https://www.tnlcommunityfund.org.uk/funding/programmes/climate-action-fund-energy</a> .

### Heat Network Fund

<b>Administered by:</b>	Scottish Government.
<b>Who can apply:</b>	Heat network developers.
<b>What is it:</b>	Grant funding for large-scale heat network projects (including communal heating systems) that can demonstrate a funding gap and that also deliver social benefits. Projects must have an investment-grade business case.
<b>How much:</b>	Up to 50% of eligible costs.
<b>When:</b>	Applications can be made at any time. Projects must be capable of being commissioned by March 2026.
<b>Notes:</b>	N/A.
<b>Link:</b>	<a href="https://www.gov.scot/publications/heat-network-fund-application-guidance">https://www.gov.scot/publications/heat-network-fund-application-guidance</a>

### Strategic Heat Network Support for Local Authorities

<b>Administered by:</b>	Heat Network Support Unit.
<b>Who can apply:</b>	Local authorities.
<b>What is it:</b>	Grant funding for the pre-capital stages of projects, including commissioning external support for developing feasibility studies, outline business cases, and tasks linked to commercialisation.
<b>How much:</b>	Up to 90% of eligible costs, capped at £150,000.
<b>When:</b>	“Throughout the year on a first come, first served basis”.
<b>Notes:</b>	Local authorities must have consulted upon, or be consulted upon, their LHEES
<b>Link:</b>	N/A.

### Green Growth Accelerator

<b>Administered by:</b>	Scottish Government.
<b>Who can apply:</b>	Local authorities.
<b>What is it:</b>	Grant funding for the delivery of low carbon infrastructure projects, for example local hydrogen hubs; nature-based carbon sequestration solutions; and renewables-based local energy networks.
<b>How much:</b>	Funding of up to £10 million, payable to the local authority over a set period (typically 25 years), subject to the local authority achieving agreed economic, environmental, and social outcomes.
<b>When:</b>	Timescales for future rounds are to be confirmed.
<b>Notes:</b>	Funding for the first tranche of Green Growth Accelerator projects was paused in November 2023.
<b>Link:</b>	<a href="https://www.gov.scot/news/accelerating-green-growth">https://www.gov.scot/news/accelerating-green-growth</a>



### **Scottish Central Government Energy Efficiency Grant Fund**

<b>Administered by:</b>	Scottish Government.
<b>Who can apply:</b>	Scottish central government organisations.
<b>What is it:</b>	Capital grant funding support towards heat decarbonisation and energy efficiency retrofit projects for Scottish central government bodies with no access to borrowing powers, including Scottish health bodies and further education colleges.
<b>How much:</b>	Applicants can bid for up to £2 million per annum.
<b>When:</b>	Applications are considered quarterly. The fund will be open until 2025/26.
<b>Notes:</b>	N/A.
<b>Link:</b>	<a href="https://www.gov.scot/publications/scottish-central-government-energy-efficiency-grant-scheme-form-and-guidance">https://www.gov.scot/publications/scottish-central-government-energy-efficiency-grant-scheme-form-and-guidance</a>

### **Green Hydrogen Fund**

<b>Administered by:</b>	Scottish Government.
<b>Who can apply:</b>	To be confirmed.
<b>What is it:</b>	A grant fund to support renewable hydrogen projects.
<b>How much:</b>	The fund will be capitalised with £90 million. Further information is to be confirmed.
<b>When:</b>	To be confirmed.
<b>Notes:</b>	Very little information on this fund has been published to date. It is yet to be confirmed to what extent it is relevant to the Edinburgh LHEES.
<b>Link:</b>	<a href="https://www.gov.scot/publications/hydrogen-action-plan">https://www.gov.scot/publications/hydrogen-action-plan</a>

### **Scottish Industrial Energy Transformation Fund**

<b>Administered by:</b>	Scottish Government.
<b>Who can apply:</b>	Scottish manufacturing sites.
<b>What is it:</b>	Grant support for decarbonising energy intensive industrial activities.
<b>How much:</b>	Awards are variable but capped at up to 50% for energy efficiency deployment and up to 75% for deep decarbonisation deployment depending on the size of the organisation. The fund has been capitalised with £34 million over the period 2020 to 2025.
<b>When:</b>	Three calls for projects have been held to date.
<b>Notes:</b>	The fund can support both feasibility studies and deployment.
<b>Link:</b>	<a href="https://www.gov.scot/policies/energy-efficiency/scottish-industrial-energy-transformation-fund/">https://www.gov.scot/policies/energy-efficiency/scottish-industrial-energy-transformation-fund/</a>

## Loans

### Private Rented Sector Landlord Loan

<b>Administered by:</b>	Home Energy Scotland.
<b>Who can apply:</b>	Registered private landlords of tenanted dwellings appearing on the Scottish Landlord Register.
<b>What is it:</b>	Loans to private landlords to help them improve the energy efficiency of their properties and meet minimum standards.
<b>How much:</b>	Variable, but broadly £15,000 for energy efficiency improvements and £17,500 for renewable systems (plus up to £6,000 for an energy storage system) per eligible property.
<b>When:</b>	Ongoing.
<b>Terms:</b>	Landlords with five or fewer properties can access interest free loans. Landlords with six or more properties can access loans at 3.5% APR. An administrative fee of 1.5% (capped at £250) applies.
<b>Notes:</b>	N/A.
<b>Link:</b>	<a href="http://www.homeenergyscotland.org/funding/private-landlord-loans">www.homeenergyscotland.org/funding/private-landlord-loans</a>

### SME Loan Scheme

<b>Administered by:</b>	Business Energy Scotland.
<b>Who can apply:</b>	Small and medium-sized enterprise; not-for-profit organisations; charities.
<b>What is it:</b>	Loans to finance the installation of energy efficient systems, equipment and/or building fabric, e.g. insulation; solar panels; etc.
<b>How much:</b>	Up to £100,000, along with a cashback grant of up to £30,000.
<b>When:</b>	Ongoing.
<b>Terms:</b>	Interest-free loans with an eight-year repayment period.
<b>Notes:</b>	N/A.
<b>Link:</b>	<a href="https://businessenergyscotland.org/smeloan">https://businessenergyscotland.org/smeloan</a>

### Home Energy Scotland Grant and Loan (loan element)

<b>Administered by:</b>	Home Energy Scotland.
<b>Who can apply:</b>	Homeowners.
<b>What is it:</b>	Funding for homeowners for energy efficiency improvements and the installation of renewable technologies.
<b>How much:</b>	Variable, ranging from £500 for loft/floor/cavity wall insulation to £2,500 for solid wall insulation.
<b>When:</b>	Applications can be made at any time.
<b>Terms:</b>	Loans are interest free with terms of 5-12 years. An administration fee of 1.5% (capped at £150) applies.
<b>Notes:</b>	Households in rural areas can access additional funding. Loans can be combined with grants.
<b>Link:</b>	<a href="https://www.homeenergyscotland.org/funding/grants-loans">https://www.homeenergyscotland.org/funding/grants-loans</a>

### **District Heating Loan Fund**

<b>Administered by:</b>	Energy Saving Trust.
<b>Who can apply:</b>	Local authorities; registered social landlords; small and medium sized enterprises; and energy services companies with <250 employees.
<b>What is it:</b>	Unsecured loans to assist with the financial and technical barriers to district heating projects an alternative to commercial borrowing.
<b>How much:</b>	Loans of £1 million+.
<b>When:</b>	Applications can be made at any time.
<b>Terms:</b>	The typical interest rate is 3.5% for low-risk projects. The typical term is 10-15 years.
<b>Notes:</b>	N/A.
<b>Link:</b>	<a href="https://energysavingtrust.org.uk/programme/district-heating-loan-fund">https://energysavingtrust.org.uk/programme/district-heating-loan-fund</a>

### **Scottish Public Sector Energy Efficiency Loan Scheme**

<b>Administered by:</b>	Salix Finance.
<b>Who can apply:</b>	All Scottish public sector bodies subject to the Public Bodies Duties in the Climate Change (Scotland) Act 2009, including local authorities; universities; and some non-departmental public bodies.
<b>What is it:</b>	Loans for “spend to save” retrofit energy efficiency improvement projects to help achieve net zero carbon in public sector estates.
<b>How much:</b>	Loans equivalent to 75% of total compliant project value.
<b>When:</b>	Applications can be made at any time.
<b>Terms:</b>	Loans are interest free, with a term of up to 12 years.
<b>Notes:</b>	The scheme is funded by the Scottish Government.
<b>Link:</b>	<a href="https://www.salixfinance.co.uk/loans/scotland-loans">https://www.salixfinance.co.uk/loans/scotland-loans</a>

### **Scotland Recycling Fund**

<b>Administered by:</b>	Salix Finance.
<b>Who can apply:</b>	Scottish local authorities and universities.
<b>What is it:</b>	A fund created jointly by the applicant and Salix Finance which makes investments in the applicant’s estate to improve energy efficiency. Of the financial savings delivered by these improvements, up to 25% can be retained by the applicant as immediate savings, with the remaining 75%+ retained in the fund and “recycled”. Once the fund is closed the initial capital provided by Salix Finance is repaid.
<b>How much:</b>	£100,000 to £1.6 million.
<b>When:</b>	Applications can be made at any time.
<b>Terms:</b>	“A long-term 100% interest-free repayable grant”.
<b>Notes:</b>	The Council has an existing recycling fund in place.
<b>Link:</b>	<a href="https://www.salixfinance.co.uk/recycling-fund/scotland-recycling-fund">https://www.salixfinance.co.uk/recycling-fund/scotland-recycling-fund</a>

### **Social Enterprise Net Zero Transition Fund**

<b>Administered by:</b>	Social Investment Scotland.
<b>Who can apply:</b>	Charities and social enterprises.
<b>What is it:</b>	Loans to help social enterprises and the wider third sector transition to net zero, including improving energy efficiency and moving to renewable energy sources.
<b>How much:</b>	Loans of £10,000 to £1,500,000.
<b>When:</b>	Applications can be made at any time.
<b>Terms:</b>	Unsecured loans at a fixed interest rate of 3%. Loans must be settled by 31 <sup>st</sup> March 2031.
<b>Notes:</b>	Applicants with a circular economy focus may also be able to access grants worth up to 20% of the total funding.
<b>Link:</b>	<a href="https://www.socialinvestmentscotland.com/learning-hub/social-enterprise-net-zero-transition-fund">https://www.socialinvestmentscotland.com/learning-hub/social-enterprise-net-zero-transition-fund</a>

### *Income streams*

#### **Smart Export Guarantee**

<b>Administered by:</b>	OFGEM.
<b>Who can apply:</b>	Households and organisations generating electricity from small-scale renewable installations.
<b>What is it:</b>	Guaranteed payments for electricity generated via anaerobic digestion; hydro; onshore wind turbines; and/or solar PV (with a total installed capacity up to 5 MW) or micro-combined heat and power (up to 50 kW) that is exported to electricity suppliers via the National Grid.
<b>How much:</b>	Different tariff rates are offered by different electricity suppliers, but they must be above zero pence per kilowatt hour.
<b>When:</b>	Ongoing.
<b>Notes:</b>	The Smart Export Guarantee is the successor to the Feed-in Tariff scheme. Installed technologies require to hold an MCS certificate.
<b>Link:</b>	<a href="https://www.ofgem.gov.uk/environmental-and-social-schemes/smart-export-guarantee-seg">https://www.ofgem.gov.uk/environmental-and-social-schemes/smart-export-guarantee-seg</a>

# Housing, Homelessness and Fairwork Committee

10.00am, Tuesday 27 February 2024

**Internal Audit reports Management of Ad hoc Mixed Tenure Works (PL2302), Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303), Repairs Right First Time (PL2306) and service area responses for (PL2303) and (PL2306)- referral from the Governance Risk and Best Value Committee**

Executive/routine

Executive

Wards

## 1. For Decision/Action

The Governance, Risk and Best Value Committee has referred the attached report to the Housing, Homelessness and Fairwork Committee for information and asks that the Housing, Homelessness and Fairwork Committee:

- 1) To agree that the monitoring of the audit management actions are included in the Housing Service Improvement Plan in order for them to monitor the aspects which include securing best value for the HRA and improving services for tenants;
- 2) To note the service area response for Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303); and
- 3) To note the service area response for Repairs Right First Time (PL2306).

**Dr Deborah Smart**

Executive Director of Corporate Services

Contact: Andrew Henderson, Committee Officer  
Legal and Assurance Division, Corporate Services Directorate

E-mail: [andrew.henderson@edinburgh.gov.uk](mailto:andrew.henderson@edinburgh.gov.uk) | Tel: 0131 529 4264

# Referral Report

## **Internal Audit reports Management of Ad hoc Mixed Tenure Works (PL2302), Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303), Repairs Right First Time (PL2306) and service area responses for (PL2303) and (PL2306)**

### **2. Terms of Referral**

---

#### **Internal Audit Reports Management of Ad hoc Mixed Tenure Works (PL2302)**

- 2.1 On the 28 November 2023, the Governance Risk and Best Value Committee considered the Internal Audit Update Report: Quarter 2 2023/24 which contained the Ad-Hoc Mixed Tenure Repairs Internal Audit Report (PL2302)
- 2.2 The Governance, Risk and Best Value Committee agreed:
  - 2.2.1 To note the progress with the 2023/24 Internal Audit plan approved by Committee in March 2023;
  - 2.2.2 To note the outcomes of 2023/24 Internal Audit reviews completed in Quarter 2
  - 2.2.3 To agree the removal of the Workforce Capacity to Support Service Delivery audit from the 2023/24 Internal Audit plan;
  - 2.2.4 To note the audits included in the 2023/24 plan to ensure they remain aligned with key risks and emerging priorities;
  - 2.2.5 To note the outcomes of the six monthly meeting between the GRBV and EIJB Audit and Assurance Committee Convenors and the Head of Internal Audit, as agreed as part of the GRBV/EIJB principles;
  - 2.2.6 To note the Outdoor Infrastructure Audit, the Cross Directorate Health and Safety Audit and the overdue management actions on Life Safety in the Internal Audit Overdue Actions report, including on action which is 551 days overdue;
  - 2.2.7 To note the concern of this committee on the robustness of the council's current health and safety performance;
  - 2.2.8 To agree that a report in one cycle which sets out:
    - Details of the Corporate Health and Safety Team and an assessment of the capacity within that team

- Areas within the council that have been assessed as potentially high risk, and what actions have been taken to investigate the adherence to health and safety policies and procedures within those teams including the outcomes of workplace inspections as recommended in the Cross Directorate Health and Safety audit
- An assessment of the council's current health and safety policies and procedures and the management and ownership of them.
- Details of any training needs that have been identified and development of training programmes on health and safety and risk management
- Outcomes of the review of organisational arrangements and how oversight of risk assessment and risk control will be managed within high risk areas of the council; and

2.2.9 To agree that this committee and members of the Policy and Sustainability Committee receive an urgent briefing on the issues raised in the Cross Departmental audit regarding Murrayburn Depot, and the actions that have already been taken to improve health and safety including concerns raised about potential environmental contamination.

### **Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303) and Repairs Right First Time (PL2306)**

2.3 On 20 February 2024, the Governance, Risk and Best Value Committee considered the Internal Audit Update Report: Quarter 3 2023/24 which contained the Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303) internal audit report and Report Repairs Right First Time (PL2306) internal audit report.

2.4 The Governance, Risk and Best Value Committee agreed:

2.4.1 To note progress with the 2023/24 Internal Audit (IA) plan approved by Committee in March 2023;

2.4.2 To note the outcomes of 2023/24 internal audits completed in Quarter 3;

2.4.3 To note that, reflecting the 2023/24 financial position discussed at the Policy and Sustainability Committee on 9 January 2024, the planned audit of the Health and Social Care Total Mobile project has been replaced with an audit of Health and Social Care Budget monitoring and reporting;

2.4.4 To agree the deferral of the following audits from the 2023/24 IA plan to the 2024/25 IA Plan:

- Partnership Working
- Refugee and Migration Services
- Devolved School Management
- City Region Deal
- Transfer of the Development Management Funding (TMDF);

- 2.4.5 To note the removal of the Project Forth audit from the Lothian Pension Fund 2023/24 IA plan;
- 2.4.6 To note the key IA priorities and timelines for development of the 2024/25 IA plan;
- 2.4.7 To note the shocking findings from the audit into Supplier and Contract Management, noting particular concerns around the designation of over £91m of 'non-contract spend', and the failure to carry out compliance, insurance and PVG checks;
- 2.4.8 To agree to receive a report in three cycles which sets out:
- A) Which Directorates/Service Areas are responsible for the top ten highest levels of spend where there are contracts classed as 'non contract spend' and not managed in line with contract standing orders
  - B) Which Directorates/Service Areas have the top ten highest number of contracts where there has been a failure to carry out PVG, insurance and compliance checks
  - C) Which Directorates/Service Areas have the top ten highest number of contracts where there is no named contract manager, or the wrong contract manager is named
  - D) Which Directorates/Service Areas have the top ten highest number of contracts that have not been entered into the contract register;
- 2.4.9 To agree that this report will set out the reasons why there has been a failure of contract management and what specific actions are being taken in those service areas to bring contract management back in line with standing orders;
- 2.4.10 To agree this report will set out the risks associated with the failures in contract management, particularly whether any children and young people or vulnerable adults have been put at risk, alongside financial and other risks;
- 2.4.11 To agree that this report will be referred to all executive committees who are responsible for any service area covered by the above request;
- 2.4.12 To agree that a further audit of contract management will be carried out in two years' time;
- 2.4.13 To note the audit for Repairs Right First Time which includes the admission that the council has been providing incorrect information to the Housing Regulator;
- 2.4.14 To note a significant lack of processes and procedures to manage internal and contractor performance, check the quality of repairs, manage stock, approve invoices above the tolerance threshold or check completion of works; and that the lack of process puts the HRA at considerable risk of financial mismanagement and fraud alongside contributing to the poor service that many tenants report to us; and



- 2.4.15 To agree that the Repairs Right First Time audit, alongside the previous audit on Mixed Tenure Repairs and the audit on Damp and Mould are referred to the Housing, Homelessness and Fair Work committee with a recommendation that monitoring of the audit management actions are included in their Housing Service Improvement Plan in order for them to monitor the aspects which include securing best value for the HRA and improving services for tenants.

### **Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303) – Service Area Response**

- 2.5 On 20 February 2024, the Governance, Risk and Best Value Committee considered a report on the service area response for Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303).
- 2.6 The Governance, Risk and Best Value Committee agreed:
- 2.6.1 To note the service area response and actions taken to date to address the risks raised in the Internal Audit report on Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303); and
- 2.6.2 To refer this report, with the associated Internal Audit report, to Housing, Homelessness and Fair Work Committee for information.

### **Housing Repairs Right First Time (PL2306) – Service Area Response**

- 2.7 On 20 February 2024, the Governance, Risk and Best Value Committee considered a report on the service area response for Repairs Right First Time (PL2306)
- 2.8 The Governance, Risk and Best Value Committee agreed:
- 2.8.1 To note the service area response and actions taken to date to address the risks raised in the Internal Audit report on To note the Service area response for Repairs Right First Time (PL2306); and
- 2.8.2 To refer this report, with the associated Internal Audit report, to Housing, Homelessness and Fair Work Committee for information.

### **Management of Ad Hoc Mixed Tenure Works (PL2302) – Service Area Response**

- 2.9 At the request of the Place directorate the Management of Ad Hoc Mixed Tenure Works (PL2302) – Service Area Response has been included for information.

### **Recommendations**

- 2.10 The Housing Homelessness and Fairwork Committee is asked;
- 2.10.1 To agree that monitoring of the audit management actions are included in their Housing Service Improvement Plan in order for them to monitor the aspects which include securing best value for the HRA and improving services for tenants;
- 2.10.2 To note the Service area response for Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303); and
- 2.10.3 To note the Service area response for Repairs Right First Time (PL2306).

### **3. Background Reading/ External References**

---

- 3.1 [Governance, Risk and Best Value Committee – 28 November 2023 – Webcast](#)
- 3.2 [Minute of the Governance, Risk and Best Value Committee – 28 November 2023](#)
- 3.3 [Governance, Risk and Best Value Committee – 20 February 2024 – Webcast](#)

### **4. Appendices**

---

Appendix 1 – Internal Audit Report Management of Ad hoc Mixed Tenure Works (PL2302)

Appendix 2 – Internal Audit Report Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303)

Appendix 3 – Internal Audit Report Repairs Right First Time (PL2306)

Appendix 4 – Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303) – Service Area Response

Appendix 5 – Housing Repairs Right First Time (PL2306) – Service Area Response

Appendix 6 - Management of Ad Hoc Mixed Tenure Works (PL2302) – Service Area Response (submitted for information)

# Internal Audit Report

## Management of Ad hoc Mixed Tenure Works

2 November 2023

Page 635  
PL2302

<b>Overall Assessment</b>	<b>Limited Assurance</b>
---------------------------	--------------------------

# Contents

Executive Summary..... 3

Background and scope ..... 5

Findings and Management Action Plan ..... 7

Appendix 1 – Control Assessment and Assurance Definitions ..... 16

This Internal Audit review is conducted for the City of Edinburgh Council under the auspices of the 2023/24 internal audit plan approved by the Governance, Risk and Best Value Committee in March 2023. The review is designed to help the City of Edinburgh Council assess and refine its internal control environment. It is not designed or intended to be suitable for any other purpose and should not be relied upon for any other purpose. The City of Edinburgh Council accepts no responsibility for any such reliance and disclaims all liability in relation thereto.

The internal audit work and reporting has been performed in line with the requirements of the Public Sector Internal Audit Standards (PSIAS) and as a result is not designed or intended to comply with any other auditing standards.

Although there are specific recommendations included in this report to strengthen internal control, it is management’s responsibility to design, implement and maintain an effective control framework, and for the prevention and detection of irregularities and fraud. This is an essential part of the efficient management of the City of Edinburgh Council. Communication of the issues and weaknesses arising from this audit does not absolve management of this responsibility. High and Critical risk findings will be raised with senior management and elected members as appropriate.

# Executive Summary

Overall  
Assessment

Limited  
Assurance

## Overall opinion and summary of findings

The controls established to ensure that the Council's policies and processes for engaging with owners and private landlords for scheduling and funding/payment for ad hoc common repairs across mixed tenure blocks require improvement. The following significant gaps, issues and areas of non-compliance have been identified, which if not addressed may expose the Council to risks and impact the achievement of Council objectives:

- there are no procedures for ad hoc common repairs where the Council is the lead owner completing repairs within mixed tenure blocks when handled by the locality offices. The Service have advised that they are aware of procedural gaps and a pilot project for emergency mixed tenure repairs is underway which will assist in developing procedures. Record keeping particularly in respect of the recording of decisions made, costs and recharging needs to be improved
- the audit highlighted that there is currently no recharging process when the Council lead on ad hoc mixed tenure common repairs process. The volume and value of ad hoc mixed tenure repairs being carried out and not recharged to owners is unknown and data for this is not easily accessible
- there are no documented post inspection checks carried out for ad hoc mixed tenure common repairs and there is no written quality assurance process in place and no checks of sub-contractor invoices are completed which carries a risk of overpayment. In circumstances where the repair is owner led owners are requested to submit photographic evidence of the repair completed
- the Housing Property risk register does not have specific risks which relate to the mixed tenure common repair process captured
- our audit highlighted a lack of performance data in respect of mixed tenure blocks.

This audit also included a review of a specific whistleblowing case related to mixed tenure works, the observations and findings of which are aligned to those identified in the wider review, therefore relevant recommendations have been amalgamated within this report to avoid duplication.

## Areas of good practice

Our review identified:







- the process for logging mixed tenure repairs through Repairs Direct is effective and guidance is available for officers carrying out this task
- when Repairs Direct issue the repair directly to responsive repairs a flowchart is followed to ensure the repair is completed
- a pilot project is in progress for localities managing mixed tenure emergency repairs as the service has identified control gaps and has begun to take action to address these by trialling a new approach on two emergency cases
- the officers involved in the audit process demonstrated a commitment to customer service and improving processes.

## Management Response to Executive Summary

We welcome the findings of the audit and are committed to developing a robust approach to the Council's role as landlord in ad hoc mixed tenure repairs. It is fully accepted that a review of the Housing Service's approach to taking the lead on mixed tenure repairs, how we deal with cases when owners take the lead and how we ensure that procedures are clearly defined, documented, and followed is necessary. Guidance currently given to officers is to limit the instances when the Council takes the lead to emergencies or exceptional cases only, but it is accepted that this approach requires to be reviewed.

There has been significant progress made in developing the Council's approach to planned mixed tenure works through the work of the Mixed Tenure Improvement Service and the learning, good practice and expertise that has been developed through that team is informing the development of procedures for ad hoc repairs. Guidance has been developed for officers and is being tested through two pilot projects; this will be used to inform the development of procedures moving forward. It is also acknowledged that progressing mixed tenure repairs and ensuring proper engagement with owners takes place is resource intensive and it will be essential to ensure that the service is resourced accordingly.

## Audit Assessment

Audit Area	Control Design	Control Operation	Findings	Priority Rating
1. Ad hoc Mixed Tenure Common Repairs Processes and Procedures			Finding 1 – Processes and Procedures	High Priority
2. Funding/Recharging Arrangements			Finding 2 – Recording Key Information and Decisions	Medium Priority
3. Quality Assurance, Risk Management and Performance Reporting			Finding 3 – Quality Assurance Processes	Medium Priority
			Finding 4 – Role specific learning and induction	Low Priority
			Finding 5 – Performance Data	Medium Priority
			Finding 6 – Risk Management	Low Priority

[See Appendix 1 for Control Assessment and Assurance Definitions](#)

# Background and scope

Mixed tenure blocks consist of housing accommodation (flats) owned by the Council, Registered Social Landlords and private homeowners, including private landlords. These blocks are occupied by owner occupiers, private tenants, Registered Social Landlord tenants and Council tenants.

Management provided a presentation on Mixed Tenure Challenges and Shared repairs which stated that 68% of Edinburgh residents live in flats.

There are 3,820 mixed tenure blocks. The Council have 12,615 flats in mixed tenure blocks. As an owner of social housing and a local authority landlord, the Council has an obligation to maintain and repair homes for its tenants and shares responsibility with other owners to maintain common areas of blocks. Common areas are the shared parts of a block out with the boundaries of the individual flat and include aspects such as the roof, external walls, stairwells and walkways, common windows, and doors, refuse disposal chutes/stores and drying areas.

The [Tenements \(Scotland\) Act 2004](#) provides default law, and where required, the legal framework to facilitate the delivery of essential repairs and maintenance to common (shared) areas of the block. The Act requires all owners in mixed tenure tenements (including the Council) to take responsibility for repairs and maintenance to common areas of the block. This responsibility extends to the liability for costs arising from work carried out to Scheme property.

According to [Scottish Government statistics](#), in 2021/22, 94% of Housing Revenue Account (HRA) monies came from income on rents and 41% was spent on repairs and maintenance.

One of the key objectives of the Housing Revenue Account (HRA) Budget Strategy 2018 – 2023 was to deliver improvements to mixed tenure estates.

The Council's [Mixed Tenure Improvement Service](#) was implemented in October 2020 and assists in arranging essential repairs and maintenance in tenements where the Council acts as an owner and takes the lead owner role to progress works.

[Edinburgh Shared Repairs Service](#) (ESRS) offers free advice and information to help owners organise repairs. They can also take the lead on a repair in default of owners, but these tend to be for higher value repairs.

The [Housing \(Scotland\) Act 2006](#) gives local authorities powers to provide a wide range of advice, information, practical and financial assistance to homeowners. [The Scheme of Assistance](#) aims to provide help and assistance to homeowners who require repairs to their home.

The service is currently running a pilot project in North East and South West locality offices for Housing officers to manage emergency repairs in mixed ownership block. The two pilot cases are running between July 2023 and October 2023 and will be reviewed by the Mixed Tenure Improvement board prior to implementation.

Officers advised there used to be a dedicated recharge officer who managed mixed tenure repairs, however, following a service re-structure in 2016, the officer was redeployed to a new role. Management have advised that as part of an ongoing service review, the need to establish some additional resources to support recharging to owners has been identified as a priority and will form part of the proposals.

## Scope

Following conclusion of a whistleblowing investigation in August 2022, which included an allegation related to mixed tenure repairs, Internal Audit was requested by the Governance, Risk and Best Value (GRBV) Committee to review the circumstances relating to the specific allegation to ensure Council procedures were followed.

GRBV also requested that Internal Audit assess the adequacy of design and operating effectiveness of the current key controls established to ensure the Council's policies and processes for engaging with owners and private landlords for scheduling and funding/payment for common repairs across mixed tenure blocks are adequate and complied with.

## Risks

- Service Delivery
- Regulatory and Legislative Compliance
- Financial and Budget Management
- Supplier, Contractor, and Partnership Management
- Health and Safety

## Limitations of Scope

Due to limited capacity within services and Internal Audit, the following areas were specifically excluded from the scope of our review:

- The Mixed Tenure Improvement Service where the service acts as an 'owner' in low rise tenements facilitating repairs and maintenance works
- Multi Storey blocks (5 storeys and above) where the Council is the factor
- Edinburgh Shared Repairs Service – which offers free advice and information to help owners organise repairs to the shared or common areas.

## Reporting Date

Testing was undertaken between 06 July 2023 and 18 September 2023.

Our audit work concluded on 21 September 2023, and our findings and opinion are based on the conclusion of our work as at that date.



# Findings and Management Action Plan

## Finding 1 – Processes and Procedures

Finding Rating	High Priority
----------------	---------------

Our review found that there are no procedures within locality offices for the Council being the lead owner when completing mixed tenure repairs and highlighted that there is no process covering:

- the authorisation levels of mixed tenure repair works completed within the Localities
- the rationale and authorisation for completing ad hoc mixed tenure repairs is not documented, particularly for non-rechargeable repairs, where a decision has been made for the Council to pay for the repair, and therefore a conflict of interest could go undetected
- timescales and charging arrangements including the circumstances where the repair should be recorded as no recharge to owners
- guidance on what is determined as a Health and Safety repair should be established, as currently ad hoc repairs are being carried out on the basis that the repair poses a health and safety risk when it may not be applicable
- recording evidence of decisions made as documented in [finding 2](#) of this report
- post inspection and quality assurance checks as documented in [finding 3](#) of this report.

Our review also highlighted instances where:

- mixed tenure repairs are directed to the locality office, and the Council completes and pays for the ad hoc mixed tenure repair with no recharge to owners. Officers advised they arranged the repair if it affected their tenant to maintain good service, however, this was not consistent and grounds for carrying out repairs varied.

The policy and procedure register held with Tenant and Resident Services (TRS) is out of date and a number of actions are overdue. It was noted that the register was not up to date due to a lack of resource to update the register.

### Risks

- **Financial and Budget Management** – loss of income to HRA Account and risk of overspend in HRA budget
- **Governance and decision making** – senior management may not have oversight of the delivery of the service
- **Workforce/Service Delivery** – frontline colleagues may not provide a consistent service and key person dependency is noted
- **Reputational Risk** - reputational damage due to tenant rents funding owner repairs
- **Regulatory and Legislative Compliance** - if guidance and materials are not regularly reviewed, they may no longer align with organisational and legislative changes
- **Fraud and Serious Organised Crime** – conflict of interest and potential instances of fraud could go undetected.

## Recommendations and Management Action Plan: Processes and Procedures

Ref.	Recommendations	Agreed Management Action	Action Owner	Lead Officers	Timeframe
1.1	<p>Mixed tenure procedures which cover the process where the Council is the lead owner when completing emergency and responsive repairs within mixed tenure blocks should be documented, approved by senior management, and communicated to relevant colleagues.</p> <p>Procedures should include:</p> <ul style="list-style-type: none"> <li>• authorisation levels for value of works to be completed. The rationale and authorising arrangement should be documented and stored in line with the service areas records management requirements</li> <li>• requirement for non-rechargeable repairs to be authorised by a senior manager and for the authorisation to be recorded on file</li> <li>• timescales and charging arrangements including the circumstances where a repair should be recorded as being no recharge to owners</li> <li>• guidance on what is determined to be a Health and Safety essential repair should be established</li> <li>• requirement to record evidence of decisions made as per <a href="#">finding 2</a> of this report</li> <li>• post inspection and quality assurance checks as per <a href="#">finding 3</a> of this report</li> <li>• in addition, documents should be held in a central location, and the version control and date of next review should be included on the procedure documents.</li> </ul>	Procedures, including appropriate authorisation procedures, will be developed based on best practice being followed by the mixed tenure improvement service.	Executive Director of Place	Head of Housing Operations	31/05/2024
1.2	Monitoring and review of the policy register should be allocated to a responsible officer, with appropriate contingency to cover absence and prevent key person dependency.	Recommendation agreed.			31/01/2024

## Finding 2 – Recording Key Information and Decisions

Finding Rating	Medium Priority
----------------	-----------------

Our review found that records for carrying out an ad hoc mixed tenure repair including the reasons behind the decision and process followed were not formally documented. Although the repair is recorded on NEC, (the system used for housing management including repairs), much of the information which was relevant was stored in officer email inboxes which may not always be accessible, cannot be accessed by others without permissions and/or can be deleted.

Some records such as who carried out the repair, the total cost of the overall repair (or whether it was carried out as a gesture of goodwill) were not available at all. This is linked to a lack of formal processes and procedures which should include appropriate recording of key information and decisions taken (see [finding 1](#)).

Record keeping was found to be sporadic making it difficult to piece together when evidence of a decision is required. Lack of formal record keeping means officers cannot evidence that procedures were followed in line with council policies and code of conduct and may expose officers to allegations of misconduct or fraud.

### Risks

- **Governance and decision making** – senior management may not have oversight of the delivery of the service
- **Reputational Risk**- risk of allegations of conflicts of interest
- **Fraud and Serious Organised Crime** – Fraud would be more difficult to detect
- **Financial and Budget Management** – best value may not be achieved
- **Regulatory and Legislative compliance** – the Council may not meet statutory and records retention requirements.

Page 643

## Recommendations and Management Action Plan: Recording Key Information and Decisions

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
2.1	<p>The mixed tenure procedures referred to in <a href="#">finding 1</a> should include how and where decisions for completed repairs should be recorded and detail how records should be maintained in line with the Councils' records management policy.</p> <p>The procedure for the recording of decisions where normal procedures is not followed, should include the rationale for the decision made, the outcome and the authorising manager.</p> <p>Records of decisions made should be electronically stored in appropriate locations/system, which is accessible to relevant officers as required, with appropriate protections for sensitive data.</p>	<p>Records of decisions made should currently be electronically stored in the NEC system.</p> <p>This will be specified in the procedures as outlined under action 1.1.</p>	Executive Director of Place	Head of Housing Operations	31/05/2024

## Finding 3 – Quality Assurance Processes

Finding Rating	Medium Priority
----------------	-----------------

There are no quality assurance processes in place for the ad hoc mixed tenure repairs end to end process (including coverage of scheduling, processing, and recharging repairs). This is linked to a lack of formal processes and procedures (as detailed in [finding 1](#)).

Post inspections checks are not carried out. There is no process for checking the completion and the quality of repairs when it is arranged by either the Council or the owner and there is no cross checking of invoices received from contractors.

Additionally, there is no action plan for mixed tenure processing errors and no record of discussions or feedback with staff following errors. Managers advised errors are mainly noticed following a complaint and discussed informally with officers.

### Risks

- **Financial and Budget Management** – the Council may not achieve best value from contractors and may be charged for work not completed
- **Governance and Decision Making** – management are unaware of issues and make uniformed decisions
- **Reputational Risk** - errors may not be rectified and could affect customers
- **Fraud and Serious Organised Crime compliance** – systemic issues which could indicate potential fraud are not identified
- **Service Delivery** – failure to identify areas of improvement and learning needs required to improve performance

Page 644

## Recommendations and Management Action Plan: Quality Assurance Processes

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
3.1	<p>A quality assurance programme should be created to review the completion and quality of repairs carried out in mixed tenure blocks. The programme should include a clear methodology which sets out:</p> <ul style="list-style-type: none"> <li>• sample size of cases to be reviewed</li> <li>• how frequently quality reviews will be performed, and by which officers</li> <li>• what elements of the mixed tenure repair process will be checked - we would recommend that the areas highlighted in the audit finding are covered</li> <li>• lessons learned and remedial work to be performed</li> <li>• which officers and groups will receive the associated reporting on the results of quality assurance exercises.</li> </ul>	Recommendation accepted.	Executive Director of Place	Head of Housing Operations	31/05/2024

3.2	Documented procedures should be produced for the quality assurance process referred to in recommendation 3.1 above. This procedure should be aligned / integrated into the mixed tenure procedure document referred to in <a href="#">finding 1</a> .	Recommendation accepted			31/05/2024
-----	--	-------------------------	--	--	------------

## Finding 4 – Role specific learning and induction

Finding Rating	Low Priority
----------------	--------------

Whilst essential learning is accessed via and recorded on myLearning Hub, (the Council’s learning platform), and reminders are cascaded through the management team, it was noted that ongoing role specific learning or records of induction training are not stored centrally. Operations managers were unable to provide a completed, signed off induction or had access to what training colleagues had completed.

### Risks

- **Workforce** – officers may not be completing all the required role specific learning for their role
- **Service Delivery** - opportunities to identify gaps in learning may not be captured and addressed fully and in a timely manner.

## Recommendations and Management Action Plan: Role specific learning and induction

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
4.1	Housing management should engage with the Council's Learning and Development team to ensure that learning and development matrices on the Orb for officers are up to date and to agree arrangements for ensuring completion of training can be monitored by line managers as well as Heads of Service.  Where relevant, local records should be maintained and accessible to evidence completion of statutory training.	Recommendation accepted	Executive Director of Place	Head of Housing Operations	31/05/2024

Page 646

## Finding 5 – Performance Data

Finding Rating	Medium Priority
----------------	-----------------

A review of performance data was completed which highlighted a lack of performance data for mixed tenure blocks with no current mechanism for monitoring the frequency or costs associated with low level (less than 4 storeys/8m) mixed tenure repairs where the Council covered the cost and did not charge owners their share. The volume and value of mixed tenure repairs being carried out and not recharged to owners is unknown and is not easily accessible. Officers advised this was due to having no procedures to progress repairs through the Tenement Management Scheme (TMS).

In addition, it was identified that the recording of mixed tenure data, where the Council took the lead on a repair, was not being coded within the Housing Property recording system NEC.

### Risks

- **Strategic Delivery** – Council objectives may not be achieved
- **Financial and Budget Management** – Risk of overspend if cost and frequency is not monitored
- **Governance and Decision Making** – risks are not identified and managed
- **Service Delivery** – Colleagues are unaware of risk
- **Regulatory and Legislative Compliance** – Statutory requirements may not be met

## Recommendations and Management Action Plan: Performance Data

Page 647

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
5.1	<p>A review of the mixed tenure performance data should be completed to ensure that meaningful data can be extracted for monitoring purposes. How ad hoc mixed tenure repairs are recorded should be incorporated into the above review and should include:</p> <ul style="list-style-type: none"> <li>• consideration of system improvements to the NEC system to ensure that mixed tenure repairs are being coded correctly within the system. IA appreciates that this may need consultation with the Council's IT providers.</li> </ul> <p>If the above is not feasible alternative controls require to be implemented to address the control weakness identified.</p> <ul style="list-style-type: none"> <li>• the ability to obtain meaningful reports for scrutiny and monitoring such as:</li> </ul>	<p>Phased implementation</p> <p>Phase 1 – engage with ICT/CGI colleagues regarding NEC upgrade potential</p> <p>Phase 2 - undertake review of mixed tenure performance data including consideration of system improvements and ability to obtain meaningful reports for scrutiny</p>	Executive Director of Place	Head of Housing Operations	<p>Phase 1 30/04/2024</p> <p>Phase 2 To be determined on completion of Phase 1</p>

	<ul style="list-style-type: none"> <li>○ a report which allows the monitoring and scrutiny of repairs where a decision has been taken to carry out a repair and not recharge owners</li> <li>○ reports which include data such as the frequency, number and cost of repairs being carried out by the Council in mixed tenure blocks, out with those works led by the Mixed Tenure Improvement Service or works undertaken by the Council when acting as Property Factor in high rise blocks, would be more transparent and easily accessible.</li> </ul>				
--	--	--	--	--	--



## Finding 6 – Risk Management

Finding Rating	Low Priority
----------------	--------------

A review of the Housing Property risk register highlighted that although there was reference to mixed tenure in some of the wider risks within the register, there are no specific risks directly related to mixed tenure repairs recorded within the risk registers. Some managers were not aware of the risk register for their service and were not involved in discussions around risk.





### Risks

- **Strategic Delivery** – Council objectives may not be achieved
- **Governance and Decision Making** – risks are not identified and managed
- **Service Delivery** – colleagues are unaware of risks impacting service delivery

## Recommendations and Management Action Plan: Risk Management

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
6.1	<p>A review of risks related to mixed tenure repairs and works should be undertaken and risks identified should be recorded within the Housing Property risk register. This should include the risks associated with the issues raised in this report.</p> <p>Mixed tenure risks should be discussed with all relevant operational managers with mitigating actions agreed, recorded, and tracked as required.</p> <p>Mixed tenure risks should be embedded into regular team meeting discussions to increase risk awareness, with support sought from the Council’s Corporate Risk team, if required.</p>	<p>Recommendation accepted.</p> <p>Mixed tenure risks in relation to ad hoc repairs will be incorporated into the updated Housing Operations Risk Register.</p>	Executive Director of Place	Head of Housing Operations	29/02/2024

# Appendix 1 – Control Assessment and Assurance Definitions

Control Assessment Rating		Control Design Adequacy	Control Operation Effectiveness
Well managed		Well-structured design efficiently achieves fit-for purpose control objectives	Controls consistently applied and operating at optimum level of effectiveness.
Generally Satisfactory		Sound design achieves control objectives	Controls consistently applied
Some Improvement Opportunity		Design is generally sound, with some opportunity to introduce control improvements	Conformance generally sound, with some opportunity to enhance level of conformance
Major Improvement Opportunity		Design is not optimum and may put control objectives at risk	Non-conformance may put control objectives at risk
Control Not Tested	N/A	Not applicable for control design assessments	Control not tested, either due to ineffective design or due to design only audit

Page 650

Overall Assurance Ratings	
<b>Substantial Assurance</b>	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
<b>Reasonable Assurance</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
<b>Limited Assurance</b>	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
<b>No Assurance</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

Finding Priority Ratings	
<b>Advisory</b>	A finding that does not have a risk impact but has been raised to highlight areas of inefficiencies or good practice.
<b>Low Priority</b>	An issue that results in a small impact to the achievement of objectives in the area audited.
<b>Medium Priority</b>	An issue that results in a moderate impact to the achievement of objectives in the area audited.
<b>High Priority</b>	An issue that results in a severe impact to the achievement of objectives in the area audited.
<b>Critical Priority</b>	An issue that results in a critical impact to the achievement of objectives in the area audited. The issue needs to be resolved as a matter of urgency.



# Internal Audit Report

## Housing Stock Condition – Tenant Safety, Damp and Mould

07 December 2023

PL2303

Page 651

<b>Overall Assessment</b>	<b>Substantial Assurance</b>
---------------------------	------------------------------

# Contents

Executive Summary ..... 3

Background and scope ..... 4

Findings and Management Action Plan ..... 5

Appendix 1 – Control Assessment and Assurance Definitions ..... 8

This Internal Audit review is conducted for the City of Edinburgh Council under the auspices of the 2023/24 internal audit plan approved by the Governance, Risk and Best Value Committee in March 2023. The review is designed to help the City of Edinburgh Council assess and refine its internal control environment. It is not designed or intended to be suitable for any other purpose and should not be relied upon for any other purpose. The City of Edinburgh Council accepts no responsibility for any such reliance and disclaims all liability in relation thereto.

The internal audit work and reporting has been performed in line with the requirements of the Public Sector Internal Audit Standards (PSIAS) and as a result is not designed or intended to comply with any other auditing standards.

Although there are specific recommendations included in this report to strengthen internal control, it is management’s responsibility to design, implement and maintain an effective control framework, and for the prevention and detection of irregularities and fraud. This is an essential part of the efficient management of the City of Edinburgh Council. Communication of the issues and weaknesses arising from this audit does not absolve management of this responsibility. High and Critical risk findings will be raised with senior management and elected members as appropriate.

# Executive Summary

Overall  
Assessment

Substantial  
Assurance

## Overall opinion and summary of findings

Our review of the Council's approach Tenant Safety and the Dampness Improvement Plan provides substantial assurance that the Council has established effective controls and processes to identify, remediate and monitor cases of damp and mould in a timely and effective manner, in line with the requirements of the Scottish Housing Regulator.

The following areas of improvement have been identified which are intended to strengthen the Council's control environment:

- action should be taken to understand why a KPI to complete dampness surveys within 21 days is not consistently being met
- contract management and performance monitoring meetings should occur regularly, be appropriately recorded and KPIs monitored.







## Areas of good practice

Our review identified:

- effective customer interface controls have been established to identify tenant vulnerabilities when tenants report cases
- a pro-active communication plan and awareness campaign has been established that enables tenants to identify root causes of dampness, mould, and condensation issues
- a working group has been established which meets regularly to oversee progress of the Dampness Improvement Plan.

## Audit Assessment

[See Appendix 1 for Control Assessment and Assurance Definitions](#)

Audit Area	Control Design	Control Operation	Findings	Priority Rating
1. Implementation of the Council's Dampness Improvement Plan			No issues noted	N/A
2. Customer Experience			No issues noted	N/A
3. Repairs of dampness and mould			Finding 1 – Dampness, mould, and condensation-performance monitoring and improvement	Medium Priority
			Finding 2 – Contract Management of Repairs and Maintenance Framework	Medium Priority

# Background and scope

The City of Edinburgh Council is a social landlord to approximately 20,000 homes across the city and is responsible for ensuring the safety and well-being of tenants in Council-owned housing.

Following the tragic death of a two-year-old in Rochdale in December 2020 from a respiratory condition found to be caused by mould in his home, the coroner's report highlighted a link between dampness and mould in houses and serious health conditions. [The Scottish Housing Regulator wrote to local authorities in January 2023](#) requesting landlords to ensure that they have 'proactive systems in place to identify and deal with any reported cases of damp and mould timeously and effectively'. Different housing regulatory authorities have also published detailed guidance for landlords to follow on damp and mould incidents. Some of those include:

['Spotlight report'](#) by the Housing Ombudsman Service including 26 recommendations for landlords on damp and mould management

['Putting Safety First'](#), a briefing note by the Scottish Housing Regulator (SHR) and other agencies on damp and mould management for social housing practitioners.

The Council has also developed a [Dampness Improvement Plan, agreed at the Housing, Homelessness and Fair Work Committee in May 2023](#), to review and develop all processes and procedures relating to the treatment of dampness and mould in Council Homes.

## Scope

The objective of this review was to assess the adequacy of design and operating effectiveness of the key controls established to ensure the Council's Improvement Plan addresses the Scottish Housing Regulator's request to ensure that processes to identify and remediate cases of damp and mould in a timely and effective manner.

## Risks

- Health and Safety
- Regulatory and Legislative Compliance
- Reputational
- Financial and Budget Management

## Limitations of Scope

The following area was specifically excluded from the scope of our review:

- Insurance Services used by tenants who have experienced damage to their own property or belongings because of dampness and mould in Council homes.

## Reporting Date

Testing was undertaken between 16 August and 14 October 2023.

Our audit work concluded on 14 October 2023 and our findings and opinion are based on the conclusion of our work as at that date.

# Findings and Management Action Plan

## Finding 1 – Dampness, Mould, and Condensation - Performance Monitoring and Improvement

Finding Rating	Medium Priority
----------------	-----------------

A review of the tracker used to monitor Dampness, Mould, and Condensation cases across Council homes identified that the key performance indicator (KPI) target for completing dampness surveys within 21 days was not met in 50% of cases between January and 27 July 2023.

The tracker also contains target dates for completing internal repairs. It was noted, however, that the tracker does not identify instances when the target date has not been achieved. In four cases, a comment was noted to refer to other columns within the tracker, e.g., 'Recommended Works', but completion dates had not been recorded. Additionally, while there is a column in the tracker for the completion date of mould removal, no date was entered in two cases, and a comment was referred to another column which only gave details of recommended works.

A review of the Contract Handover report also identified that KPIs have not been established to monitor the timeliness of repairs carried out following the completion of a dampness survey.

Dampness, Mould, and Condensation performance dashboards are presented to the Housing, Homelessness and Fair Work committee twice annually as part of the overall update on the Dampness Improvement Plan. The dashboards contain data about the geographical location of cases raised (by locality) as well as reasons why repairs have been delayed. However, no information is presented to committee about the age of cases raised. The Committee is therefore unaware of and unable to scrutinise cases that have not been resolved for significantly overdue period.

Additionally, the Dampness, Mould and Condensation case tracker does not have a specific column to identify vulnerable tenants and subsequent costs associated with decants, where applicable.

### Risks

- **Health and Safety** – dampness surveys and repairs not completed in a timely manner leading to potential health and safety impact for tenants
- **Supplier, Contractor and Partnership Management** – lack of performance monitoring to complete repairs in timely manner.
- **Governance and Decision Making** – Committee is unaware of, and unable to scrutinise, cases that have gone significantly overdue.

## Recommendations and Management Action Plan: Dampness, Mould, and Condensation - Performance Monitoring and Improvement

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
1.1	a) Steps should be taken to understand why the KPI to complete a dampness survey within 21 days is not consistently being met.	a) Housing Operations (HO) reviewed current and predicted demand for surveys in the future and;	Executive Director of Place	Head of Housing Operations	28/05/2024

	<p>b) Consideration should be given to establishment of a KPI for completing internal and preservation repairs in a timely manner (with valid exceptions, e.g., mixed tenure) omitted.</p> <p>c) The dampness, mould and condensation tracker should be updated to ensure all completion dates of works are recorded in the appropriate columns.</p>	<ul style="list-style-type: none"> <li>Will recruit and train three additional in-house Preservation Surveyors bringing the total to four in the Dampness Team</li> <li>In addition to the two existing preservation contractors, another has been procured with agreement to carry out damp surveys.</li> <li>Regularly review survey waiting times and deploy resources according to demand in each housing locality</li> </ul> <p>b)</p> <ul style="list-style-type: none"> <li>KPI for internal preservation repairs to be agreed and set at next contract meeting</li> <li>KPI timescales to be communicated to all stakeholders</li> </ul> <p>c) Dampness case tracker is updated weekly with completions information</p>		Housing Team Operations Manager	<p>31/03/2024</p> <p>28/02/2023</p>
1.2	Dashboards presented to the Housing, Homelessness and Fair Work committee should include a summary of outstanding repair works by age to allow scrutiny and escalation of significantly overdue repairs.	The dashboard presented to HHFW committee will include all open cases since April 2023			31/05/2024
1.3	The Dampness, Mould and Condensation case tracker should be reviewed to ensure that a column is added to easily identify vulnerable tenants and costs associated with decants, where applicable.	This action was discussed with key officers during the course of the audit and an updated version of the tracker was provided demonstrating implementation of a Vulnerability column.		Head of Housing Operations Senior Repairs and Materials Officer	<b>Completed</b> – November 2023.



## Finding 2 – Contract Management of Repairs and Maintenance framework

Finding Rating	Medium Priority
----------------	-----------------

As part of audit fieldwork, Internal Audit requested the last three minutes of monthly contractor meetings with two suppliers:

**Contractor 1:** Internal Audit was provided monthly meeting notes for three months (May, June, and September 2023). There was no evidence available to confirm that monthly contract meetings were held in July and August 2023. Management advised that performance discussions have been held with the contractor but were not documented. While contract performance is a standing item on agendas with contractors, insufficient information was available within the minutes to verify what KPIs have been established and discussed.

**Contractor 2:** Only one minute (February 2023 meeting) was available to demonstrate that contract management meetings were being held with the contractor. Meeting notes indicated that discussions took place on KPIs but did not state numbers or percentages that the contractor must adhere to. The KPIs differed from those developed with the Council's Commercial and Procurement Services (CPS) during the procurement process and the Contract Handover report was also noted as not signed by the service area despite repeated requests from CPS.

### Risks





- **Supplier, Contractor and Partnership Management** – contractor performance is not monitored against agreed performance targets.

Page 657

## Recommendations and Management Action Plan: Contract Management of Repairs and Maintenance framework

Ref.	Recommendation	Agreed Management Action	Action Owner	Lead Officers	Timeframe
2.1	The Contract Handover report should be signed by the service manager, and agreed KPIs reviewed to ensure they are being recorded and monitored. Monthly contract review meetings should resume, with performance against agreed KPIs recorded and scrutinised.	<ul style="list-style-type: none"> <li>• Contract Handover report to be signed by Willie Gilhooly (acting service manager at the time of framework procurement)</li> <li>• Contract review meetings will continue to take place every month</li> <li>• Measurement of performance by all contractors against KPIs to be analysed and recorded at each contract meeting</li> </ul>	Executive Director of Place	Head of Housing Operations  Housing Team Operations Manager	31/05/2024

# Appendix 1 – Control Assessment and Assurance Definitions

Control Assessment Rating		Control Design Adequacy	Control Operation Effectiveness
Well managed		Well-structured design efficiently achieves fit-for purpose control objectives	Controls consistently applied and operating at optimum level of effectiveness.
Generally Satisfactory		Sound design achieves control objectives	Controls consistently applied
Some Improvement Opportunity		Design is generally sound, with some opportunity to introduce control improvements	Conformance generally sound, with some opportunity to enhance level of conformance
Major Improvement Opportunity		Design is not optimum and may put control objectives at risk	Non-conformance may put control objectives at risk
Control Not Tested	N/A	Not applicable for control design assessments	Control not tested, either due to ineffective design or due to design only audit

Page 658

Overall Assurance Ratings	
<b>Substantial Assurance</b>	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
<b>Reasonable Assurance</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
<b>Limited Assurance</b>	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
<b>No Assurance</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

Finding Priority Ratings	
<b>Advisory</b>	A finding that does not have a risk impact but has been raised to highlight areas of inefficiencies or good practice.
<b>Low Priority</b>	An issue that results in a small impact to the achievement of objectives in the area audited.
<b>Medium Priority</b>	An issue that results in a moderate impact to the achievement of objectives in the area audited.
<b>High Priority</b>	An issue that results in a severe impact to the achievement of objectives in the area audited.
<b>Critical Priority</b>	An issue that results in a critical impact to the achievement of objectives in the area audited. The issue needs to be resolved as a matter of urgency.

# Internal Audit Report

## Repairs Right First Time

30 January 2024

PL2306

Page 659

<b>Overall Assessment</b>	<b>Limited Assurance</b>
---------------------------	--------------------------

# Contents

Executive Summary ..... 3

Background and scope..... 5

Findings and Management Action Plan ..... 6

Appendix 1 – Control Assessment and Assurance Definitions ..... 15

This Internal Audit review is conducted for the City of Edinburgh Council under the auspices of the 2023/24 internal audit plan approved by the Governance, Risk and Best Value Committee in March 2023. The review is designed to help the City of Edinburgh Council assess and refine its internal control environment. It is not designed or intended to be suitable for any other purpose and should not be relied upon for any other purpose. The City of Edinburgh Council accepts no responsibility for any such reliance and disclaims all liability in relation thereto.

The internal audit work and reporting has been performed in line with the requirements of the Public Sector Internal Audit Standards (PSIAS) and as a result is not designed or intended to comply with any other auditing standards.

Although there are specific recommendations included in this report to strengthen internal control, it is management’s responsibility to design, implement and maintain an effective control framework, and for the prevention and detection of irregularities and fraud. This is an essential part of the efficient management of the City of Edinburgh Council. Communication of the issues and weaknesses arising from this audit does not absolve management of this responsibility. High and Critical risk findings will be raised with senior management and elected members as appropriate.

# Executive Summary

Overall  
Assessment

Limited  
Assurance

## Overall opinion and summary of findings

Review of the Council's Repairs Right First Time (RRFT) processes has highlighted significant design and operating effectiveness gaps in the procedures and controls established to ensure that the Council meets the Scottish Housing Regulator's (SHR) Repairs right first time [indicator 10 of the Scottish Social Housing Charter](#). There are two requirements within Indicator 10: the number of reactive repairs completed right first time during the reporting year, and the total number of reactive repairs completed during the reporting year. Specific process deficiencies and areas of improvement include:

- Annual regulatory reporting to the SHR on indicator 10 of the Charter is inaccurate as:
  - a) the current repair procedures do not include an accurate measure to completely record or identify recalls to existing repairs. As a result, the original repair to a recall is considered as RRFT whereas it should not be included in the RRFT data, as per SHR guidance
  - b) the data set used to calculate recalls, required to be excluded from RRFT data, includes all repairs carried out since 2019 and not just during the reporting year, as required by the SHR.

The review also highlighted data quality and completeness issues.

- Effective processes to monitor quality of internal operative performance against housing service standards and contractor performance against their contractually agreed key performance indicators (KPIs), require to be established. Improvements are needed to ensure that contractor performance including overspends accrued from repeat call outs are identified, recorded, and escalated through formal contract monitoring arrangements.









- Quality assurance procedures to conduct post inspection visits, review of invoices over the agreed threshold of variance between estimated and actual cost, monitoring of recall invoices, and stock monitoring procedures require to be formalised and documented.
- Moderate improvement is required to the repairs information published on Council website to ensure the information is complete, up to date and easily accessible.

## Areas of good practice

Areas of good practice noted during this review include:

- numerous, accessible ways for tenants to report repairs
- efficient and easy process for allocating/updating jobs on the Total mobile system
- regular monitoring and reporting of repair targets and communication to relevant officers
- significant reduction in internal operatives' appointment waiting times due to management review and monitoring during weekly meetings.

# Audit Assessment

Audit Area	Control Design	Control Operation	Findings	Priority Rating
1. Repairs right first-time procedures and training			Finding 5 – Repairs Information available to Customers	Low Priority
2. Performance data recording, collection, and reporting			Finding 1 – Measuring and Regulatory reporting of RRFT data	High Priority
			Finding 2 – Internal Operative and Contractor Performance Monitoring	Medium Priority
3. Cost controls, payments, and invoicing			Finding 3 – Quality Assurance Processes	Medium Priority
4. Risk management			Finding 4 – Risk Management of RRFT performance issues	Low Priority

[See Appendix 1 for Control Assessment and Assurance Definitions](#)

# Background and scope

As of 31 March 2023, the City of Edinburgh Council (the Council) owned circa 20,658 homes, let out to Council tenants. As a social landlord, the Council is responsible for the maintenance of these homes. Depending on the nature of the issue, repairs are categorised as a) responsive repairs – reactive repairs, some of which can be emergency and out of hours; b) planned maintenance – upgrades to kitchens, bathrooms and other improvement programmes, and c) maintenance and electrical – which includes gas and fire safety related works, adaptations, and lift repairs.

As a social landlord, the Council is required to report performance to the [Scottish Housing Regulator](#) (SHR) through the Annual Return on the Charter (ARC). [Indicator 10](#) of the Charter considers performance for completion of reactive repairs and requires landlords to report on the percentage of reactive repairs carried out in the last year completed right first time.

[The SHR technical guidance](#) provides a definition of 'completed right first time' and to meet this a reactive repair must be completed within the appropriate target timescale agreed locally, and without the need for an operative to be recalled to work on a defect within the first year. The locally agreed timescales for the Council are 1 working day for an urgent repair and 20 working days for a routine repair.

During 2022/23, the Council completed 45,017 reactive repairs with 31,969 (71%) completed 'right first time'. This is a slight improvement on Council performance for 2021/22 (70.1%) and a decrease on performance for 2020/21 (85.3%). A similar reduction in performance for the Scottish average was noted (2022/23: 87.8%, 2021/22: 88.3% and 2020/21: 91.5%).

[In June 2019](#), in recognition that performance was flatlining and in some areas decreasing across other key service areas, a Housing Service Improvement plan (HSIP) was presented to the Housing and Economy Committee, which is reported to committee on a six-monthly basis most recently [October 2023](#) and includes a range of improvement activities related to repairs. The HSIP also includes a [Performance Dashboard](#) which includes several key performance indicators for repairs.

## Scope

The objective of this review was to assess the adequacy of design and operating effectiveness of the key controls established to ensure the Council's approach and performance for completing repairs 'right first time' are in line with the criteria for indicator 10 of the [Scottish Social Housing Charter](#), including completion of all aspects of the repair within the Council's target timescale and no recall to resolve subsequent defects within 12 months.

## Risks

- Service delivery
- Regulatory and Legislative Compliance
- Financial and Budget Management
- Supplier, Contractor, and Partnership Management
- Health and Safety

## Limitations of Scope

The following areas were excluded from scope:

- This audit only considered 'Reactive' repairs right first time in line with the Scottish Social Housing Charter indicator 10
- Mixed Tenure Repairs were excluded from this scope as it was reviewed in a separate audit, [reported to the GRBV Committee in November 2023](#)
- Repairs related to voids (empty properties) were excluded from scope as this is subject to a separate 23/24 audit.

## Reporting Date

Testing was undertaken between 31 October 2023 and 7 December 2023.

Our audit work concluded on 7 December 2023 and our findings and opinion are based on the conclusion of our work as at that date.

# Findings and Management Action Plan

## Finding 1 – Measuring and Regulatory Reporting of RRFT data

Finding Rating	High Priority
----------------	---------------

The Scottish Housing Regulator (SHR) mandates social landlords to provide accurate information on their performance against the Social Housing Charter indicators and standards, through an Annual Return on the Charter. [Indicator 10](#) of the charter relates to the percentage of reactive repairs completed right first time (RRFT), carried out during the reporting year. [SHR guidance](#) also clarifies that if a repair follows up with any recall during the same reporting year, then that repair should be excluded from the RRFT data.

Our review identified that the Council does not have an established measure to accurately record and report the recall data. Whilst the number of completed repairs can be measured, repairs right first-time data cannot be accurately reported as the number of recalls is not recorded accurately. The existing procedures to record repairs in Customer contact system (Verint) and Housing Management system (NEC) includes recording of new repairs but no guidelines to record a recall. Officers rely on duplicate schedule of rates (SOR) codes; however, it is not an accurate measure to identify the recalls.

The Council is also not accurately reporting the number of recalls on reactive repairs completed within a reporting year, as the data set currently used to report RRFT number to SHR, includes all repeat SOR codes carried out since 2019 and not just those completed during the reporting year. It was identified through audit discussions with officers that there is no documented procedure to assist officers with collating the required reporting data, in line with the SHR requirements.

Review of the reactive repairs data also highlighted data quality and completeness issues. 1,050 (out of 36,994) repair lines for the reporting year 2022/23 were incomplete or inaccurate, as they did not have a completion date or completion date prior to the issue date. Management advised that these repairs were excluded in the SHR data return, leading to an inaccurate annual return. This should be noted in the comments section of the return submission.

### Risks

- **Governance and Decision Making** – poor data quality leading to inadequate management review of recalls to ensure repairs are carried out right the first time
- **Financial and Budget Management** – increased recalls leading to repairs overspend
- **Regulatory and Legislative Compliance** – incomplete and inaccurate regulatory reporting to the SHR
- **Service Delivery** – the Council may be unable to provide a housing repairs service within Housing Repairs service standard timescales

Page 664

## Recommendations and Management Action Plan: Measuring and Regulatory Reporting of RRFT data

Ref.	Recommendation	Agreed Management Action	Action / Owner Lead Officers	Timeframe
1.1	A procedure note aligned to the SHR technical guidance for collating and submitting data for the Annual Return on the Charter (ARC) should be developed and documented to	A procedure note will be produced outlining the approach to capturing more accurate data for future returns.	<b>Owner:</b> Executive Director of Place <b>Lead Officers:</b>	31/05/2024



	<p>ensure that the SHR definition and criteria of repairs right first time is being met. This should include clarification on:</p> <ul style="list-style-type: none"> <li>• data points to be included and excluded e.g., emergency repairs</li> <li>• filters to ensure data is reported only for the correct reporting period</li> <li>• parameters within Microsoft Access, used to run the reports</li> <li>• secondary review by a senior officer to ensure that the data reported to the SHR is complete and accurate.</li> </ul>		<p>Service Director, Housing and Homelessness Head of Housing Operations</p>	
1.2	<p>A defined procedure (preferably automated) should be established to accurately identify recalls. It is also recommended for Housing Services to consult with Digital Services for advice and support on system improvements. In the interim, a manual workaround should be developed, documented, and communicated to Customer services and Housing teams, until a system improvement is identified and established.</p>	<p>Manual workaround to be implemented.</p> <p>Phased implementation for automated process. Step 1 – engage with ICT on automated procedure.</p>	<p><b>Owner:</b> Executive Director of Place</p> <p><b>Lead Officers:</b> Service Director, Housing and Homelessness Head of Housing Operations</p>	31/05/2024
1.3	<p>Data quality and completeness checks should be formally introduced to ensure that the repairs data in system, including completion date, is accurate and complete. The checks should include but not be limited to the following:</p> <ul style="list-style-type: none"> <li>• data check frequency</li> <li>• identification of thematic reasons for data quality issues, and</li> <li>• remedial actions to prevent reoccurrence.</li> </ul>	Agreed.	<p><b>Owner:</b> Executive Director of Place</p> <p><b>Lead Officers:</b> Service Director, Housing and Homelessness Head of Housing Operations</p>	30/06/2024
1.4	<p>Housing Services Team should notify the Scottish Housing Regulator about the inaccuracy of historical data returns and provide details of revised process to ensure the accuracy of future returns once developed.</p>	The Scottish Housing Regulator will be contacted and informed.	<p><b>Owner:</b> Executive Director of Place</p> <p><b>Lead Officers:</b> Service Director, Housing and Homelessness Head of Housing Operations</p>	<p>31/01/2024 SHR notified 25/1/2024 <b>Evidenced as complete.</b></p>

## Finding 2 –Internal Operative and Contractor Performance Monitoring

Finding  
Rating

Medium  
Priority

The Council's Contract and Grant Management (CAGM) team has established [contract management guidance](#) and a [Contract management manual and toolkit](#) to support services in implementing a consistent contract management process across the Council, and ensure procured services provide best value for the Council. IA review highlighted that although contractor's performance against their contractually agreed key performance indicators (KPIs) is listed as an agenda item for monthly meetings, KPI reports are not currently monitored monthly.

Review of the PCS-T tracker (Public Contract Scotland- Tender: central tracker for contract related documents maintained by CAGM team) for agendas, minutes, action plans and KPI reports covered in monthly meetings with twelve contracts for the last twelve months, highlighted that only 59% of the monthly meetings were minuted.

Audit discussions have also highlighted that a process to develop KPI reports, capturing contractor performance against all the contract KPIs, and discussion with contractors on their performance against those KPIs, has not yet been established. Cost controls within the provided minutes covered costs outstanding to the contractor but did not cover overspend.

Review of the performance monitoring arrangements for internal operatives highlighted that while there is an informal process to review the number of completed jobs, there is no established process to measure the quality of individual operatives' performance against the Council housing repairs service standards.

Management has advised that incomplete or inadequate work would generally be identified through customer complaints and corrective actions are verbally discussed or emailed to operatives/contractors. An action plan may be used, however, there is no documented process to formally record or monitor issues. Discussions with the Housing Team Leaders also highlighted that they are not adequately trained on Total Mobile system to review the performance of internal operatives and contractors, and their compliance with KPIs.

### Risks

- **Service Delivery** – the Council may be unable to provide a housing repairs service within housing repairs service standard timescale
- **Supplier, Contractor and Partnership Management** – contractors' potential non-compliance to the contractually agreed KPIs
- **Financial and Budget Management** – contractors' breach to the contractually agreed KPI's do not provide best value to the Council and inadequate performance monitoring leading to potential overspend
- **Regulatory and Legislative compliance** – inadequate performance leading to potential breach of SHR RRFT regulatory requirements
- **Reputational** – delayed repairs service does not meet the Council standards and tenants' expectations leading to dissatisfied citizens
- **Fraud and Serious organised crime** –poor quality repairs service leading to potential overspend and fraud may not be detected.

Page 666

## Recommendations and Management Action Plan: Internal Operative and Contractor Performance Monitoring

Ref.	Recommendation	Agreed Management Action	Action Owner / Lead Officers	Timeframe
2.1	Improvements for contractor performance monitoring and reporting should be implemented to ensure	Agreed. Changes to strengthen contract management across the service has been	<b>Owner:</b> Executive Director of Place	30/06/2024

	<p>compliance with the Council's Contract Management guidance, manual and toolkit.</p> <p>This should include but not limited to central review and monitoring of contractors' performance against KPIs to ensure contractors are achieving the repair completion standards. This should be formally recorded to enable effective senior management oversight and remedial actions to improvement performance, where required.</p>	<p>identified as a priority as part of the Housing and Homelessness Service review.</p> <p>Development of KPI reporting will require systems development.</p> <p><b>Phased implementation:</b></p> <p><b>Step 1</b> – gap analysis against contract management framework to identify where contract management procedures require to be further strengthened.</p> <p><b>Step 2</b> – engage with ICT to identify system development requirements to deliver KPI reports by contractor.</p>	<p><b>Lead Officers:</b></p> <p>Service Director, Housing and Homelessness</p> <p>Head of Housing Operations</p>	
2.2	<p>A process to monitor operative and contractor performance including the following provisions should be established:</p> <ul style="list-style-type: none"> <li>• completing repairs within the agreed KPI timescales</li> <li>• completing right first time minimising the need for recall</li> <li>• ensuring a completion date is recorded on the Total mobile system in a timely manner</li> <li>• quality assurance processes outlined in <a href="#">3.1</a> should be carried out to ensure repairs are completed adequately and to the required standard</li> <li>• an action plan when KPI's are not being met; it should be recorded and monitored by Council officers and should include who is responsible and when the action is to be completed by.</li> </ul>	<p>A process will be put in place to monitor performance against quality of work, including recalls.</p>	<p><b>Owner:</b></p> <p>Executive Director of Place</p> <p><b>Lead Officers:</b></p> <p>Service Director, Housing and Homelessness</p> <p>Head of Housing Operations</p>	31/07/2024
2.3	<p>Monthly meetings with all Contractors should be carried out and formally minuted, utilising the contract review meeting guidance within the Council's <a href="#">Contract Management Toolkit</a>. This should include recording discussions on contract controls, including reporting on agreed KPIs and costs overspends.</p>	<p>Monthly contract meetings are in place and performance discussed, work will be undertaken to ensure meetings are minuted and recorded on the system. Appendix 1 to the Contract Management toolkit will be mandatory for all contractor meetings.</p>	<p><b>Owner:</b></p> <p>Executive Director of Place</p> <p><b>Lead Officers:</b></p> <p>Service Director, Housing and Homelessness</p> <p>Head of Housing Operations</p>	31/05/2024

	<p>It is also recommended these are uploaded to PCS-T (Public Contract Scotland-Tender) system and monitored to ensure records are centrally available and complete and up to date records can be demonstrated.</p>	<p>Inclusion of KPI reports to support contract management meetings will be dependent on action outlined at 2.1 related to systems development.</p> <p>Housing Service review consultation will propose the creation of a service wide commissioning and contracts manager/service to consolidate all external spend and monitoring thereof.</p>		
--	---	--	--	--

## Finding 3 – Quality Assurance Processes

Finding  
Rating

Medium  
Priority

There are no documented quality assurance procedures for reactive repairs processes, including post inspection of completed works, approval of invoices over the agreed tolerance threshold, monitoring of invoicing on recalled repairs and checks on materials and van stock.

**Post Inspection Visits:** Post inspection site visits to check the quality of repairs are required to be recorded on the site visit forms. There is however no documented evidence available to substantiate these post inspections visits.

**Invoice Approval:** As per the Housing team operational guidance, any repair work invoiced over the agreed tolerance threshold of estimated versus the actual cost (*in-house: 150% or £250, whichever is lower; for sub-contractor: 50% or £75, whichever is lower*), is flagged for verification and requires authorisation by a Team leader (TL). Whilst there is a manual on how to run the report, there is no written guidance to support these authorisations and TLs advised that it is based on their experience and discretion. Discussions with TLs highlighted that they process several authorisations each day and are not always able to provide a detailed assessment for every invoice unless it is of significantly high value. Lack of a clear authorisation guidance could lead to high repair overspend for the Council.

**Recall Invoices:** As set out in [Finding 1](#), recalled jobs are not uniquely identified therefore invoices for recalls, which could include duplicate invoices for the same repair leading to potential contractor overspend, are not able to be reviewed and monitored. Management has advised that some recalled jobs

are emailed directly to the contractor by a team leader or repairs direct and not added to the system. Consequentially these recall jobs are not formally documented or monitored.

**Stock Monitoring:** Audit discussions highlighted that officers monitor and report operatives and contractors purchasing materials and stock for repair van using their trade authorisation card with an external supplier, however these monitoring procedures are not formalised and documented.

### Risks

- **Service Delivery** – failure to identify areas of improvement and learning needs required to improve performance
- **Financial and Budget Management** – the Council may not achieve best value and may be charged for recall jobs or works not completed; overspend not adequately monitored leading to financial loss for Council
- **Governance and Decision Making** – management are unaware of performance issues and make uninformed decisions
- **Reputational** – errors may not be rectified and could affect customer experience
- **Fraud and Serious Organised crime** –Lack of documented guidance on invoice approval and stock monitoring leading to Team Leader discretion/oversight, exposing the process to potential fraud.

Page 669

## Recommendations and Management Action Plan: Quality Assurance Processes

Ref.	Recommendation	Agreed Management Action	Action Owner / Lead Officers	Timeframe
3.1	A documented quality assurance and post inspection programme should be developed to review the completion and quality of repairs carried out. The programme should include a clear methodology which sets out: <ul style="list-style-type: none"> <li>• sample size of cases to be reviewed</li> </ul>	Agreed. Approval for a post-work inspection team is currently pending with a view to embedding in the service structure as part of the service review.	<b>Owner:</b> Executive Director of Place <b>Lead Officers:</b>	30/06/2024

	<ul style="list-style-type: none"> <li>• frequency and officer responsibility for quality reviews</li> <li>• documentation to support these quality assurance inspections</li> <li>• lessons learned and remedial work to be performed</li> <li>• officers' responsibility for review of the results of quality assurance exercises.</li> </ul>		Service Director, Housing and Homelessness Head of Housing Operations	
3.2	<p>A documented procedure for approvals/verification of repairs out with the tolerance threshold should be created and should include:</p> <ul style="list-style-type: none"> <li>• defined thresholds for internal operatives and contractors</li> <li>• nature of checks to be completed prior to authorisation</li> <li>• sample size and frequency of reviews, if applicable</li> <li>• officers' responsibility to debrief the results of quality checks into staff training.</li> </ul>	<p>Agreed.</p> <p>Defined tolerance thresholds are in place. Guidance and training for Team Leaders will be developed to give direction on reviewing and approving repairs that exceed these tolerances and will be documented in a formal written procedure.</p>	<p><b>Owner:</b> Executive Director of Place</p> <p><b>Lead Officers:</b> Service Director, Housing and Homelessness Head of Housing Operations</p>	30/06/2024
3.3	<p>Stock monitoring procedures should be formalised and documented. The procedure should include but not be restricted to sample reviews of:</p> <ul style="list-style-type: none"> <li>• operative spend and visits against their repair jobs</li> <li>• purchases per address to check there are no duplicate purchases</li> <li>• sub-contractor spend.</li> </ul>	<p>Agree that the current practice requires to be formally documented and reviewed to ensure it is comprehensive.</p>	<p><b>Owner:</b> Executive Director of Place</p> <p><b>Lead Officers:</b> Service Director, Housing and Homelessness Head of Housing Operations</p>	30/04/2024
3.4	<p>A sample of invoices for recalled jobs should be reviewed and monitored, subject to the implementation of management action <a href="#">1.2</a>.</p>	<p>A sample check of invoices for recalled jobs will be carried out.</p>	<p><b>Owner:</b> Executive Director of Place</p> <p><b>Lead Officers:</b> Service Director, Housing and Homelessness Head of Housing Operations</p>	31/07/2024

## Finding 4 –Risk Management of RRFT performance issues

Finding  
Rating

Low Priority

A review of the Housing property risk register highlighted that no specific risks related to repairs right first time were recorded within the service risk register, either in relation to monitoring or reporting.

It was noted there was a wider repair risk noted within the Housing and Homelessness risk register at directorate level, however, that would not allow for a focussed monitoring of specific performance risks at the operational service level.

### Risks

- **Governance and Decision Making** – risks are not effectively identified and managed at service level.

## Recommendations and Management Action Plan: Risk Management of RRFT performance issues

Ref.	Recommendation	Agreed Management Action	Action Owner / Lead Officers	Timeframe
4.1	<p>A review of risks related to repairs right first time should be undertaken, and risks identified should be recorded within the Housing Property risk register. This should include the risks associated with the issues raised in this report.</p> <p>Risks should be discussed with all relevant Operational Managers with mitigating actions agreed, recorded, and tracked, as required.</p> <p>Risks should be embedded into regular team meeting discussions to increase risk awareness, with support sought from the Council's Corporate Risk team, if required.</p>	<p>A review of risks related to Repairs Right First Time will be undertaken and included in the risk register as appropriate.</p>	<p><b>Owner:</b> Executive Director of Place</p> <p><b>Lead Officers:</b> Service Director, Housing and Homelessness Head of Housing Operations</p>	30/04/2024

## Finding 5 – Repairs Information available to Customers

Finding  
Rating

Low Priority

Our review of the housing repairs information on the [Council's website](#) highlighted that while the information provided to tenants is adequate, the following information is not complete:

- the Repairs policy has not been reviewed or updated since 2018, is not version controlled and has no formally allocated owner
- information in the Repairs policy is not up to date and requires review, for example, the repairs appointments section
- the repairs contact telephone number for routine repairs is not published on 'Reporting a repair' page of the website.

### Risks

- **Reputational** – information available to citizens is inaccurate or not up to date
- **Service Delivery** – citizens are not able to effectively report and provide their repair requests.





## Recommendations and Management Action Plan: Repairs Information available to Customers

Page 672

Ref.	Recommendation	Agreed Management Action	Action Owner / Lead Officers	Timeframe
5.1	The information available to customers on the Council's website regarding repairs should be periodically reviewed to ensure it is complete, accurate and up to date.	The website is regularly reviewed and updated. A further review will be undertaken following the conclusion of this audit.	<b>Owner:</b> Executive Director of Place <b>Lead Officers:</b> Service Director, Housing and Homelessness	30/04/2024
5.2	The Repairs policy should be allocated an owner, be reviewed for accuracy, and updated accordingly with version control included.	Agreed	Head of Housing Operations	30/04/2024



# Appendix 1 – Control Assessment and Assurance Definitions

Control Assessment Rating		Control Design Adequacy	Control Operation Effectiveness
Well managed		Well-structured design efficiently achieves fit-for purpose control objectives	Controls consistently applied and operating at optimum level of effectiveness.
Generally Satisfactory		Sound design achieves control objectives	Controls consistently applied
Some Improvement Opportunity		Design is generally sound, with some opportunity to introduce control improvements	Conformance generally sound, with some opportunity to enhance level of conformance
Major Improvement Opportunity		Design is not optimum and may put control objectives at risk	Non-conformance may put control objectives at risk
Control Not Tested	N/A	Not applicable for control design assessments	Control not tested, either due to ineffective design or due to design only audit

## Overall Assurance Ratings

<b>Substantial Assurance</b>	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
<b>Reasonable Assurance</b>	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
<b>Limited Assurance</b>	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
<b>No Assurance</b>	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

## Finding Priority Ratings

<b>Advisory</b>	A finding that does not have a risk impact but has been raised to highlight areas of inefficiencies or good practice.
<b>Low Priority</b>	An issue that results in a small impact to the achievement of objectives in the area audited.
<b>Medium Priority</b>	An issue that results in a moderate impact to the achievement of objectives in the area audited.
<b>High Priority</b>	An issue that results in a severe impact to the achievement of objectives in the area audited.
<b>Critical Priority</b>	An issue that results in a critical impact to the achievement of objectives in the area audited. The issue needs to be resolved as a matter of urgency.

# Governance, Risk and Best Value Committee

10.00am, Tuesday, 20 February 2024

## Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303) – Service Area Response

Executive/routine  
Wards

All

### 1. Recommendations

---

- 1.1 Governance, Risk and Best Value Committee is asked to:
  - 1.1.1 Note the service area response and actions taken to date to address the risks raised in the Internal Audit report on Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303); and
  - 1.1.2 Refer this report, with the associated Internal Audit report, to Housing, Homelessness and Fair Work Committee for information.

**Paul Lawrence**

Executive Director of Place

Contact: Derek McGowan, Service Director – Housing and Homelessness

E-mail: [derek.mcgowan@edinburgh.gov.uk](mailto:derek.mcgowan@edinburgh.gov.uk)

## Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303) – Service Area Response

### 2. Executive Summary

---

- 2.1 This report accompanies the Internal Audit report on Housing Stock Condition – Tenant Safety, Damp and Mould (PL2303) and provides a summary of the actions taken by the Housing and Homelessness service in response to the audit findings.

### 3. Background

---

- 3.1 The Council is responsible for the maintenance of all homes owned by the Council and let out to Council tenants.
- 3.2 Following the tragic death of a two-year-old in Rochdale in December 2020, an investigation into his death identified the cause as a respiratory condition caused by mould in his home. The coroner's report highlighted a link between dampness and mould in houses and serious health conditions.
- 3.3 The Scottish Housing Regulator requested all landlords ensure that they have proactive systems in place to identify and deal with any reported cases of damp and mould timeously and effectively.
- 3.4 The objective of this internal audit was to assess the adequacy of design and operating effectiveness of the key controls established as part of the Council's Improvement Plan to address the Scottish Housing Regulator's request to ensure that processes to identify and remediate cases of damp and mould in a timely and effective manner.
- 3.5 The overall assessment was that substantial assurance was provided of the design and operating effectiveness of the key controls established by the Council to deal with cases of damp and mould in Council homes.

### 4. Main report

---

#### Service Area Response to Internal Audit Findings

- 4.1 The service area welcomes the findings of the audit and are committed to ensuring continuing improvement in dealing with damp and mould when this is reported, and in particular in addressing the management actions agreed.
- 4.2 The audit looked at three areas of service:
- 4.2.1 Implementation of the Council’s Dampness Improvement Plan;
  - 4.2.2 Customer experience; and
  - 4.2.3 Repairs of dampness and mould.
- 4.3 The audit highlighted the following areas of good practice:
- 4.3.1 Effective customer interface controls have been established to identify tenant vulnerabilities when tenants report cases;
  - 4.3.2 A proactive communication plan and awareness campaign has been established that enables tenants to identify root causes of dampness, mould and condensation issues; and
  - 4.3.3 A working group oversees progress on the Dampness Improvement Plan.
- 4.4 The following areas for improvement were also identified:
- 4.4.1 Action should be taken to understand why the Key Performance Indicator (KPI) to complete dampness surveys within 21 days is consistently not being met; and
  - 4.4.2 Contract management and performance monitoring meetings should occur regularly, should be appropriately recorded and KPIs monitored.
- 4.5 Progress has been made in implementing these improvement recommendations and a status update is provided at 4.6.

**Progress with Management Actions**

- 4.6 Of the three areas of service reviewed (paragraph 4.2), there were two findings arising from the repairs of damp and mould. These relate to performance monitoring and improvement and contract management.
- 4.7 The table below provides a summary of the recommendations, the actions agreed and a status update.

Ref	Recommendation Summary	Summary of Action	Status Update
1.1	a. Steps to understand why the KPI to complete a dampness survey within 21 days is consistently not being achieved.	The service is increasing resources to address the challenge of completing surveys within the required timescale. This is being reviewed regularly, and	Three additional Preservations Surveyors have joined the team.  One further contractor also commissioned to provide additional capacity.

	<p>b. Give consideration to establishing a KPI for completing internal and preservation repairs in a timely manner.</p> <p>c. Review tracker to ensure completion dates are appropriately recorded.</p>	<p>resources will be deployed to demand.</p> <p>KPIs will be developed and communicated.</p> <p>Dampness case tracker updated weekly with completion information.</p>	<p>KPIs established with contractors and monthly contract meetings in place.</p> <p>The tracker is regularly reviewed and updated.</p>
1.2	Dashboards presented to Housing, Homelessness and Fair Work Committee should include a summary of outstanding repair work by age, to allow scrutiny and escalation of significantly overdue repairs.	This will be implemented from the next Committee update in May 2024.	Development of dashboards in progress.
1.3	Column to be added to case tracker to identify vulnerable residents and costs of decants, where applicable.	Case tracker to be updated.	Action complete.

## 5. Next Steps

---

- 5.1 Evidence of completion of the remaining actions will be uploaded to the Team Mate platform for review by Internal Audit colleagues. Actions may be subject to future checks as part of annual audit plan to ensure that controls remain in place and effective.

## 6. Financial impact

---

- 6.1 The actions in this report have no impact on Council budgets, however, the strengthening of controls identified will assist with the implementation of sound governance.

## **7. Equality and Poverty Impact**

---

7.1 There are no direct equality or poverty impacts arising from the findings of this audit.

## **8. Climate and Nature Emergency Implications**

---

8.1 There are no climate or nature emergency implications arising from the findings of this audit.

## **9. Risk, policy, compliance, governance and community impact**

---

9.1 The audit management actions referenced in this report will contribute to a strong system of risk management and compliance through a strengthening of controls and procedures.

## **10. Background reading/external references**

---

10.1 Housing Stock Condition – Tenant Safety, Damp and Mould Internal Audit report (PL2303).

10.2 Reports to Housing, Homelessness and Fair Work Committee:

10.2.1 [3 October 2023](#);

10.2.2 [9 May 2023](#);

10.2.3 [20 January 2022](#); and

10.2.4 [3 June 2021](#).

## **11. Appendices**

---

None.

## Governance, Risk and Best Value Committee

10.00am, Tuesday, 20 February 2024

### Housing Repairs Right First Time (PL2306) – Service Area Response

Executive/routine  
Wards

All

#### 1. Recommendations

---

- 1.1 Governance, Risk and Best Value Committee is asked to:
  - 1.1.1 Note the service area response and actions taken to date to address the risks raised in the Internal Audit report on Housing Repairs Right First Time; and
  - 1.1.2 Refer this report, with the associated Internal Audit report, to Housing, Homelessness and Fair Work Committee for information.

**Paul Lawrence**

Executive Director of Place

Contact: Derek McGowan, Service Director – Housing and Homelessness

E-mail: [derek.mcgowan@edinburgh.gov.uk](mailto:derek.mcgowan@edinburgh.gov.uk)

## Housing Repairs Right First Time (PL2306) – Service Area Response

### 2. Executive Summary

---

- 2.1 This report accompanies the Internal Audit report on Housing Repairs Right First Time (PL2306) and provides a summary of the actions taken by the Housing and Homelessness service in response to the audit findings.

### 3. Background

---

- 3.1 The Council is responsible for the maintenance of all homes owned by the Council and let out to Council tenants.
- 3.2 There are three categories of repairs which the Council carries out:
- 3.2.1 Responsive repairs – these are reactive repairs which can be planned or emergency;
  - 3.2.2 Planned maintenance – these are generally upgrades and improvements to existing homes; and
  - 3.2.3 Maintenance and Electrical – this includes gas and fire safety works, adaptations and lift repairs.
- 3.3 The Council is required to report performance to the Scottish Housing Regulatory (SHR) annually. Within the Scottish Social Housing Charter, indicator 10 considers the performance of the Council in respect of completion of reactive repairs and requires landlords to report on the percentage of reactive repairs carried out in the last year which were completed right first time.
- 3.4 Internal Audit has assessed the adequacy of design and operating effectiveness of the key controls established to ensure the Council's approach and performance are in line with the criteria for indicator 10 of the Scottish Social Housing Charter.
- 3.5 The overall assessment of Internal Audit is that Limited Assurance was provided, with significant design and operating effectiveness gaps identified in the procedures and controls around performance management and reporting and contract management.



- 3.6 While the overall assessment found Limited Assurance, Internal Audit did identify some areas of good practice, including:
- 3.6.1 The numerous accessible ways for tenants to report repairs;
  - 3.6.2 Total Mobile provides an easy and efficient process for allocating and updating jobs;
  - 3.6.3 Regular monitoring and reporting of repair targets and communication to officers; and
  - 3.6.4 Significant reduction in operative appointment waiting times.

## 4. Main report

---

### **Service Area Response to Internal Audit Findings**

- 4.1 The service area is concerned by the findings of the audit and has committed to early action to address the findings and provide an appropriate level of assurance for the working practices which were subject to the audit. Accordingly, a range of management actions are identified in the audit report.
- 4.2 The audit findings also support proposed changes to the organisational structure of the Housing and Homelessness Service. An organisational review consultation is currently underway, with consultation closing on 28 March 2024. The draft structure proposes four Heads of Service, including a Head of Housing Services and Head of Strategy, Commissioning and Service Improvement.
- 4.3 In Housing Services, the proposed structure includes four Locality Housing Managers, a Tenant Safety Manager and a Senior Repairs Manager all reporting to the Head of Service. The proposal deliberately aligns responsibility for repairs alongside local housing teams.
- 4.4 The proposed Head of Strategy, Commissioning and Service Improvement will manage a consolidated Commissioning and Contracts team, responsible for effective strategic management and commissioning of internal and external services across the Housing and Homelessness service. The postholder will work alongside a proposed Service Improvement Manager to ensure effective implementation of operational improvements where required.
- 4.5 Following receipt of the audit findings, the Service Director for Housing and Homelessness commissioned an internal review of how repairs are identified, commissioned, managed and reported to ensure robust processes and procedures are put in place moving forward.
- 4.6 The Service Director has also agreed with the Chief Internal Auditor that a Value for Money review on housing repairs will be progressed as part of the internal audit programme for 2024/25 to ensure best value is being achieved within the service area.

## Progress with Management Actions

4.7 There are 14 audit findings, across five audit areas arising from this review. In response, the service has agreed the following management actions. A short summary of progress so far is also provided.

Action Title	Summary of Action	Status Update
1.1 Procedure note aligned to SHR Technical Guidance	A procedure note will be produced to ensure the data provided to the Scottish Housing Regulator is accurate	Procedure note is currently being drafted.
1.2 Defined procedure to be established to accurately identify recalls	A manual workaround will be implemented while an automated process is developed	Process currently being developed.
1.3 Data quality and completeness checks to be introduced	These will now be implemented.	Data quality checks to be introduced.
1.4 Notify the Scottish Housing Regulator about the inaccuracy of historical data	The Scottish Housing Regulator will be contacted and informed	Officers met with the Scottish Housing Regulator on 25.01.2024 and followed up with email confirmation. Officers have committed to keeping the Regulator updated at regular monthly meetings.
2.1 Contractor Performance Monitoring	This will be addressed through the organisational review of the Housing and Homelessness Service and the proposed creation of a commissioning and contract management team.	An organisational review consultation is currently underway, with consultation closing on 28.03.2024. Once a new structure is in place, the remaining actions will be progressed.
2.2 Process to monitor operative and contractor performance	A process will be established.	An internal review of processes and practices has been commissioned. This will support the development of processes to monitor performance.

2.3 Contractor meeting arrangements	This will be addressed through the organisational review of the Housing and Homelessness Service and the proposed creation of a commissioning and contract management team.	Monthly contract management meetings are already in place and performance is discussed. Arrangements to record these meetings have now been introduced, in advance of any changes arising from the organisational review.
3.1 Documented quality assurance and post inspection programme	This will be addressed through the organisational review of the Housing and Homelessness Service.	An organisational review consultation is currently underway, with consultation closing on 28.03.2024.
3.2 Documented procedure for approvals/verification of repairs	Documented procedure to be developed.	Defined tolerance thresholds are in place. Guidance and training will be developed to ensure consistency of review/approval.
3.3 Stock monitoring procedures	Documented procedure to be developed.	Development of this procedure is underway.
3.4 Review of sample of invoices	A process to sample check invoices for recalled jobs will be introduced.	This process will be developed.
4.1 Review of risks	A review of risks will be undertaken, and the service area risk register updated. If required, risks will be escalated.	A review of the risks related to Repairs Right First Time is underway and the service area risk register will be updated.
5.1 Review Information for Customers	The website will continue to be reviewed and updated regularly.	The website is regularly reviewed and updated. A further review will be completed by the end of March 2024.
5.2 Repairs Policy	An owner will be identified for the Repairs policy. The policy will be reviewed for accuracy and updated accordingly.	This is underway now.

## **5. Next Steps**

---

- 5.1 Evidence of completion of actions will be uploaded to the Team Mate platform for review by Internal Audit colleagues. Actions may be subject to future checks as part of the annual audit plan to ensure that controls remain in place and effective.

## **6. Financial impact**

---

- 6.1 The actions in this report have no impact on Council budgets, however, the strengthening of controls identified will assist with the implementation of sound governance. As noted above, the Service Director has also commissioned a value for money review of housing repairs to ensure best value in the future.

## **7. Equality and Poverty Impact**

---

- 7.1 There are no direct equality or poverty impacts arising from the findings of this audit. It is acknowledged however that the Council's housing stock of c20,500 homes, including a majority of homes situated within areas of multiple deprivation. This assessment includes a range of factors including income, educational attainment, and health outcomes. Around one in five children in the city are living in poverty, many of which are in Council homes. It is also clear that under the Scottish Government's Child Poverty outcomes, there is a significant correlation between these outcomes and those in social housing.
- 7.2 Delivery of quality social housing for those who seek it, including property repairs, and the achievement of best value through commissioning and contracting work in Council homes, can have provide both important benefits to tenants and long term investment in housing stock. This includes equality and poverty considerations for all tenants. These matters will be kept under review as the management actions are implemented.

## **8. Climate and Nature Emergency Implications**

---

- 8.1 There are no climate or nature emergency implications arising from the findings of this audit.

## **9. Risk, policy, compliance, governance and community impact**

---

- 9.1 The audit management actions referenced in this report will contribute to a strong system of risk management and compliance through a strengthening of controls and procedures.

## **10. Background reading/external references**

---

10.1 Housing Repairs Right First Time (PL2306) Internal Audit report.

## **11. Appendices**

---

None.

# Governance, Risk and Best Value Committee

10.00am, Tuesday, 28 November 2023

## Management of Ad Hoc Mixed Tenure Works (PL2302) – Service Area Response

Executive/routine  
Wards

### 1. Recommendations

---

- 1.1 To note the service area response and actions taken to date to address risks raised in the Internal Audit report.

**Paul Lawrence**

Executive Director of Place

Contact: Sarah Burns, Head of Housing Operations

Email: [sarah.burns@edinburgh.gov.uk](mailto:sarah.burns@edinburgh.gov.uk)

## Management of Ad Hoc Mixed Tenure Works (PL2302) – Service Area Response

### 2. Executive Summary

---

- 2.1 This report provides a summary of progress made by the Housing Service in relation to the internal audit into the management of ad hoc mixed tenure works.

### 3. Background

---

- 3.1 Mixed Tenure blocks consists of housing accommodation (flats) owned by the Council, Registered Social Landlords and private homeowners, including private landlords. These blocks are occupied by owner occupiers, private tenants, Registered Social Landlord tenants and Council tenants. As an owner of social housing and a local authority landlord, the Council has an obligation to maintain and repair homes for its tenants and shares responsibility with other owners to maintain common areas of blocks. Common areas are the shared parts of a block outwith the boundaries of the individual flat and include aspects such as the roof, external walls, stairwells and walkways, common windows and doors, refuse disposal chutes/stores and drying areas.
- 3.2 The Tenements (Scotland) Act 2004 provides default law, and where required, the legal framework to facilitate the delivery of essential repairs and maintenance to common (shared) areas of the block. The Act requires all owners in mixed tenure tenements (including the Council) to take responsibility for repairs and maintenance to common areas of the block. This responsibility extends to the liability for costs arising from work carried out to Scheme property.
- 3.3 The Internal Audit review into ad hoc mixed tenure repairs has assessed the adequacy of design and operating effectiveness of the current key controls established to ensure the Council's policies and processes for engaging with owners and private landlords for scheduling and funding/payment for common repairs across mixed tenure blocks are adequate and complied with.

## 4. Main report

### Service Area Response to Internal Audit Findings

- 4.1 The service area welcomes the findings of the audit and are committed to developing a robust approach to the Council's role as landlord in ad hoc mixed tenure repairs. It is fully accepted that a review of the Housing Service's approach to taking the lead on mixed tenure repairs, how the service area deals with cases when owners take the lead and how it is ensured that procedures are clearly defined, documented, and followed is necessary. Guidance currently given to officers is to limit the instances when the Council takes the lead to emergencies or exceptional cases only, but it is accepted that this approach requires to be reviewed.
- 4.2 There has been significant progress made in developing the Council's approach to planned mixed tenure works through the work of the Mixed Tenure Improvement Service and the learning, good practice and expertise that has been developed through that team is informing the development of procedures for ad hoc repairs. Guidance has been developed for officers and is being tested through two pilot projects; this will be used to inform the development of procedures moving forward. It is also acknowledged that progressing mixed tenure repairs and ensuring proper engagement with owners takes place is resource intensive and it will be essential to ensure that the service is resourced accordingly.

### Progress with Management Actions

- 4.3 The audit report contained eight recommendations across six findings. In response to this, the service area agreed management actions which are outlined below. Progress with management actions is detailed below.

Action	Summary	Status
1.1: Ad hoc mixed tenure procedures	Develop procedures based on best practice.	Development of procedures for ad hoc emergency repairs is underway based on outcome of pilot projects.  Further work required to develop procedures for non-emergency ad hoc repairs. A decision will firstly be required on when the Council will take the lead.
1.2: Policy Register	Allocation of monitoring and review of policy register to a responsible officer.	Complete - A responsible officer has been identified.



2.1: Recording and maintenance of mixed tenure repairs decisions	Records should be recorded electronically.	Briefing and training for staff will take place in November / December 2023.
3.1: Quality Assurance Programme	Create quality assurance programme to review completion and quality of repairs.	Work planned to commence Q1 2024 as part of development of a new Quality Assurance framework for the service.
3.2: Documented Quality Assurance Procedures	Create documented procedures for the quality assurance process.	Work planned to commence Q1 2024 as part of development of a new Quality Assurance framework for the service.
4.1: Role specific learning and induction	Engage with L&D team and update training matrices.	L & D have been contacted. Review of training matrices underway.
5.1: Performance data	Phased implementation – engage with ICT/CGI colleagues regarding NEC upgrade potential	Raised with ICT for consideration.
6.1: Risk management	Review risks and record within Housing Property Risk Register.	Risk session for Housing Operations planned for December 2023.

## 5. Next Steps

---

- 5.1. Evidence of completion of actions will be uploaded to the Team Mate platform for review by Internal Audit colleagues. Actions may be subject to future checks as part of annual audit plan to ensure that controls remain in place and effective.

## 6. Financial impact

---

- 6.1. The actions in this report have no impact on Council budgets, however, the strengthening of controls identified will assist with the implementation of sound financial governance and help protect against risk of fraud.

## 7. Equality and Poverty Impact

---

- 7.1 None.

## **8. Climate and Nature Emergency Implications**

---

8.1 None.

## **9. Risk, policy, compliance, governance and community impact**

---

9.1 The audit management actions referenced in this report will contribute to a strong system of risk management and compliance through a strengthening of controls and procedures.

## **10. Background reading/external references**

---

10.1 Management of Ad Hoc Mixed Tenure Works (PL2302) – Internal Audit report.

## **11. Appendices**

---

11.1 None.