

South Ayrshire Council

**Report by Depute Chief Executive and Director of Housing,
Operations and Development
to South Ayrshire Council
of 18 September 2025**

**Subject: Troon Pool - Scotland's Public Sector Heat
Decarbonisation Fund Phase 2**

1. Purpose

- 1.1 The purpose of this report is to update Members in relation to a grant award from Phase 2 Scotland's Public Sector Heat Decarbonisation Fund of £1,718,998 (£1.72m hereafter) towards building fabric upgrades of Troon Pool with the aim of reducing energy consumption, revenue costs, and carbon emissions from the property.
- 1.2 In order to meet the terms of the £1.72m grant the Council must make a contribution of £862,502 (£0.86m hereafter). The purpose of the paper is therefore to request approval of additional funding of £862,502 through a realignment of other budgets within the General Services Capital Programme to the Troon Swimming Pool - Health and Fitness Extension budget to enable the delivery of the project.

2. Recommendation

2.1 It is recommended that the Council:

- 2.1.1 Notes the award of £1.72 from Phase 2 Scotland's Public Sector Heat Decarbonisation Fund for building fabric upgrades of Troon Pool;**
- 2.1.2 And given the conditionality of said award approves £0.86m to be transferred from through a realignment of other budgets within the General Services Capital Programme to Troon Swimming Pool - Health and Fitness Extension budget to enable the delivery of the project.**

3. Background

- 3.1 Scotland's Public Sector Heat Decarbonisation Fund (Phase 2) provides grant funding for local authorities, universities and arms-length external organisations to progress whole building approach projects that decarbonise heating systems and improve the overall energy performance of their buildings. The Scottish Government has made grant funding available within this financial year for projects to decarbonise their heating systems. This will allow organisations to implement clean heating systems, and for retrofit energy efficiency measures to support the overall decarbonisation of heat in buildings.

- 3.2 The Council successfully applied for Phase 1 of Scotland's Public Sector Heat Decarbonisation Fund receiving £720,960 towards the net zero retrofit of Prestwick Pool. The pool is due to reopen on 29 September 2025. The 2024 Asset Management Plan (Land and Buildings) committed to officers pursuing further projects that may be suitable for similar funding.
- 3.3 On 1 October 2020, the Council set its net zero targets by adopting a 75% reduction in emissions by 2030 (based on 2014/15 as a baseline) and a target of net zero greenhouse gas emissions by 2045.
- 3.4 In November 2021 a Net Zero Carbon Estate Strategy report was completed. This report set out how the Council could align their decarbonisation strategy with the 10-year capital programme. The report assessed the works required to decarbonise our existing buildings and detailed three potential strategic routes to net zero carbon. The options assessed a range of capital and revenue cost scenarios with the capital cost impact estimated at between £225m to £576m.
- 3.5 As a result of the above, and in particular the scale of the capital challenge with regards net zero, officers within Asset Management and Community Asset Transfer and Professional Design Services worked together to submit a bid for Troon Pool (in addition to pre-programmed refurbishment) for the following property elements: external wall improvements; roof improvements; glazing/curtain wall improvements; air handling unit Improvements; solar photo voltaic upgrades. These works are additional to the previously programmed 'Health and Fitness Extension' project and will be delivered concurrently. The works will be carried out by the same contractor to ensure coordination and continuity. Currently it is anticipated the entire facility will be closed between mid-November 2025 and September 2026. It is estimated that once revenue losses and savings-as-result-of-closure are considered the net revenue cost of the close period will be £189,977. The service is proactively considering further ways in which this revenue loss can be minimised. If approved, enabling works are scheduled to begin in October 2025. Plans are also in development for the redeployment of staff should the proposals be approved,
- 3.6 The Council was informed it was successful on Friday 29 August 2025 to the value of £1,718,998. To meet the terms of the grant award the Council is required to contribute £862,502. In the event Members approve the proposal described in section 4 the Council must be able to evidence that work has been invoiced by 31 March 2026 (or before) in order to claim the full grant.
- 3.7 Troon Pool was the 2nd largest gas consuming building in 2024-25 and had double the consumption of the Citadel due to a lack of heat recovery systems. Based on available modelling the Council's contribution will be paid back over a period of between 21 and 29 years. The projected total annual carbon saving will be 26 tco2e (equivalent to Southcraig school south building or Macadam House annual gas carbon emissions). The total annual revenue cost saving is modelled to be £35,299. The proposal will bring Troon Pool towards a modern energy standard comparable with Prestwick Pool.

4. Proposals

4.1 It is proposed that the Council:

- 4.1.1 notes the award of £1.72 from Phase 2 Scotland's Public Sector Heat Decarbonisation Fund for building fabric upgrades of Troon Pool; and

- 4.1.2 approves £0.86m to be transferred through a realignment of other budgets within the General Services Capital Programme to the Troon Swimming Pool - Health and Fitness Extension budget to enable the delivery of the project.

5. Legal and Procurement Implications

- 5.1 There are no legal implications arising from this report.
- 5.2 There are no procurement implications arising from this report.

6. Financial Implications

- 6.1 A modelled revenue cost avoidance of £35,299 per annum will be realised if approval for the Council's contribution is given and the project is delivered.
- 6.2 £0.86m will be transferred through a realignment of other budgets within the General Services Capital Programme to the Troon Swimming Pool - Health and Fitness Extension budget.
- 6.3 It is estimated that once revenue losses and savings-as-result-of-closure are considered the net revenue cost of the close period will be £189,977.

7. Human Resources Implications

- 7.1 Not applicable

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

- 8.1.1 In the event Members approve the proposal described in section 4 the Council must be able to evidence that work has been invoiced by 31 March 2026, or before, in order to claim the full grant. In the event this does not happen there is a risk a partial grant award will be made with any remainder being the responsibility of the Council. In order to mitigate this risk, the Council will issue a guidance note to the contractor informing them of the requirements and will liaise with the grant funder in the event of timeline challenges emerging. This approach was successfully implemented for the similarly funded Prestwick Pool net zero elements.

8.2 *Risk Implications of Rejecting the Recommendations*

- 8.2.1 The Council will not realise the benefits described in section 3.7, The Council's ability to meet its pre-agreed targets as described in section 3.3 will be impaired. A modelled revenue cost avoidance of £35,299 per annum will not be realised. The Council will not be able to draw down awarded £1.72m from Phase 2 Scotland's Public Sector Heat Decarbonisation Fund and thus the project outlined will not be delivered. The Council would jeopardise any future applications to this grant fund due to the reputational damage of rejecting this grant funding.

9. Integrated Impact Assessment (incorporating Equalities)

9.1 An Integrated Impact Assessment has been carried out on proposals contained in this report, which identifies potential positive impacts. The IIA Summary Report is attached as [Appendix 1](#) and includes information on any mitigating or follow up action required.

9.2 A copy of the fully completed IIA can be access here: [IIA Troon Pool Salix 10 Sep 25 v2.xlsm](#).

10. Sustainable Development Implications

10.1 **Considering Strategic Environmental Assessment (SEA)** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

11. Options Appraisal

11.1 An options appraisal has not been carried out in relation to the subject matter of this report as a financial update is being provided.

12. Link to Council Plan

12.1 The matters referred to in this report contribute to Priority 1 of the Council Plan: Spaces and Places, Priority 3 Civic and Community Pride

13. **Link to Shaping Our Future Council** Yes No

13.1 Not applicable.

14. Results of Consultation

14.1 There has been no public consultation on the contents of this report.

14.2 Consultation has taken place with Councillor Brian Connolly, Portfolio Holder for Corporate and Strategic, and Councillor Ian Davis, Portfolio Holder for Finance, Human Resources and ICT, and the contents of this report reflect any feedback provided.

15. Next Steps for Decision Tracking Purposes

15.1 If the recommendations above are approved by Members, the Assistant Director Planning and Development will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Realignment of other budgets within the General Services Capital Programme to the Troon Swimming Pool - Health and Fitness Extension	30 September 2025	Corporate Accounting - Treasury / Capital Function
Instruction to progress works as described with the submission to Phase 2 Scotland's Public Sector Heat Decarbonisation Fund and as summarised above.	30 September 2025	Assistant Director Planning and Development

Background Papers **None**

Person to Contact **Chris Cox, Assistant Director, Planning and Development**
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Date: **11 September 2025**

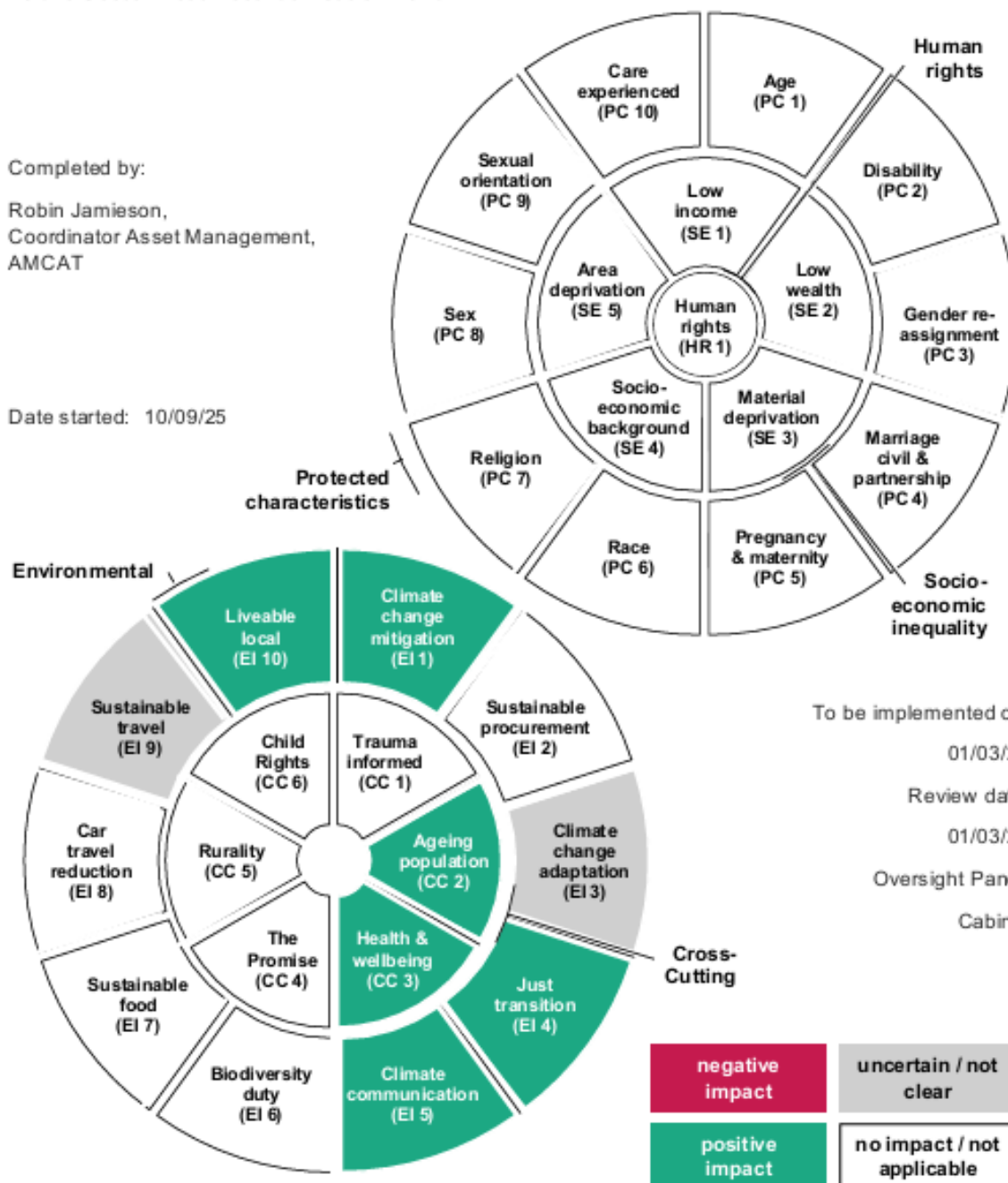
Integrated Impact Assessment Summary Report

Answer here Troon Pool Phase 2 Scotland's Public Sector Heat Decarbonisation Fund



Completed by:
Robin Jamieson,
Coordinator Asset Management,
AMCAT

Date started: 10/09/25



To be implemented on:
01/03/26
Review date:
01/03/26
Oversight Panel:
Cabinet

Public sector equality duty

Eliminating unlawful discrimination, harassment, and victimisation?
n/a

Advancing equality of opportunity?
Helps provide a high quality sport asset open to all.

Fostering good relations?
n/a

Consultation declaration

We confirm consultation has NOT been carried out as part of this process.

Mitigating Actions Required (re negative / unclear impacts)

ENVIRONMENTAL IMPACTS

EI 3	Climate change adaptation	n/a
EI 9	Enable sustainable and active travel	9 Please provide detail here