Fife Council

Finance & Corporate Services

Finance & Corporate Services
Annual Service Report
2026

Introduction

This report reflects the performance of Finance & Corporate Services for 2026. It covers the period April 2025 to March 2026, highlighting our delivery, progress, change and improvement plans for 2026-7.

We have considered our performance in relation to the council's policy priorities set out in the Plan for Fife; key indicators; financial and workforce pressures and how we compare in relation to other similar services in other Scottish councils, through the Local Government Benchmarking Framework.

Individual service indicators and results are published online in advance of this annual review to facilitate scrutiny and feedback.

These are available at **www.fife.gov.uk/councilperformance**

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Please note, performance data can run behind the period of this report. This is due to data gathering requirements including national benchmarking. The most up-to-date information available has been used to inform this report.

Service overview

Our vision is rooted in adaptability, innovation, and a steadfast commitment to delivering a consistent and high-quality level of support services that align with the Council's vision and priorities. The delivery of statutory services must also be ensured. Through these priorities, we aim to create a future where our services are more efficient, responsive, and digitally advanced, contributing to the overall success and progress of the Council.

We aim to provide efficient, effective, and fair support services to Fife Council and its Trusts and ALEOs. We will achieve this by aligning our resources closely with the Council's priorities, leading on transformation and organisational culture change, streamlining, and standardising our services, increasing automation and self-service and driving the implementation of more digital and data driven ways of working. Our Governance structure includes independent functions that are not directly involved in support service delivery (such as Assessors, Internal Audit and Pensions).

Our directorate, made up of six Services, predominantly provides support and professional advice to other Services within the Council. We also oversee the pension fund, and the Assessor plays an important role with the valuation of domestic dwellings and non-domestic properties. Due to the specialised nature of the Assessor's responsibilities, performance reporting for this Service will be presented separately. As a Directorate, we aim to provide consistent, quality support to council colleagues, based on professional expertise and commitment to excellence.

Business Technology Solutions (BTS)

- Ensures the Council makes the most of technology and digital opportunities.
- Manages and delivers the Council's ICT infrastructure and systems, ensuring security, compliance, availability and continuity.
- Designs, recommends and delivers new technology and digital solutions to meet the diverse needs of Council services and Fife citizens.

Finance Service

- Provides financial advice and information to Services and Committees of the Council to enhance and support decision making, change and transformation.
- Key functions include financial planning, accounting, business analysis, treasury management, investment, taxation, risk management, insurance, internal audit, corporate fraud and ensuring effective financial management during challenging times.
- The Service also provides Pensions Governance, Administration and related Investment services, ensuring that the pension fund meets its objective to pay all current and future liabilities when they are due.

Service Overview

Human Resources (HR)

- HR is made up of four functional areas – Policy & Reward; Workforce Strategy & Organisational Development; People Solutions, and Health & Safety and People Analytics.
- Provides strategic workforce advice and information to Services and Committees of the Council.
- Enables managers to manage and support their staff through employment policies, guidance and provision, including business partnering services, resourcing, change management, learning and development and health and safety.
- Works in partnership with recognised Trade Unions to ensure effective support for managers and staff.

Legal and Democratic Services

Legal and Democratic Services is made up of the following teams:

- **Legal**
  Provides comprehensive in-house legal services to all Fife Council services and some trusts, including advice on property, contracts, litigation and regulatory activities.
- **Licensing**
  Manages alcohol and civic licensing and supports the corporate events team. Provides clerking support to the Licensing Board and Regulation and Licensing Committee.
- **Committee and Members Services**
  Provides all committee services, leads on the Council's governance frameworks and supports 75 elected members. Provides civic and lieutenancy services on behalf of the Council.
- **Elections**
  Manages electoral registration for the population of Fife (circa 300k voters) and delivers all electoral events, including community ballots.

Data Protection

- Offers proactive advice to support new ways of working and professional support for data protection compliance including data breach and Data Protection Impact Assessments (DPIAs).

Revenue and Commercial Services

Revenue and Commercial Services (RCS) covers 4 main areas as part of overall central support:

- **Procurement**
  Ensures that best value is achieved through maximising opportunities to save when purchasing works, goods and services whilst delivering on both national and local priorities such as Fair Work, Community Wealth Building and Sustainable Procurement (Climate challenge etc).
- **Shared Service Centre (SSC)**
  Provides Payroll, Accounts Payable, Recruitment and First Line support for HR and BTS.
- **Business Support**
  Provides administrative and clerical support to the Organisation.
- **Business Management Innovation Unit (BMIU)**
  Leads on change initiatives for the Directorate that align with the Council's priorities by supporting Services to implement sustainable change and adopt improved ways of working.
- **Procure to Pay (cross-functional)**
  To ensure the efficient, compliant, and continuously improving operation of the Procure-to-Pay (P2P) process across the organisation.

Demand & delivery overview

Digital Transformation and Service Modernisation

Demand Highlights

- 31 digital projects were progressed, with 8 going live.
- 85,042 ICT service requests were handled, including enhancements, upgrades and service changes.
- 15,385 ICT faults and incidents were resolved and 3,552 guidance and advisory requests were supported.
- 84,272 corporate and education devices were supported across the Council's digital estate.
- 36,000 iPads delivered to staff and pupils as part of Transforming Learning
- 324 business platforms and 177 technology contracts remained under active management and support.

Delivery Pressures

- Increasing demand for digital transformation, automation and AI-enabled services across all Council services.
- Managing a large and increasingly complex technology estate while maintaining service reliability and cybersecurity.
- Balancing day-to-day ICT operations with strategic transformation programmes.
- Continuing to rationalise systems, improve integration and reduce fragmentation across data and technology platforms.
- Funding and scaling successful innovation and AI pilots into operational services
- Ensuring compliance with legislative requirements and good governance while supporting innovation.

Demand & delivery overview

Performance, Productivity and Insight

Demand Highlights

- £723.6 million of procurement expenditure was managed on behalf of the Council.
- 293 regulated contracts were awarded with 98% compliance against procurement governance requirements.
- Procurement activity generated £17.007 million in financial benefits while 35.2% of spend was retained with Fife businesses.
- 784,883 supplier invoices were processed, with 97.4% paid on time. 264,317 salary payments were processed and paid.
- Legal and Democratic Services scheduled and supported over 155 committee meetings (excluding panels) and inducted 2 new members.
- 23 Internal Audit reports were completed, and 150 audit recommendations were followed up.
- 327 personal data breaches were assessed and managed – an increase of 77 (32%) from the year before and 134 Data Protection Impact Assessments were completed.
- Pension services processed 2,305 new members, 830 retirals and produced 24,829 annual benefit statements while administering £135 million of pension benefits to approximately 17,400 pensioners.
- The Scottish Parliament Election 2026 was planned for and delivered in accordance with the Returning Officer and Electoral Registration Officer standards.
- The election team also delivered the St Andrew's BID renewal ballot and two by-elections. They also processed the renewal of 40K parliamentary postal votes

Delivery Pressures

- Increasing demand for financial, procurement, governance, legal and assurance services as the Council continues to manage significant transformation activity.
- Supporting evidence-based decision making while improving the quality, accessibility and integration of data.
- Delivering productivity improvements while maintaining high-quality support services and statutory responsibilities.
- Managing increasing expectations for organisational insight, performance reporting and assurance.
- Ensuring compliance with evolving governance, audit, procurement and data protection requirements.

Demand & delivery overview

Workforce Capacity and Organisational Resilience

Demand Highlights

- 190 job evaluation requests received and evaluations carried out.
- 2,265 learning and development courses were delivered across the workforce.
- 1,963 workforce cases were supported, including attendance, disciplinary, grievance and organisational change matters.
- 10,715 health and safety incidents were reported, with 3,422 requiring H&S Adviser support.
- 6,998 driving licence checks undertaken, ensuring that employees driving for work hold necessary licences.
- 2,010 Health Surveillance appointments arranged.

Delivery Pressures

- The level of anticipated organisational change across the Council where HR support is required to enable and facilitate the change will add additional pressures with limited resources.
- Supporting leadership development and readiness for change where resources and capacity are stretched could impact on the implementation and pace of change required.
- The Scottish Government's Public Service Reform agenda with proposals for changes to the structure of public bodies, including councils and other partners, may well increase pressure on a number of Services within the Directorate. This will require significant support for governance, workforce change and service redesign, alongside existing operational demands.
- Recruitment and retention challenges in key specialist and professional service areas.
- Ensuring critical organisational knowledge and expertise is retained through effective succession planning.
- A growing volume of complex workforce and employee relations matters is requiring significant specialist HR input, limiting the capacity available to support broader organisational priorities and service improvement activity
- Managing attendance, wellbeing and workforce pressures while adapting to changing service needs.
- Increasing demand for specialist health and safety support, particularly in relation to fire safety, the prevention of violence and aggression at work and moving & handling training, is placing additional pressure on capacity while maintaining compliance with statutory safety requirements.

Our people

Workforce Profile, including headcount

- 1065 headcount, 992 FTE. Represents 5.8% of Fife Council's headcount.
- 76.6% are full time, 95.8% permanent and 71.8% female.

Workforce age

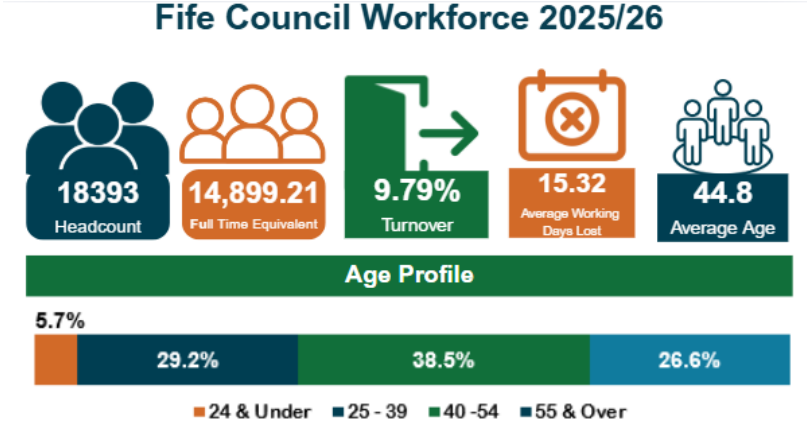
- Average workforce age is 46.1, and it was 46 in 2024/5. This is above the Fife Council average age of 44.8.
- Average age of leavers is 52.2 and new starts 34.4.
- 4.69% of the workforce is aged 24 and under, comparable to 5.84% in 2024/5.

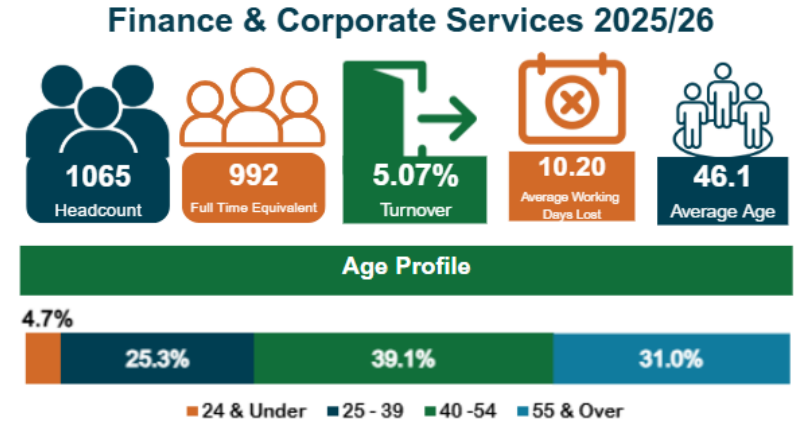
Workforce Turnover

- Turnover rate is 5.07%, slightly lower than 5.27% in 2024/25.
- 62.96% of leavers aged 55 and over, with the top reason being retirement.

Working days lost (WDL) per FTE

- Average WDL to sickness absence was 10.20, this is lower than 11.17 in 2024/25.
- Short term absences account for 3.10 working days lost and 7.10 for longer term absences (over 28 calendar days).





Our budget

Business Area	Budget 25/26 £m	Provisional Outturn 25/26 £m	Variance 25/26 £m
Finance & Corporate Services Management	1.917	1.955	0.038
Assessors Service	2.292	2.148	-0.144
Finance	4.144	4.280	0.136
Revenue & Commercial Services	17.330	17.181	-0.149
Human Resources	8.584	8.436	-0.148
Business Technology Solutions	22.968	22.721	-0.247
Legal & Democratic Services	5.924	5.903	-0.021
Total Net Expenditure	63.159	62.632	-0.527

	Budget 25/26 £m	Provisional Expenditure / (Income) 25/26 £m	Variance Overspend / (Underspend) 25/26 £m
Staff Costs	53.121	52.242	-0.879
Property Costs	0.012	0.041	0.029
Transport Costs	0.135	0.155	0.020
Supplies and Services	18.925	19.348	0.423
Third Party Payments	0.074	0.088	0.014
Transfer Payments	0.000	0.001	0.001
Total Expenditure	72.267	71.875	-0.392
Internal Income	-7.573	-7.262	0.311
External Income	-1.535	-1.981	-0.446
Total Income	-9.108	-9.243	-0.135
Net Expenditure	63.159	62.632	-0.527

Our budget

Key points

The main variances against the budget are summarised below.

Staff Cost underspend of (£0.879m) across the directorate. There are several large variances contributing to this underspend:

Assessors Service (£0.201m):
Staffing underspend as a result of struggling to recruit to vacant posts.

Finance (£0.194m):
Relates primarily to Audit Services staffing underspend (£0.141m), where there was a delay in recruiting to Auditor vacancies.

Revenue & Commercial Services (£0.351m):
Business Support Staffing underspend due to vacant posts and staff turnover

Human Resources (£0.186m):
Underspend on Staffing (£0.311m) and Occupational Health contract (£0.051m) partially offset with WYI overspend £0.177m.

Supplies & Services overspend of £0.423m across the directorate. There are several large variances contributing to this overspend:

Finance £0.167m:
External Audit Fee £0.055m as a result of staffing shortages, in addition to additional Consultancy & Professional Fees within Finance Operations £0.073m & Pensions £0.044m.

Human Resources £0.184m:
Management AVC scheme costs £0.051m in addition to Leadership development spend on a one-off training course (Braver than Before) £0.076m.

Legal & Democratic £0.191m:
Relates to expenditure in relation to Scottish Parliamentary Election, where income is received to cover these costs £0.313m, partially offset by New burdens funding (£0.214m). In addition to this Legal Services had additional spend on Professional Fees £0.061m.

External Income over recovery of £0.446m:
Additional income received within Legal & Democratic Services in relation to the Scottish Parliamentary Election (£0.329m). In addition to this, there is additional income within Human Resources £0.083m which relates to Family wellbeing funding.

Service Demand
Demands for services within Finance and Corporate continue to grow, often outpacing current resource levels. This places pressure on staff and highlights the importance of strategic workforce planning and the best use of technology to ease the burden on teams wherever possible. A key challenge for the service is managing the impact of an ageing workforce and ensuring the skills, knowledge and capacity needed to support future service delivery are sustained. We are actively exploring opportunities to redesign roles, strengthen succession planning and invest in staff development to build resilience and better align resources with Council priorities.

Our risks

Key corporate and service-specific risks affecting delivery are actively tracked and managed, with control measures in place. The table below highlights current service-specific risk and ongoing mitigation actions to minimise risk impact. Progress against these will be reported next year. Full details on all risks are available on request.

Risk	Mitigation
ICT Failure	Controls are in place to mitigate the risk of ICT failure with actions identified to strengthen Organisational resilience. Services and BTS work closely and collaboratively to ensure we manage our diverse digital environment in a way which assures operational reliability, security and sustainability, e.g. through our well-established Solutions Assurance process which governs the introduction of new technologies and solutions. There has been a recent focus on Cyber Security with a number of improvements made including the implementation of a Security Operations Centre to provide 24/7 monitoring and containment of cyber threat. This is augmented by the procurement of a Cyber Insurance service to support

Risk	Mitigation
	investigation/containment and recovery activities. Critical activities, technology dependencies and business continuity arrangements continue to be reviewed with services to ensure appropriate recovery and testing arrangements are in place. Recent cyber resilience reviews are informing a prioritised programme of improvement and future investment decisions to strengthen the Council's overall digital resilience.
Poor Corporate Governance & Leadership	Controls are in place to mitigate the risk that the Council's Code of Corporate Governance is inadequate and not properly applied. These controls include the use of the annual governance self-assessment process and the corporate governance group. The committee reporting process and

Our risks

Risk	Mitigation
	the leadership development agenda also contribute. This builds on the governance framework set out in the Code of Corporate Governance
Elected Members – Failure to comply with Council Governance and Code of Conduct	There are controls in place to mitigate this risk, which include the Declaration of Acceptance of Office, Registers of Councillors interests, Standards and Audit Committee oversight arrangements, Standards Commission guidance, Code of Conduct training for members and officers and the councillor induction and training process.
Financial Instability	In the main, the controls in place to mitigate this risk are fully effective. Where this is not the case, actions have been identified to strengthen the controls that are currently partially effective. Actions being taken to strengthen the controls in relation to Financial Stability include: • A review of revenue forecasting processes to improve consistency and to ensure that forecasts are not overly

Risk	Mitigation
	pessimistic, particularly at the beginning of the financial year • Work is under way to develop further, the Council's long term financial planning model
Failure to Effectively Discharge Statutory Health and Safety Obligations	Overall, the internal controls for this risk are either fully or partially effective. Where the controls are partially effective, work is ongoing to strengthen those. Actions being taken to strengthen the controls in relation to ensuring compliance with statutory Health & Safety obligations include: • Engagement with Directorates and Services to implement the Council's Health & Safety Management Framework. All Services have now completed HSMF documents for their areas. • Working with Risk Management, each Service must have completion of the HSMF included in their risk register. • Engagement with Directorates and Services to implement the Council's Stress Risk

Our risks

Risk	Mitigation
	Assessments. All Services have now completed Service level SRA which are published online. • We are continuing to progress the actions from the Internal Audit of H&S Induction, working with BTS to develop online Induction completion, identifying Service specific H&S mandatory learning.
Workforce Challenges	Overall, the internal controls for this risk are mostly fully effective. Where the controls are partially effective, work is ongoing to strengthen those. Actions being taken to strengthen the controls in relation to ensuring workforce challenges include: • Leadership Development – Digital Mindset Training for Leaders programme has been developed and will be delivered in 26/27. Planning has commenced for pilot Executive coaching/mentoring offering to Chief Officers. Quarterly development meetings with CLT and ECLT to strengthen and develop leadership capacity.

Risk	Mitigation
	First Line Managers Leadership Development Programme. Braver than Before Leadership Development Programme. CET Development activity. Development of coaching and mentoring programme for Senior Leaders. • Workforce Planning Process - Support effective workforce data available for Managers. Working with Services to understand resourcing/workforce planning challenges and supporting delivery of improvement actions
Ineffective Information Governance	The Council has a range of statutory duties relating to records management, information governance, data protection and information security. Established governance arrangements, policies and professional support are in place to help services manage information effectively and meet regulatory requirements. Oversight is provided through the ICT Governance Board and associated governance groups. The Council is continuing to strengthen its approach through the development of a proposed Data

Our risks

Risk	Mitigation
	Strategy, improved information governance arrangements and a greater focus on information ownership, quality and lifecycle management. This work will support compliance, improve decision making and help ensure information remains secure, accessible and appropriately managed throughout its lifecycle, including as new digital and AI-enabled capabilities are adopted.

Risk	Mitigation
Legal and Regulatory Compliance Failure	Ensuring that the Council keeps up to date with legislative, policy and regulatory changes is important. To do this, all professional staff undertake regular compulsory professional development to keep up to date with legislative changes. There is mandatory training set by the Council and monitoring of compliance. An in-house legal team supports the work of the Council and external specialist legal advice is available where required

Performance assessment – Priorities & Progress

Introduction - service delivery context and challenges

The Finance and Corporate Services Directorate continues to play a critical role in supporting the Council's transformation agenda, providing the digital, financial, workforce, governance and business support services necessary to enable effective service delivery across the organisation. During the year, the Directorate focused on five strategic priorities aimed at modernising services, improving productivity, strengthening decision making and ensuring the organisation has the workforce and capabilities required to meet future challenges. These priorities remain closely aligned with the Council's wider change programme and the Directorate's ambition to deliver efficient, responsive and digitally enabled support services.

Priorities & progress

- **Digital Advancement of Services**
  Modernise service delivery, improve access and reduce manual processes, by implementing the Digital Programme, embracing emerging technologies, and expanding digital service delivery.
- **Efficient and Effective Service Delivery**
  Improve outcomes, reduce duplication and make best use of resources, delivered by maximising contracts with Fife-based suppliers and standardising processes through digital tools.
- **Increase Productivity**
  Enhance performance, support staff wellbeing and deliver better outcomes by improving staff productivity and optimising workstyles.
- **Data-driven decision making and insight**
  Improve transparency, target resources effectively and support continuous improvement by strengthening governance and developing data-driven approaches. This will ensure decisions are based on robust evidence, with clear accountability and alignment to strategic priorities.
- **Workforce Planning**
  Ensure the right people are in the right roles, now and in the future, delivered by balancing the workforce with experienced staff and attracting young people into roles, supporting and realigning resources to the new organisational structure, focusing on staff wellbeing, and improving culture, behaviours and leadership. This approach will help build a resilient, skilled and motivated workforce that can adapt to changing demands.

This year, the five priorities have been grouped into three strategic themes to reflect the increasingly interconnected nature of the Directorate's improvement activity. This approach provides a clearer narrative of progress, better aligns related workstreams and reduces duplication where initiatives contribute to multiple priorities.

Priority Grouping

Theme - Digital Transformation and Service Modernisation

- Priority - Digital Advancement of Services
- Priority - Efficient and Effective Service Delivery

Theme - Performance, Productivity and Insight

- Priority - Increase Productivity
- Priority - Data-driven decision making and insight

Theme - Workforce Capacity and Organisational Resilience

- Priority - Workforce Planning

Performance assessment – Priorities & Progress

Priority 1
Digital Transformation and Service Modernisation

The Directorate continues to modernise service delivery through greater use of digital technologies, automation, service redesign and standardised processes. This supports improved customer and employee experiences while ensuring support services remain efficient, secure and sustainable. The focus has been on making better use of existing technology, exploring emerging technologies such as AI and reducing unnecessary complexity across systems and processes.

Progress

A new Digital Programme operating model was established, including a formal innovation and proof-of-concept process, enabling services to evaluate emerging technologies and identify opportunities for automation, service redesign and improved productivity. Workforce impact analysis and process mining capability were introduced to support evidence-based identification of improvement opportunities and reduce reliance on manual analysis.

The Council's Digital Strategy was approved by Cabinet in July 2026, setting the strategic direction for digital transformation, with delivery being taken forward through the Digital Programme.

Significant progress was made in strengthening the Council's data and analytics capability. A proposed Data Strategy and roadmap were developed following extensive consultation, a Data Working Group was established, and the Council's Power BI environment was successfully migrated to Microsoft Fabric, providing the foundation for improved reporting, governance and data-driven decision making.

The Council continued to expand its use of digital innovation and emerging technologies. New and existing AI, automation and low-code solutions were evaluated through proof-of-concept activity, including Copilot, AI-enabled meeting tools, virtual assistants, process automation and agile application development. In-house solutions supporting school enrolments, job sizing and operational service delivery continued to demonstrate the value of low-code approaches in reducing manual effort and improving user experience.

Work also progressed to support wider organisational transformation priorities, including the development of data capabilities required for No Wrong Door, exploration of customer-facing AI solutions and the establishment of governance, support and adoption arrangements for emerging technologies.

Areas for Improvement

While good progress has been made in establishing the foundations for digital transformation, further work is required to scale successful pilots and proof-of-concepts into operational services that deliver measurable benefits. Continued focus is needed on simplifying processes, reducing duplication and improving integration across systems and services. The Council must also strengthen digital, data and AI capabilities across the workforce to ensure new technologies are adopted consistently and deliver sustainable improvements in productivity, service quality and customer experience.

Priority 2
Performance, Productivity and Insight

Improving productivity and strengthening the use of data remain central to the Directorate's transformation ambitions. During the year, work has focused on improving the quality and accessibility of information, supporting evidence-based decision making, identifying opportunities for service improvement and ensuring resources are directed towards activities that deliver the greatest value. The Directorate has also continued to strengthen governance, assurance and performance management arrangements.

Progress

A proposed Fife Council Data Strategy has been finalised, and this was endorsed by CET in February 2026. The strategy and roadmap set an ambitious programme to align data initiatives with Fife Council's strategic objectives across 5 themes:

- Governance & Ethics
- Quality & Trust
- Access & Integration
- Insight & Innovation
- Culture & Capability

Success on delivering the proposed data strategy will depend on developing across four pillars:

- People
- Process
- Technology
- Culture.

Colleagues from across the Directorate are involved in a Working Group now advancing the design of the Operating Model which aims to develop the Council's data maturity from the current 'opportunistic' assessed level to 'systematic' and to support corporate initiatives such as No Wrong Door and GiS.

Areas for Improvement

In developing the proposed Fife Council Data Strategy, the key areas which prevent proactive data use were identified as vital areas for improvement:

- Fragmented systems and data silos
- Poor quality data and trust
- Week governance and ownership
- Limited access and usability
- Skills gaps and capability constraints
- Underdeveloped reporting and insight
- Missed opportunities for innovation.

Performance assessment – Priorities & Progress

Additional areas that the proposed Data Strategy is designed to improve are :

- Records management
- Freedom of Information (FOI) and Subject Access Request (SAR) performance
- Facilitate new transformation opportunities through consistency standards and governance

Priority 3
Workforce Capacity and Organisational Resilience

The Directorate recognises that achieving its ambitions depends upon having a skilled, resilient and adaptable workforce. Workforce planning therefore remains a key priority, with continued focus on supporting employee wellbeing, developing future skills, managing organisational change and ensuring critical knowledge and expertise are retained across services.

Progress

Leadership and management capability

Leadership development has become more structured and more closely connected to organisational change. The First Line Managers programme has been established and expanded, supported by coaching, targeted development and Insights Discovery. Evaluation evidence reports increased confidence, knowledge, skills and self-awareness among participants.

Strategic Workforce, Talent and Succession Planning

Our People Matter (OPM) continues to provide the corporate framework that aligns Workforce Strategy priorities with Service People Plans, supporting a consistent and strategic approach to workforce planning across the organisation. Through ongoing engagement with services, workforce data and insight, and collaboration between HR Business Partners, Organisational Development leads and service managers, we are strengthening the connection between strategic workforce planning, talent management and succession planning.

This partnership approach is helping services to identify current and future workforce requirements, develop talent pipelines, build leadership capacity and address succession risks in key roles. By embedding workforce, talent and succession planning within service planning processes, we are supporting the development of a sustainable, skilled and adaptable workforce capable of meeting future service and organisational priorities.

Culture and behaviours

How We Work Matters and people-centred policies provide a clearer description of the culture and behaviours expected across the Council. OPM maturity work records some supporting actions as engaged, while recognising that the overarching culture-change action remains at a developing stage.

People-centred change

Following the adoption of OPM, a People Centred Change approach has been developed and is being embedded across the Council's transformation programmes. Through engagement with Trade Unions, services and key stakeholders, priority areas have been identified, including employee engagement, communication, leadership, workforce planning and wellbeing. The approach is now being incorporated into change governance arrangements to ensure

workforce impacts, risks and outcomes are considered alongside service objectives, supporting sustainable change and improved organisational readiness.

Areas for Improvement

While good progress has been made in strengthening leadership capability, workforce planning and the foundations for people-centred change, further work is required to embed these approaches. Priorities include strengthening succession planning maturity, improving organisational readiness for change, and more collaborative leadership across the Council. Continued focus is also needed on employee engagement, communication and workforce development to support the scale and pace of transformational change.

Performance assessment – Operational delivery

Overview of progress

All results against key indicators can be found in Appendix 1 and online at www.fife.gov.uk/councilperformance to facilitate feedback and scrutiny.

Progress

Finance and Corporate Services continues to provide a broad range of professional, technical, governance and support functions that enable the effective operation of Council services. The Directorate supports organisational decision making, delivers critical ICT infrastructure and systems, manages financial governance and procurement activity, develops workforce capability, and ensures the Council meets a wide range of statutory, regulatory and governance responsibilities.

Despite operating in a period of significant organisational change and increasing demand, Services continued to deliver high volumes of activity across digital, HR, finance, procurement, governance and support functions.

All results against key performance indicators can be found in Appendix 1 and on the Council's performance reporting website. The Directorate continues to contribute to Local Government Benchmarking Framework indicators and remains focused on delivering efficient support services while contributing to wider organisational transformation.

Challenges

Managing Rising Demand Within Reducing Resources

Demand for support services continues to grow across the Directorate while financial pressures require services to operate within constrained resources. The challenge of maintaining service performance while supporting significant organisational change is expected to continue over the coming years.

Delivering Digital Transformation Alongside Business-as-Usual Services

The Directorate is central to the Council's digital ambitions and is responsible for delivering major transformation activity while maintaining operational ICT services. Balancing innovation, cybersecurity, system maintenance and transformation demands remains a significant challenge.

Workforce Capacity and Skills

Recruitment challenges, attendance pressures and the need to retain critical knowledge and experience continue to present risks to service resilience. Ensuring the workforce has the skills required to support future technologies and new ways of working remains a key focus.

Areas for improvement

Measuring and Realising Productivity Benefits

The Directorate has made significant progress in exploring AI, automation and service redesign opportunities. During the coming year there is a need to strengthen the measurement and reporting of productivity gains, capacity released and service improvements delivered through these initiatives.

Data Quality, Governance and Insight

Improving the quality, accessibility and integration of data remains essential if the Council is to become more data driven. Progress has been made in developing a proposed data strategy, however further work is required to strengthen governance arrangements, improve reporting capability and support evidence-based decision making.

Workforce Resilience and Future Capability

The Directorate must continue to strengthen workforce planning, succession planning and skills development to ensure services remain resilient and able to respond to future challenges. Particular focus is required on specialist skills, leadership development, digital capability and supporting the next generation of employees.

Our year ahead

Priorities for 2026/27

Finance and Corporate Services will continue to play a leading role in delivering the Council's transformation agenda. During 2026/27 we will focus on modernising service delivery, improving productivity, strengthening organisational insight and ensuring our workforce has the skills, tools and support required to meet future challenges. Building on the progress made during the year, our focus will be on the following priorities.

Priority 1 – Digital, Automation and Workforce Transformation

We will modernise how services are designed and delivered by expanding the use of digital technologies, automation and emerging technologies such as Artificial Intelligence. Alongside technology investment, we will support our workforce to adopt new skills, embrace new ways of working and maximise the benefits of digital transformation. This will help improve productivity, reduce manual effort, enhance employee experience and ensure services remain sustainable despite increasing demand and resource pressures.

Over the coming year, we will embed people-centred change within transformation programmes and governance arrangements. We will further develop leadership and management capability, and better integrate workforce planning, talent management and succession planning within service people planning. This will include continued engagement with services and Trade Unions, alongside the development of supporting tools and guidance. Targeted action will build capacity, capability and organisational resilience.

Priority 2 – Data, Insight and Continuous Improvement

We will strengthen how we use data, insight and evidence to support decision making, improve organisational performance and target resources effectively. We will continue to develop our data foundations, improve governance and reporting arrangements and equip staff with the skills and tools needed to embed data-driven decision making across the Council. By improving the quality, accessibility and use of data, we will support better outcomes for customers, employees and communities.

Reference links

Local Code of Corporate Governance word combined updated November 2025

Performance standards for Returning Officers - GOV.UK

Performance standards for Electoral Registration Officers - GOV.UK

Fife Council Capital Strategy 2026

FC Treasury Management Strategy 2026-29.pdf

Fife Council Procurement Strategy 2024 - 2029

Appendix 1 – Key indicators

Key **KPI Status:** ✔ OK ▲ Warning ● Alert ○ Data only ? Unknown **Trend:** ↑ Improving ■ No change ↓ Getting worse

Customer

Performance Indicator	2021/22	2022/23	2023/24	2024/25	2025/26	Target	Status	Long Trend
F&CS Stage 1 Complaints actioned < 5 days	100%	88%	89%	81%	67%	90%	●	↓
F&CS Stage 2 Complaints actioned < 20 days	80%	75%	75%	86%	55%	85%	●	↓

Service Operations

Performance Indicator	2021/22	2022/23	2023/24	2024/25	2025/26	Target	Status	Long Trend
Invoices sampled that were paid within 30 days(%)	93.8%	92.8%	96.4%	97.1%	97.4%	95.2%	✔	↑

LGBF

Performance Indicator	2021/22	2022/23	2023/24	2024/25	Family Group Av 2024/25	Target	Status	Long Trend
Support services as a % of total gross expenditure (LGBF)	4.02%	3.91%	3.87%	3.94%	3.70%	4.04%	✔	↑
Proportion of the highest paid 5% of employees who are women (LGBF)	60.7%	61.0%	61.7%	61.6%	59.7%	60.3%	✔	↑
The Gender Pay Gap (%) (LGBF)	1.69%	1.13%	0.16%	-0.25%	0.70%	1.44%	✔	↑
Sickness absence days per employee (non-teacher) (LGBF)	15.29	15.85	16.66	16.65	14.90	16.50	▲	↓
Proportion of procurement spent on local enterprises (LGBF)	40.2%	33.9%	35.4%	33.6%	24.8%	30.7%	✔	↑
Total useable reserves as a % of Council annual budgeted revenue (LGBF)	22.50%	24.80%	17.09%	11.76%	18.10%	20.45%	✔	↑
Uncommitted General Fund Balance as a % of annual budgeted net revenue (LGBF)	3.30%	3.80%	1.28%	2.00%	2.30%	1.96%	✔	↓
Ratio of Financing Costs to Net Revenue Stream - General Fund (LGBF)	6.39%	1.27%	5.14%	5.27%	6.30%	6.04%	●	↑
Ratio of Financing Costs to Net Revenue Stream - Housing Revenue Account (LGBF)	22.04%	23.77%	24.12%	27.25%	24.50%	20.68%	●	↓
Actual outturn as a percentage of budgeted expenditure (LGBF)	93.64%	92.49%	99.13%	99.66%	100.10%	100.11%	▲	↑

Resources

Performance Indicator	2021/22	2022/23	2023/24	2024/25	2025/26	Target	Status	Long Trend
Finance & Corporate Services - Average WDL per FTE	9.77	11.32	11.34	11.16	10.21	11.1	✔	↑
Finance & Corporate Services - Average Long Term WDL per FTE	7.36	7.94	8.25	8.04	7.1	7.9	✔	↑
Finance & Corporate Services Workforce who are Female (%)	74.90%	74.40%	72.70%	71.90%	71.80%	Target not appropriate	○	↓
Finance & Corporate Services Workforce who are Full-time (%)	73%	75.30%	75.70%	77.80%	76.90%	Target not appropriate	○	↑
Finance & Corporate Services Workforce who are Permanent Employees (%)	95.60%	96.30%	96.10%	95.40%	95.80%	Target not appropriate	○	↓
Finance & Corporate Services Employee Turnover	Data not available	Data not available	7.12%	5.27%	5.07%	10%	●	↓
Finance & Corporate Services Employees aged 24 and under (%)	3.70%	5.70%	5%	5.70%	4.70%	Target not appropriate	○	↓
Finance & Corporate Services Directorate Employees aged 25 to 39 (%)	18.53%	19.90%	21.44%	23.26%	25.26%	Target not appropriate	○	↑
Finance & Corporate Services Directorate Employees aged 40 to 54 (%)	48.30%	46.88%	43.26%	40.96%	39.06%	Target not appropriate	○	↓
Finance & Corporate Services Employees aged 55 and over (%)	29.40%	27.50%	30.30%	30.70%	31%	Target not appropriate	○	↑
Finance & Corporate Services Number of Voluntary Redundancies (FTEs)	4	1	0	0	0	Target not appropriate	○	↓
Finance & Corporate Services Number of WYI Bids	2	7	3	5	5	Target not appropriate	○	↑
Finance & Corporate Services Number of WYI Programme new starts	5	6	4	5	5	Target not appropriate	○	■