



Annual Accounts 2025-26

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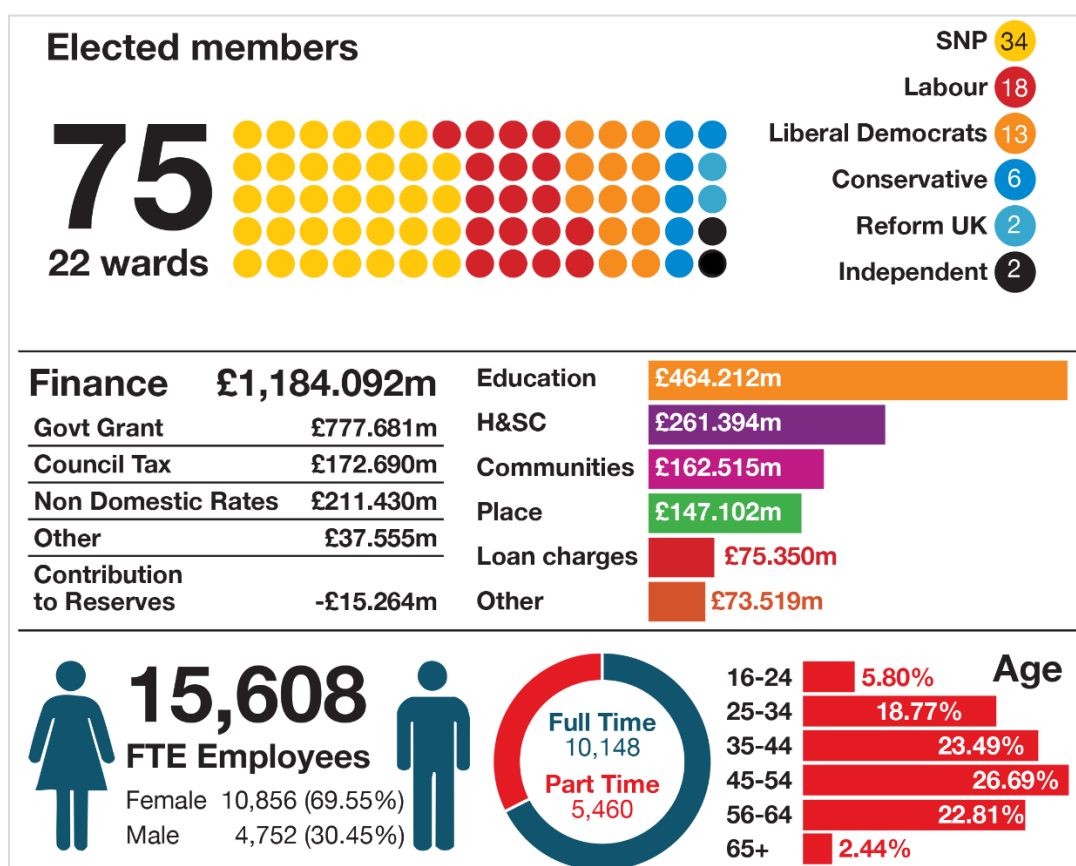
1. Introduction

Welcome to the financial statements for Fife Council and its group for the year ended 31 March 2026. The statements have been compiled in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom (the Code). This commentary outlines the key messages regarding the performance of the Council over the 2025-26 financial year as well as providing an indication of risks and issues which may impact upon the Council in the future.

2. Profile of Fife Council

Fife Council was constituted under the Local Government (Scotland) Act 1994 in April 1996 bringing together the work of the previous regional council and 3 district councils and is Scotland's third largest area by population. Fife has a decentralised structure, with 7 area committees (based on groupings of multi-member wards). Fife has a population of 371,390 residents, ranging from North East Fife Area (72,191), Kirkcaldy Area (60,276), City of Dunfermline Area (59,545), South and West Fife Area (50,739), Glenrothes Area (48,461), Cowdenbeath Area (41,579), to Levenmouth Area (38,599). Each area is distinct in terms of its mix of urban and rural areas, which has implications in relation to both delivery and the costs of providing services.

The last council elections were held on 5 May 2022. The SNP group hold the most seats on the Council but fall short of a majority. The Council operates a Cabinet structure of Governance with Cllr David Ross (Labour) as Leader.



The Council provides a range of essential public services throughout Fife. The Council is structured into 5 main Directorates and during the year was led by the Chief Executive, Ken Gourlay who was responsible for ensuring the Council delivers high quality services to Fife residents.

DIRECTORATES



The Integration Joint Board is a partnership with both Fife Council and NHS Fife and is responsible for the planning and operational oversight of Integrated Services, and through the Chief Officer, known as the Director of Health and Social Care, is responsible for the operational management of those services delegated, including Health & Social Care and managed by the Board.

The Council has a number of Arms' Length subsidiary organisations who provide services on behalf of Fife Council – Fife Cultural Trust, Fife Sports and Leisure Trust, Fife Golf Trust, Fife Coast and Countryside Trust and Fife Resource Solutions. Section 4 contains more details about these and the other entities in the Fife Council Group.

3. Objectives and Strategy of the Council

Fife Council and its community planning partners (the Fife Partnership) have a clear vision and strategic ambition to build a fairer Fife. This is set out in the [Plan for Fife](#) - the ten-year local outcome improvement plan (LOIP) published in November 2017.

A three-year update was published in 2021: [Plan for Fife: Recovery and Renewal Plan](#), capturing an additional ambition and goals in relation to the climate emergency declared in Fife in 2019. The targets and actions relating to that ambition are set out in the [Climate Fife strategy](#)*.

Following three-year review work in 2023-24, Fife Partnership concluded that the recovery and renewal priorities should remain the focus for action 2024-27 - in the context of the Plan for Fife's 10-year ambitions. Three priorities drive the council's strategic planning: tackling poverty and preventing crisis; leading economic recovery and building community wealth; addressing the climate emergency.



Fife Council recognises that transformation is required to achieve these ambitions given increasing demand and ongoing financial pressures. It is committed to delivering quality, sustainable public services that are fit for the future, and is progressing organisational change and reform to support the whole system change required.

This is reflected in three-year change plans for each council service. These set out a range of work aimed at: shifting to earlier intervention, prevention and targeted support; joining things up to work as one team around the needs of communities and places; simplifying systems and processes to improve efficiency and effectiveness.

Strategic plans are supported by local community plans in each of Fife's seven local committee areas. These plans, and wider information about how Fife works alongside communities, and can be found [Let's Talk Local](#).

At a partnership level this agenda is supported by a programme of public service collaboration and policy and service redesign work which will inform development of the next Plan for Fife which is due in 2027. Ongoing engagement in strategy development with community planning partners, leadership teams and elected members is preparing the ground for the next plan, related system design and leadership arrangements.

4. Finance and Performance

Finance Reporting

Reporting of Financial Performance includes regular budget monitoring reports for both Revenue and Capital expenditure throughout the year. These provide a forecast of the financial position of the Council for the year with the Revenue reports detailing the level of reserves held by the Council and including recommendations for committing/decommitting reserves when appropriate. The style of reporting ensures a focus on strategic oversight by the Cabinet Committee of the Council with more detailed financial performance reports being considered by the Scrutiny Committees. Commentary on the single entity that is Fife Council are provided below, and details of Group information are provided on page 13.

The revenue outturn position was reported to the Cabinet Committee on 25 June 2026, and a comparison of the final outturn to the primary statements of these accounts, is detailed below: -

2025-26 Financial Year	General Fund Outturn				Annual Accounts			
	Outturn	Budget	Variance		General Fund	HRA	Transfers	Total
	£m	£m	£m	%	£m	£m	£m	£m
Education	464.212	469.288	(5.076)	(1.08%)	464.212		62.481	526.693
Health & Social Care	261.394	257.565	3.829	1.49%	261.394		(2.161)	259.233
Place	147.102	149.296	(2.194)	(1.47%)	147.102		41.806	188.908
Communities	162.515	169.593	(7.078)	(4.17%)	162.515		0.961	163.476
Finance & Corporate	73.142	74.577	(1.435)	(1.92%)	73.142		15.141	88.283
Chief Executive	0.377	0.360	0.017	4.72%	0.377		(0.009)	0.368
Housing Revenue Account						(59.435)	12.477	(46.958)
Service Expenditure	1,108.742	1,120.679	(11.937)	(1.07%)	1,108.742	(59.435)	130.696	1,180.003
Loan Charges & CFCR	75.350	72.129	3.221	4.47%	75.349	62.620	(137.969)	0.000
Contingencies	0.000	4.706	(4.706)					
Total Expenditure	1,184.092	1,197.514	(13.422)	(1.12%)	1,184.091	3.185	(7.273)	1,180.003
General Revenue Grant	(777.681)	(777.680)	(0.001)	0.00%	(777.681)			(777.681)
Non-Domestic Rates	(172.690)	(171.736)	(0.954)	0.56%	(172.690)			(172.690)
Council Tax Income	(211.430)	(210.543)	(0.887)	0.42%	(211.430)			(211.430)
Other Inc & Exp							(39.290)	(39.290)
Transfer of Balances	(37.555)	(37.555)	0.000					
Movement in Balances	(15.264)	0.000	(15.264)		22.290	3.185	(46.563)	(21.088)
Reserve Transfers								
- Unusable Reserves							46.563	46.563
- Usable Reserves	33.913				(3.642)	(3.436)	0.000	(7.078)
(Increase) / Decrease in Reserves	18.649				18.648	(0.251)	0.000	18.397

Note 1 – The Transfers column represents adjustments between accounting basis and funding basis under regulations (detailed further in the Expenditure & Funding Analysis Statement on page 43).

Note 2 – Annual Accounts figures show minor changes since reported to Committee, due to late accounting entries.

General Fund Revenue

Although the Council continues to face cost pressures in terms of inflation on both pay and non pay costs, the provisional outturn shows that most services, with the exception of Health & Social Care are reporting an underspend. The Council approved the General Fund Revenue budget for 2025-26 on 20th February 2025. Financial monitoring reports were provided to the Cabinet Committee throughout the financial year. There were £7.137m of service savings agreed to close the budget gap in 2025-26, there was also an increase in fees and charges of 5% and Council Tax of 8.2%. The following commentary provides some context to the final outturn position at the end of the financial year.

2025-26 Provisional Outturn

Within Service Expenditure there is an underspend of £11.937m against budget and an underspend on corporate budgets of £1.485m. An over-recovery in Non Domestic Rates and Council Tax income of £1.842m is also reported. Combined, this generates an overall underspend in the General Fund of £15.264m against budget (1.27% of Budget). Service underspends of £13.173m is ringfenced and has been carried forward as commitments to ensure the conditions of funding is met. These are recorded as commitments against balances. The underlying position after these commitments is an underspend of £2.091m.

Health and Social Care continues to be a significant risk in terms of the overall financial position for the Council, with an overspend reported of £3.829m. The significant contributory factors to be considered in the context of the provisional level of underspend include:

Pay Award

The Council made budgetary provision for pay in line with the Public Sector Pay Policy. The level of negotiated pay award for 2025-26 was higher than budgeted, however it was partially funded by the Scottish Government.

Turning to specific commentary in relation to directorates:

Education reported an overall underspend of £5.076m.

Devolved Education reported an underspend of £6.623m, of which Pupil Equity Funding (PEF) is underspent by £3.597m which is ring-fenced and carried forward per the conditions of the Attainment Funding awarded by Scottish Government, and devolved school budgets also underspent by £3.026m. Under the Devolved School Management (DSM) scheme schools are able to carry forward their underspends up to 2.5% of their devolved budget.

Overall, non-Devolved Education reported an overspend of £1.547m. This was as a result of a number of different factors. Long-term absence and maternity cover for teachers had an overspend of £6.462m in schools. General Education is reporting an underspend of £3.993m after adjusting teachers' budgets in Primary schools for the new academic session from August. An underspend of £1.841m is also reported due to Non-Domestic Rates (NDR) rebates backdated for 3 years reflecting changes to valuations.

Health & Social Care reported an overspend of £3.829m.

Health and Social Care is reporting a net projected overspend of £3.829m which takes account of temporary funding of £14.000m, from combined contributions of £8.500m from NHS Fife and £5.500m from Fife Council, as well as a payment from NHS Fife of £3.641m per the risk share agreement. There are sustained demand pressures across adult social care, leading to overspend on Adult Placements, £7.257m, which is also impacted by non-achievement of the Transforming Care and transport saving. Taxis to and from day care and college and more packages being commissioned than budget available has also resulted in an overspend of £1.506m. There has been a shortfall of anticipated Housing Benefit income of £0.894m due to some clients being moved on to Universal Credit. Other areas showing overspends are Care at Home, £0.748m, mainly due to Fleet charges and Older People Nursing and Residential due to a higher number of placements commissioned than budget available, £0.905m. These pressures are partially mitigated by underspends elsewhere, including Adult Supported Living where an underspend of £3.055m is reported, due to staff vacancies. Fieldwork Teams are also reporting an underspend of £2.002m due to vacancies and a reduction in Respite.

Place reported a total underspend of £2.194m.

Place Directorate is reporting a net underspend of £2.194m although this does contain some contrasting positions across the underlying services in the Directorate. There are underspends across Roads and Transportation, Planning, Protective Services, Facilities Management Services and Business & Employability Service, largely arising from staff vacancies and stronger than anticipated income from planning and building warrant fees with a combined underspend of just over £4.000m. Environment and Building Services is reporting the most significant overspend within the Directorate of £1.517m, which is a result of continued cost pressures associated with aging fleet and service growth, resulting in increased costs for vehicle hires and repairs as well as a staffing overspend within Domestic Waste and Street Cleaning.

Communities reported an underspend of £7.078m.

Communities Directorate is reporting an underspend of £7.078m. The Directorate underspend is mainly driven by the position within the Children and Families Service where there is a net underspend of £4.942m. This is primarily due to a high number of vacancies within the service, £3.962m, a £1.675m underspend on internal Foster Care and Kinship placements and £1.085m underspend on Purchased Placements as a result of reduced number of packages. There is also a reported underspend of £1.095m relating to Whole Family Wellbeing funding which will be carried forward into next financial year. The underspends mitigate some areas of overspend of £1.257m on Children affected by Disability for direct payments and respite spend and £1.282m on Continuing Care.

Finance & Corporate Services reported an underspend of £1.435m.

Finance and Corporate Services Directorate is reporting an underspend of £1.435m, which is mainly due to an underspend within Benefits and Taxation of £1.389m, which is due to the policy on Empty Property Relief which has led to less relief being granted.

Corporate Budgets reported a total underspend of £1.485m.

There is an overspend of £3.221m for Loan Charges, mainly relating to an accounting entry to reduce financial flexibilities as a result of a recent review of the original model for Levenmouth Academy, uncovering an error in the method of calculation some years ago. There is an underspend on contingencies of £4.706m which relates to funding received, either not yet allocated or no longer required, for example, funding relating to both Kinship Care and School Meals where spend was lower than anticipated in 2025-26.

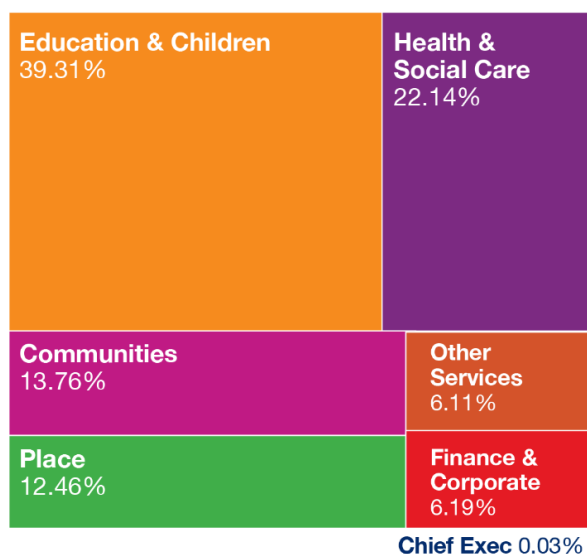
Income (Financed by) reported an over-recovery of £1.842m.

The Council was allowed to retain £0.954m Non-Domestic Rate income under the Scottish Government Non-Domestic Rates Incentivisation Scheme. The Scottish Government confirmed in March 2026 that the Council had met the criteria of the scheme for this financial year.

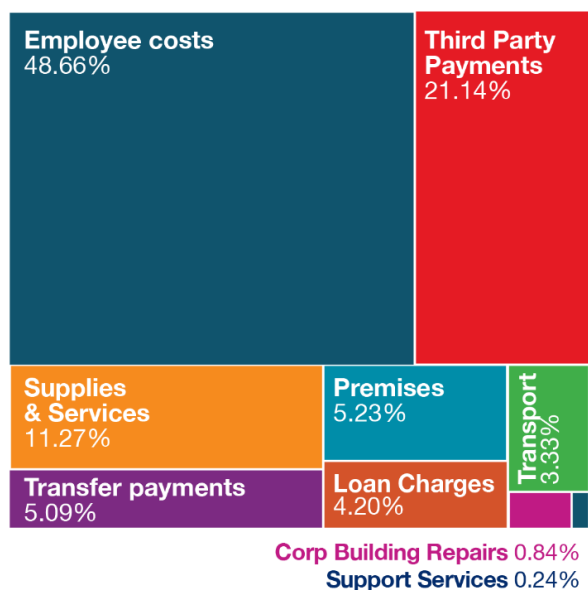
Council Tax levied in the year was higher than budgeted and this led to the increase in income which was 0.4% above budget.

Net revenue expenditure for 2025-26 was £1,184.092m (Net Service expenditure £1,108.742m and Loan Charges £75.350m) and is categorised by Directorate below. Gross expenditure by Type is also shown below:

Expenditure by Directorate



Expenditure by Type



Reserves

The General Fund balance decreased during the year from £115.111m to £96.463m. This net movement of £18.648m was a combination of a contribution to balances of £15.265m plus transfers to other statutory reserves of £3.642m less £37.555m of budgets transferred from balances brought forward and used by Services in year, as shown on Note 6 page 52. These mainly included honouring previously agreed commitments in respect of Capital Investment Plan (£12.966m), Grants Received & Carried Forward (£9.485m), Cost of Living Crisis (£2.780m), Council Tax Second Homes (£2.289m) and Secondary School Rolls (£4.204m).

The General Fund balance as at 31 March 2026 was £96.463m. Of this, a total of £52.456m is earmarked and includes planned amounts which underpin the investment in the capital plan, principally Service Concessions totalling £12.662m and CFCR contributions of £10.800m. There are also additional earmarked amounts for Second Homes Council Tax income allocated to Affordable Housing £6.214m and Service Carry Forwards £18.019m. In addition, there are commitments totalling £19.873m and include £4.922m for changing demographics and £9.486m for Change Programmes as they develop. Further information on all earmarked balances and commitments is provided on Page 52.

With all existing commitments taken into consideration the level of uncommitted balances beyond 2026-27 is forecast to be £24.134m or 2.02%. The Council's policy is to retain a minimum of 2% of annual turnover over a three-year period which has been considered appropriate in the context of the Council's financial risk profile. The level of uncommitted reserves is actively kept under review, particularly given the heightened level of financial risk being faced in the future.

Housing Revenue Account

There is a statutory requirement for Local Authorities to maintain a Housing Revenue Account (HRA) separate from the General Fund. The HRA must break even in its own right. All expenditure incurred, and income received in the provision of rented accommodation must be included in the HRA. The bulk of income to the HRA is derived from rents from tenants, and this must be sufficient to cover the expenditure on the HRA.

The financial position for the HRA for the year was a breakeven position. Repairs & Maintenance was underspent by £1.507m due to costs being lower than anticipated and interest costs were £0.848m underspent due to lower than anticipated levels of borrowing and lower interest rates than originally planned. The overall overspend within the HRA has resulted in a decrease in the planned CFCR (capital from current revenue) of £0.694m. After taking into account current commitments of £0.251m the level of uncommitted HRA Fund balances remains at £2.844m. Details of the financial position for 2025-26 are included within these financial statements.

Capital Expenditure

The gross Capital Expenditure for 2025-26 was £296.441m, a variance of £87.768m (22.84%) against budget. Comparable expenditure for the previous 3 years was £258.096m (2024-25), £242.073m (2023-24) and £189.362m (2022-23). Expenditure variances exist across all Themes within the Capital Programme, the nature of capital expenditure being large, complex projects involving a number of stakeholders and dependencies can lead to differences in the profile of expenditure within any particular year. However, the capital budget is not restricted to an annual profile in the same way as the revenue budget.

Full detail of material capital expenditure variances was regularly reported to the Cabinet Committee and the relevant sub-committees. The major elements of expenditure are analysed as follows:

Project Spend 2025-26	£m
Affordable Housing Programme	70.353
Maintain Our Assets - Rolling Prog	36.107
Secondary Schools West Fife	43.215
Scottish Housing Quality Standards	37.097

Assets and Liabilities

The Balance Sheet summarises the Council's assets and liabilities as shown in the table below.

2024-25 £m		2025-26 £m	Movement £m
4,327.811	Long Term Assets	4,604.695	276.884
225.936	Current Assets	246.454	20.518
(394.304)	Current Liabilities	(448.717)	(54.413)
(1,118.377)	Long Term Liabilities	(1,216.700)	(98.323)
(85.892)	Defined Benefit Pension Liabilities	(84.314)	1.578
2,955.174	Net Assets/(Liabilities)	3,101.418	146.244
	Usable Reserves		
(115.111)	-General Fund	(96.463)	18.648
(2.593)	-Housing Revenue Account (HRA)	(2.844)	(0.251)
(0.113)	-Capital Grants & Receipts Unapplied	(0.120)	(0.007)
(17.234)	-Insurance Fund	(10.156)	7.078
	Unusable Reserves		
85.892	-Defined Benefit Pension Reserve	84.314	(1.578)
(2,906.015)	-Other Unusable Reserves	(3,076.149)	(170.134)
(2,955.174)	Total Reserves	(3,101.418)	(146.244)

Net assets have increased by £146.244m to £3,101.418m and the movements in Assets, Liabilities and Reserves are detailed in the relevant Notes to these Accounts.

Other Long-Term assets reflect the level of capital expenditure in the current year as well as the revaluation of non-current assets actioned in year offset by other capital accounting entries such as depreciation. Revaluations are carried out on a quinquennial basis, with indexation applied in each year there is not a valuation. The requirement to apply indexation is new for 2025-26. The corresponding entries are recorded in Other Unusable Reserves and represents the increase from last year.

The Council's Defined Pension Asset or Liability is measured using an approach that is common across all entities by applying international accounting standards (IAS19), this involves the Pension Fund actuary updating the technical assumptions applied at the time of the triennial valuation to calculate the impact on future assets and liabilities and provide a point in time comparison across organisations. The actuary calculated that the Council, at 31 March 2026, had a Defined Benefit Pension Asset on its Funded Scheme (LPGS) of £1,245.392m (2024-25, £997.608m) and a Defined Benefit Pension Liability on its Unfunded Scheme (discretionary post-retirement benefits awarded on early retirement) of £84.314m (2024-25, £85.892m). Accounting Standards however do make provision for employers who are part of the LGPS scheme to apply an asset ceiling and effectively "cap" the amount of asset recorded on the balance sheet. Following additional calculations the Council applied an asset ceiling which reduced the Funded Scheme Pension Asset to zero leaving the Unfunded Scheme Liability of £84.314m on the Balance Sheet.

Going Concern

The future financing of the Council and its Group's liabilities will be met by future grants and the application of future income. The approval of core income for 2026-27 has already been given and there is no reason to believe that future approvals will not be forthcoming. As the Council moves into 2026-27, savings of £0.055m were approved along with an increase in Council Tax of 5%. In addition, there was approval to make use of £3.487m from balances for one-off investment. The increase in Council Tax and savings did also provide the opportunity to make some further one-off investments as well as some permanent investments. The scale of savings approved in the previous year, February 2025, was a total of £13.796m by 2027-28 reflecting the significant programme of change to be undertaken by the Council. All approved savings were recurring in nature. Monitoring of progress of delivery of savings approved for both 2025-26 and 2026-27 which impact 2026-27 will be reported throughout the year as part of financial monitoring updates to committee. A level of balances is held to manage some commitments and to manage short-term uncertainties and risk.

It is recognised that there continues to be financial challenges moving forward. Current economic conditions are likely to have a continued impact on the financial position of the Council and its Group, both in terms of increased additional costs and increasing demand for services. There is also heightened risk for both inflation and interest rates, as a result of the continued conflict within the Middle East. It is likely the Council will continue to experience increased costs, particularly in relation to construction. Energy costs and fuel may also be impacted. In addition, Services will be entering 2026-27 with increasing agreed savings to deliver. The Health & Social Care Partnership reported a substantial overspend position in 2025-26 and has significant savings to achieve going forward. In the coming year, work on the Equal Value Assessment project for Equal Pay will also come to a conclusion. Whilst the level of uncommitted reserves is forecast to be marginally above the policy minimum of 2% over the next 3 years, given the financial risk, this will be kept under continual review. It is recognised and supported by the Council Executive Team that strong financial management will be required across the organisation to ensure financial sustainability in the longer term. In relation to the significant risk relating to Health and Social Care financial performance, there is an escalation process in place.

These risks can be contained in the short term; however the medium-term position is less certain and will likely be challenging, but the Council's continuing approach to change planning is looking at wide ranging future change to enable the Council to deal with those future challenges. Continued financial evaluation of the Council and its subsidiaries is ongoing, and a medium-term financial strategy is in place and is continually reviewed to ensure it remains fit for purpose. All options and all funding streams continue to be identified to ensure the continued financial sustainability of the organisation. Accordingly, it is considered appropriate to adopt a going concern basis for the preparation of these financial statements.

Treasury Management Activity

In July 2016, the Scottish Government issued Regulations which set out statutory arrangements for local authority borrowing and lending. The Regulations state that any repayment of Loans Fund advances should be reasonably commensurate with the period and pattern of the benefits provided to the community from the capital expenditure. Councils were given scope to determine what is prudent for their organisations including consideration of reprofiling of previous years' advances.

The Council's loan fund policy is in line with the regulations in that:

- For the Housing Revenue Account, it is not considered prudent for the Council to reprofile previous years' advances which will continue to apply the existing annuity method. All future advances will be repaid using the Asset Life method, by which the loans fund advance is repaid in line with the expected life of the asset to which the capital expenditure relates to.
- For General Fund it is considered prudent to use the Asset Life method for both future years Loans Fund advances, and to reprofile previous years' advances. The Council has also opted to make use of the Funding/Income Profile method by which loans fund advances will be repaid by reference to an associated income stream where it is considered appropriate to do so.

The Capital Plans for both the HRA and General Fund are tested for affordability to ensure that any borrowing remains affordable, sustainable and prudent. Prudential Indicators are produced and approved by Fife Council as part of the revenue budget process. These are updated and reported to the Cabinet Committee in each of the regular Capital Monitoring reports.

The Council has a treasury management strategy which ensures that all decisions taken on treasury management activity give primary importance to minimising and managing potential risk. Detailed reports in relation to Capital investment and the Treasury Management strategy are considered by the Council's Cabinet Committee and can be found at [Treasury Management Strategy](#)

Key Financial Ratios

The key financial ratios show that the Council's financial position remains stable but under increasing pressure. Uncommitted General Fund reserves remain just above the 2% policy minimum, while borrowing and financing commitments have increased in line with the capital programme. The Council delivered a stronger outturn in 2025-26, but the wider financial outlook remains challenging, with reduced reserve growth and higher debt levels requiring continued close oversight of affordability and sustainability.

2024-25	Financial Indicator	2025-26	Commentary
	Reserves		
2.08%	Uncommitted General Fund reserve as a proportion of Annual Budgeted Net Expenditure	2.02%	Reflects the level of funding available to manage financial risk/unplanned expenditure. The Council's policy is a minimum of 2% of annual turnover over a three-year period which is considered appropriate in the context of the Council's financial and ongoing risk profile.
£9.849m	Increase/(decrease) in the Uncommitted General Fund Balance	£0.655m	Reflects the extent to which the Council is using Uncommitted General Fund Reserves.
	Council Tax		
95.25%	In-year Collection Rate	94.98%	Reflects the Council's effectiveness in collection Council Tax debt and financial management. This level is consistent with the last 3 financial years.
17.19%	Ratio of Council Tax Income to Overall Level of Funding	17.66%	Reflects the Council's capacity to vary expenditure by raising Council Tax income, the only principal source of finance within the Council's Control. Fife Council increased Council Tax by 8.2% for 2025-26 and there was a Council Tax freeze for 2024-25.
	Financial Management		
(0.28%)	Actual Outturn Compared to Budgeted Expenditure	(1.27%)	How closely expenditure compares to the budget is a reflection of the effectiveness of financial management. The indicator is based on the format of budget monitoring as reported throughout the year.
£3.153m	Actual Contribution to/(from) Unallocated General Fund Balance compared to Budget	£15.264m	
	Debt/Long-term Borrowing		
£1,361.663m	Capital Financing Requirement (CFR) for the Current Year	£1,478.030m	External debt levels remain lower than the CFR which reflects the borrowing requirements
£1,331.309m	External Debt Levels for the Current Year	£1,462.932m	
5.27% 27.25%	Ratio of Financing Costs to Net Revenue Stream General Fund HRA	5.27% 29.63%	These two ratios complement the assurances of borrowing only being for capital purposes with an indication of the scale of financing costs compared with the level of funding available to the Council.

Fife Council Group Accounts

Local Authorities are required to prepare Group Accounts in addition to their own Council's accounts where they have a material interest in other organisations. The Group Accounts consolidate the results of the Council and its other entities. The Group comprises of the following:

Subsidiary bodies

- Fife Sports and Leisure Trust
- Fife Cultural Trust
- Fife Coast and Countryside Trust
- Fife Golf Trust
- Fife Resource Solutions LLP
- CIRECO (Scotland) Ltd

Other Subsidiaries

- Common Good Funds
- Charities & Trusts

Joint Venture

- Fife Integration Joint Board

The Fife Integration Joint Board and all Subsidiaries of Fife Council have an accounting period to 31 March and for the purposes of consolidation and disclosure their Accounts to 31 March 2026 have been used.

The table below shows the Operating Surplus or Deficit in the financial year and the net asset position at 31 March for the Council's subsidiaries and the Council's share of the Integration Joint Board. The figures below include any impact arising from changes in Defined Pension Assets and Liabilities.

Operating (Surplus) / Deficit to 31 March 2025 £m	Net Assets / (Liabilities) at 31 March 2025 £m		Operating (Surplus) / Deficit to 31 March 2026 £m	Net Assets / (Liabilities) at 31 March 2026 £m
		Subsidiary		
0.119	0.861	Fife Sports & Leisure Trust	(0.812)	1.547
0.374	1.103	Fife Cultural Trust	(0.359)	1.371
0.150	1.243	Fife Coast & Countryside Trust	(0.141)	1.162
(0.120)	0.414	Fife Golf Trust	(0.490)	0.700
0.192	(0.575)	Fife Resource Solutions	(0.770)	0.045
0.000	0.000	CIRECO (Scotland) Ltd	0.000	0.000
(0.111)	0.600	Business Gateway Fife	(0.153)	0.654
9.124	266.878	Common Good Fund	4.169	272.161
(0.084)	4.651	Charities & Trusts	(0.271)	4.928
1.509	0.856	Fife Integration Joint Board	(0.557)	1.413
11.153	276.031	Total	0.616	283.981

The Common Good Assets above include assets which are owned by the Common Good but used and actively managed by Fife Council.

The Council adopted accounting standard IFRS16 Leases in 2024-25, however the Council's Subsidiaries are not required to implement the standard until 2026-27. Therefore, where subsidiaries have identified lease agreements which fall under the requirements of IFRS16 but have not yet adopted the standard, consolidation adjustments have been made and are detailed in Note 16 on page 62 of the accounts.

Our Plans for the Future: Principal Risks and Uncertainties

Over the last few years, the Council has significantly underspent on its general fund revenue budget and 2025-26 sees a further underspend position of around £15.264m. However, whilst the position for 2025-26 looks favourable, some specific items of unspent funding provided in 2025-26 must be made available next year and commitments have been made in balances for these. Taking account of this the underlying position is an underspend of £2.091m. Health & Social Care reported an overspend of £3.829m which takes account of temporary funding of £14.000m, from combined contributions from NHS Fife and Fife Council. This continues to be a risk for the Council going forward. Other General Fund Services also have savings to achieve in 2026-27 and beyond, which will be monitored, and progress will be reported throughout the year. As finances are becoming tighter, going forward the Council will have to take hard decisions in order to balance the budget.

The level of funding that the Council will receive from the Scottish Government for its core activities is very uncertain given the commitments that are in place and the financial challenge that exists nationally. The continued risk of higher inflation and interest rates continues to exacerbate the challenge as any increase in costs will need to be managed internally within the Council. There is the scope to increase council tax, and fees and charges in order to close the future budget gap and it is likely that further change across Council Services will be required. The Council has developed service change plans to help address the financial challenge and these will likely need to go further in future years for the Council to remain financially sustainable. The medium-term financial strategy and the budget assumptions used in February 2026 have been updated based on all known intelligence and an updated budget gap was reported to Cabinet Committee in June 2026. The level of future budget gap will be an influencing factor in terms of the level of future change required.

An update on change planning was also reported to Cabinet Committee in June 2026 with an update on the three change themes identified in the December 2025 Cabinet Committee report. Progress across the three themes is co-ordinated by the Council Executive Team. Service change planning continues, with priorities being reported through the Annual Service Reports to scrutiny committees. Significant work on the three themes was advanced throughout 2025-26 and this will continue through 2026 and beyond.

There is still a level of uncertainty as a consequence of the economic circumstances over the last few years. Inflationary pressures, increasing demand for services and constraints on funding from the UK and Scottish Governments could increase the scale of the financial challenge the Council has to deal with. In addition, there is the uncertainty regarding the wider economic impact of the ongoing conflict in the Middle East. Whilst the Council has strong financial management with a Medium-Term Financial Strategy and a financial Risk Register in place to support future budget decisions, the largest financial risks are likely to be around equal pay and the financial position of the IJB where strong financial management and additional financial controls will be essential.

Consideration is also being given to other pressures the Council is facing, for example, achieving savings, and the impact of strategic growth. The recurring core budget is where the main concern and risk exist in the medium to long term. The level of reserves that the Council holds provides a means to address financial pressures on a one-off basis and the Council has managed to avoid placing reliance on using these for recurring expenditure, rather, only making commitments for one off or temporary costs.

As we move forward Directorates will need to consider all options to reconfigure services and potentially use alternative operating models to provide services in a different, more cost-effective way to ensure best value to the Council. This is being integrated to the strategic change work that is being undertaken around service change planning and the three priorities for the Council:

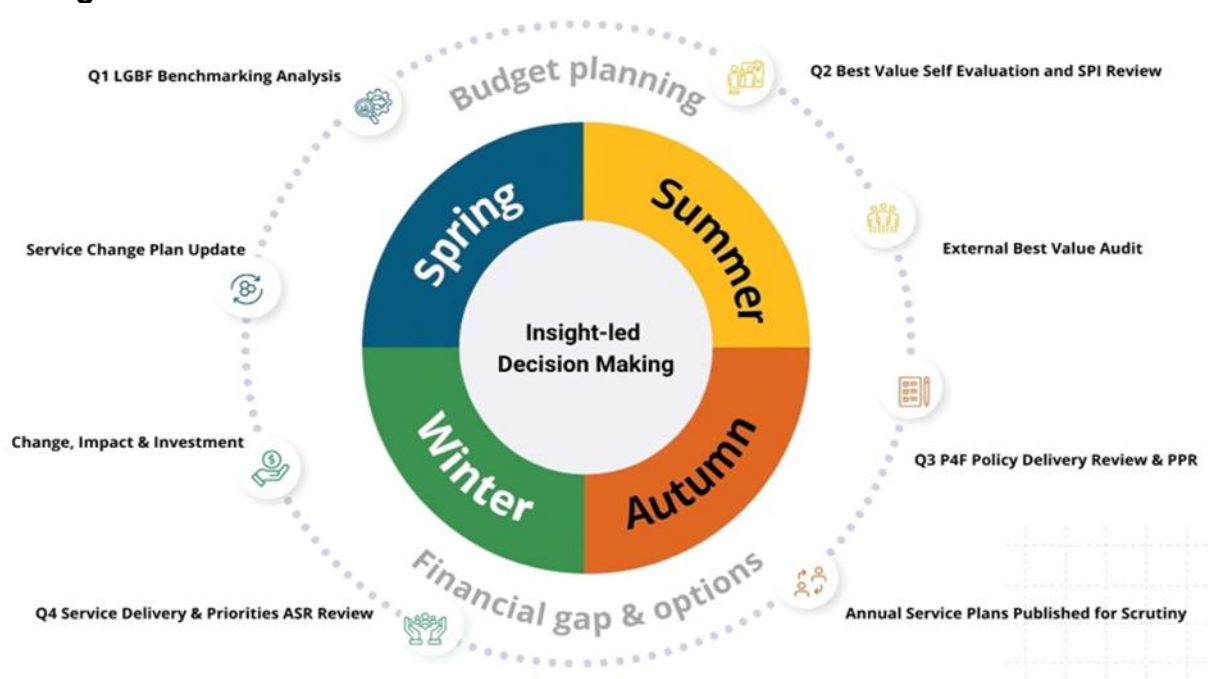
tackling poverty and preventing crisis; leading economic recovery and building community wealth; addressing the climate emergency.

Performance Reporting

Under the Local Government in Scotland Act 2023, Fife Council has a statutory duty to deliver Best Value. Public Performance Reporting (PPR) plays a crucial role in achieving this, with a strategic approach to public communication. Fife Council has implemented several improvements to provide more up-to-date, timely, and accessible performance information online, including performance data and Local Government Benchmarking Framework (LGBF) information.

An integrated approach to planning and reporting is being adopted to enhance strategic management capabilities and to support scrutiny. This approach involves aligning the Plan for Fife strategy, change planning, and service change plans with improved policy-based and service-driven performance analysis. This approach is based on a routine of quarterly corporate assessment analysis against key metrics which links to operational management plans in key areas such as risk management, finance, workforce, and digital development. Performance information is used internally to ensure sound governance and management but to also support better alignment of plans and resources to policy and outcomes.

The Integrated Framework



Annual Service Reports (ASR) now provide a holistic statement of service, context for delivery, change and improvement priorities and progress and outcomes in relation to strategic objectives and resources.

Fife Council has also introduced self-assessments of its performance against each of the Best Value themes. These assessments include 16 Best Value Performance Indicators (BVPIs) which help to evaluate how well the council is doing in delivering Best Value. Having initially used existing information already gathered for audit purposes, work now draws on wider reviews and more actively involves leaders and partners. Our approach was highlighted as a good example for self-assessment by Audit Scotland.

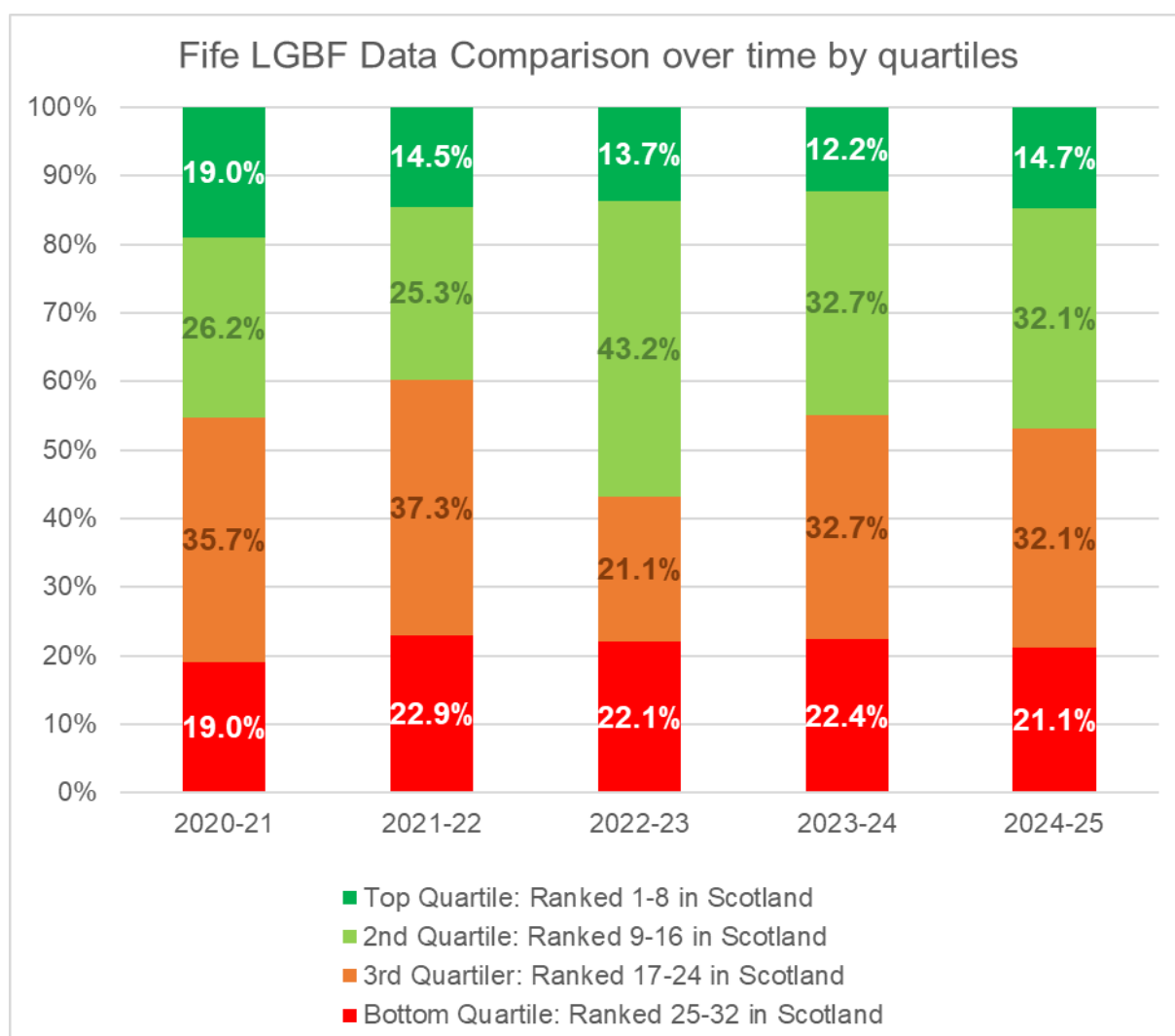
Fife's overall performance has remained consistent year on year, with a recent improvement compared to the previous year. Since 2010-11 (base year), Fife has improved its performance on

68 (63%) of LGBF indicators. Overall, from 2023-24 to 2024-25, Fife recorded improvements in 53 (48%) LGBF indicators, no change in 22 (20%), and declines in 35 (32%).

How Fife Compares 2024 -25

An overall comparison of LGBF performance across all 32 Scottish councils shows that Fife continues to experience normal year-to-year variation in the proportion of indicators placed within the top two quartiles. For 2024–25, Fife currently has **46.8%** of indicators in the top two quartiles, **32.1%** in the third quartile, and **21.1%** in the bottom quartile.

The table below demonstrates that overall performance has remained consistent year on year, with an increase in proportion of indicators in the top two quartiles compared to the previous year. However, interpretation of the data should be approached with caution. A number of factors influence the completeness and comparability of the dataset each year, including delays in national publication, gaps in data availability, and the fact that some indicators are only collected biennially. These limitations mean that changes in performance should be considered within the wider context of data quality and timing.



Corporate Services Overall performance is strong in equality, financial management, customer responsiveness and payments, with improvements against national and peer benchmarks. However, the declining suitability of operational buildings presents a key risk. Workforce absence remains a challenge, with non-teaching staff sickness absence unchanged and continuing to underperform against comparators, while teacher absence has improved slightly and is now in line with the Family Group, though still below the Scotland average.	Economic Development Economic development activity is delivering clear progress in employment and business support and economic growth, alongside improving wage standards. However, town centre decline, lower relative investment, and an increase in the number and rate of people claiming out-of-work benefits highlight ongoing structural challenges that may constrain inclusive economic growth without targeted intervention.
Culture and Leisure Services While the costs of culture and leisure services have improved (apart from parks and open spaces), this has coincided with a slight fall in user satisfaction, most notably in parks and open spaces. While performance generally remains stronger than peer and national averages, the trend highlights growing pressure to balance cost savings with service quality.	Environmental Services Environmental services show generally strong cost control, stable service quality, and rising public satisfaction, particularly for refuse collection. However, increasing waste costs, lower recycling rates, and higher street cleaning costs highlight priority areas for improvement to support long-term sustainability and environmental outcomes.
Children's Services Education performance is improving gradually with positive destinations now above the Scottish average. However, measures for higher attaining pupils remain below Family Group and Scotland, with rising early years costs, ongoing attainment gaps, and increasing exclusions highlighting the need for targeted action. Participation rates remain below the Family Group and Scottish average. Children's services show strong performance in community-based care, developmental outcomes and child protection, supported by improving residential cost efficiency. Persistently high levels of child poverty and increasing levels of Additional Support Needs among pupils remain a significant challenge that present risks for longer-term outcomes and requires sustained cross-service focus.	Adult Social Work Services Adult Social Work services continue to demonstrate a mixed performance, reflecting sustained pressures across the wider Health and Social Care system. Home care costs are rising, despite reductions relative to both the family group and the Scottish average. Residential care costs for people aged 65+ have decreased from the previous year; however, they remain above both comparator groups, continuing a trend observed since 2017-18. Encouragingly, levels of personal care at home are being maintained. Satisfaction outcomes have improved, with a higher proportion of adults reporting that services positively impact their quality of life and support independent living, exceeding both family group and national averages. Hospital flow remains challenging. Readmission rates are static, while delayed discharge performance continues to significantly outperform comparator areas.

Housing Services	Financial sustainability
Housing services performance has strengthened, with improvements in rent arrears and faster completion of non-emergency repairs, both now outperforming the Family Group and Scotland. The proportion of council dwellings meeting the Scottish Housing Quality Standard has remained stable and continues to exceed comparator benchmarks. Performance in managing rent loss from empty properties has been maintained, doing better than the Scotland average, although slightly below the Family Group.	Total usable reserves are falling year on year as part of a planned approach and are now below both the Family Group and Scotland averages. While the uncommitted General Fund balance has improved, it remains below the Family Group and in line with the Scottish average and Council Policy. Financing costs within the Housing Revenue Account have increased, when compared with previous years due to ambitious investment plans but leading to higher costs than comparators. Positively, reliance on reserves as a proportion of net expenditure has continued to improve and remains in the top quartile, meaning that reserves were not required to close the budget gap.
Tackling Climate Change	
There is clear evidence of long-term improvement and sector-level progress in tackling climate change, but the recent rise in per-capita emissions highlights the need to strengthen and accelerate action to close the gap with Family Group and national performance.	

4. Acknowledgements

Thanks to all elected members and officers of the Council for their active support and co-operation in the effective management of the Council's finances during what has been another considerably challenging year.

The production of these statements is very much a team effort and once again the accounts were completed by the statutory deadline. We would like to thank all employees who were involved in the preparation of the accounts, both within Finance & Corporate Services and other Directorates, for their effort in achieving this deadline once again.

Councillor David Ross
Leader of Council

Ken Gourlay
Chief Executive

Elaine Muir FCCA
Executive Director Finance
and Corporate Services

1.0 Annual Governance Statement – Introduction

- 1.1 Fife Council is accountable to the public and other stakeholders for ensuring it has a sound system of governance. The Council is required to prepare and publish an annual governance statement (AGS) in accordance with statutory regulations.
- 1.2 The AGS is consistent with the principles of good governance set out in Delivering Good Governance in Local Government: Framework (Governance Framework) (CIPFA (Chartered Institute of Public Finance and Accountancy) and Solace (Society of Local Authority Chief Executives), 2016). Fife Council's Code of Corporate Governance is based on this framework. This AGS includes the result of a review of the effectiveness of the Council's system of governance and internal control and provides assurance on whether the authority's arrangements are fit for purpose.
- 1.3 Why is governance important? CIPFA states that the quality of governance arrangements is of paramount importance to enable Councils to make decisions with high-quality information, and with a good understanding of risk. Robust and trusted decisions are built from engagement with communities and stakeholders and with a focus on the public interest. In addition, Councils need confidence that their governance supports the effective implementation of those decisions, and that they have sufficient assurance to inform their understanding. Ensuring adequate capacity, capability and leadership are fundamental, together with a focus on longer-term planning rather than short-term fixes.
- 1.4 Why prepare an AGS? In addition to the statutory requirements, the AGS process is an opportunity to undertake a rigorous annual assessment of governance and consider whether it truly is fit for purpose. There is benefit to the review taking into account not just current demands but also anticipated challenges and Fife Council has included that consideration in this AGS.

2.0 Fife Council structure

- 2.1 The Council is made up of 75 elected members across 22 wards with the Scottish Labour Party forming a minority administration. Cllr David Ross is the Leader of the Council. Six strategic spokespeople cover broad portfolios of Council services, linking with Executive Directors who oversee the following Councils: Education, Communities, Place and Finance & Corporate Services. This year saw several changes in the political balance of the Council and the creation of two new political groups within Fife Council – Reform UK and Fife Independent Group (FIG).
- 2.2 The Council's structure of governance is based on a Cabinet Committee and four Council service themed scrutiny committees. The Cabinet Committee plays a key role in governance and decision making. The function of the Cabinet Committee is to set the strategic and policy direction of the Council and take all major policy and resource decisions on its behalf. The Council also constituted a Standards, Audit and Risk Committee (SARC) which has the delegated authority to support the Council in its responsibilities for risk management, governance, and control. The SARC seeks assurance that an effective system of risk management and internal control is maintained. The SARC also has a role in the application of standards matters across the Council, and the Council's performance in complaints and freedom of information.

2.3 The Directors and Chief Executive, together with the Chief Officer for the Health & Social Care Partnership, meet as the Corporate Executive Team. This March saw the retirement of the Executive Director for Finance and Corporate Services (also the section 95 officer). The recruitment exercise (December 2025) for a new Executive Director was successful, with the then current Head of Finance promoted to the Director role. There was a period of transition of several months, allowing a smooth hand over.

3.0 Fife Council's Code of Corporate Governance (the Code)

3.1 CIPFA and SOLACE recommend that authorities adopt a Local Code of Governance which sets out their governance arrangements and demonstrates how governance principles are applied in practice. Fife Council's Code, available on [here](#), aligns clearly with the principles set out in the *Delivering Good Governance in Local Government Framework*, including a diagrammatic representation of the Framework at the outset.

3.2 The Council's Code follows the structure of the framework, summarising the Council's approach to each of the core and supporting principles. Where possible, the evidence provided for each sub principle is dated and supported by hyperlinks to the relevant documents. The Code is reviewed regularly and was most recently updated in November 2025. This review took account of revised CIPFA guidance on the content of governance codes, as well as findings from a recent internal audit of the Council's governance arrangements. The review process was considered by the Corporate Governance Working Group, and the revised Code was subsequently approved by the Standards, Audit and Risk Committee (SARC).

4.0 Executive Summary

4.1 While 2025-26 has been another challenging year for the Council, the focus remained on delivery of the Plan for Fife, ensuring that support was provided to communities, individuals and businesses whilst safeguarding the Council's financial sustainability and maintaining operational service delivery. We consider that the governance, risk management and internal control environment in place within 2025-26 operated effectively and that the AGS process can provide reasonable assurance to the public that the governance arrangements supported the delivery of the Council's outcomes.

4.2 We have continued to improve our approach to the AGS process to ensure that it is fit for purpose and we have made good progress in delivering on the improvement actions identified in last year's improvement plan. There are some themes of improvement that are continuing, and some new themes and improvement actions that have been identified. The new action plan, around the themes of Workforce, Leadership, Performance, Fraud, Financial Management, Change, Data, Governance, Consultation and Public Engagement are planned to ensure continued good governance across the Council. We are satisfied that the actions highlighted in this statement reflect the Council's commitment to continuous improvement and once implemented, will further enhance our corporate governance, risk management and internal control arrangements.

5.0 Key Statement

5.1 We have been advised on the result of the review of the effectiveness of the governance framework by the processes and procedures outlined in this AGS and that the Council's governance arrangements continue to be regarded as fit for purpose and in accordance with the Code and good practice. We are also clear that the Council's financial management arrangements conform to the governance requirements of the Chartered Institute of Public

6.0 AGS – the process

- 6.1 Fife Council has put in place appropriate management and reporting arrangements to enable it to satisfy itself that its approach to corporate governance and the AGS is both adequate and effective in practice.
- 6.2 The Executive Director of Finance and Corporate Services has been appointed to oversee the implementation, and monitor the operation, of the Code and to review the operation of the Code in practice. In addition, the Executive Director chairs the Corporate Governance Group which has responsibility to input to and review the AGS assurance process and to consider the improvement themes.
- 6.3 Fife Council's approach to conducting its annual review of the effectiveness of its governance framework including risk management and the system of internal control is informed by a number of different perspectives. This includes:
- The work of the executive Directors and managers within the authority who have responsibility for the development and maintenance of the governance environment which they report on through their annual assurance statements – further detail provided below
 - The ALEOs (Arm's-Length External Organisation) /Trust Assurance Framework, which has been enhanced and is now the same as the approach followed by the Council.
 - Any comments made by external auditors, other review agencies and external scrutiny bodies.
 - The work of the risk management strategy group.
 - The assurance available through other boards and governance structures, such as the ICT Governance Board, Digital Portfolio Board and Change Board.
 - Feedback from elected members and committees carrying out their scrutiny role.
 - Issues considered by the Standards, Audit and Risk Committee.
 - Best value assessments.
 - The internal audit review of the corporate governance framework – reported to the Standards Audit and Risk Committee in June 2025.
- 6.4 The current approach to the annual assurance process which informs the AGS was agreed by the Standards and Audit Committee in 2019 but has been developed significantly since then. A key factor in developing the process was to encourage a more rounded, qualitative approach. The Corporate Governance Group was established within 2021 to review corporate governance arrangements on an ongoing basis, and this group has continued to develop its approach, including maintaining a detailed action plan of improvement to the assurance process.
- 6.5 The approach was further enhanced during 2024-25, with the introduction of a new Local Code of Corporate Governance Checklist comprising 91 statements directly linked to the CIPFA Delivering Good Governance Framework and related Scottish guidance with the Council's evidence framework mapped across onto the template. In the Council, checklists are considered/completed by executive Directors in conjunction with their Council Leadership Teams. This approach was rolled out to Council ALEOs, each of which completed and returned their checklists as part of the current year end process embedding the process which has been refined since it was introduced in 2024. The approach is intended to consider the views of Councils along with a more corporate assessment of the way in which the Council's governance arrangements are operating. Completion of the checklists by each Council and the ALEOs provides a comprehensive source of assurance,

helping to identify areas of good practice that can be shared, as well as areas requiring improvement (at a Council and corporate level). The corporate governance improvement themes captured as part of this process have been included in this statement.

- 6.6 Once considered by the group, the themes were reviewed by the Corporate Leadership Team (this was a new part of the process for 2024-25). The Corporate Governance group comprises representatives from every Council across the Council and officers from the internal audit and risk management team.
- 6.7 Audit and Risk Management Services provides another important source of information to inform the AGS. The internal audit function for Fife Council operates in accordance with the Global Internal Audit Standards in the UK Public Sector, which came into effect from 1 April 2025 and the Local Authority Accounts (Scotland) Regulations 2014. Work has been undertaken during 2025-26 to support alignment with the new standards. The Service Manager, Audit and Risk Management Services provides an annual report to the Members of Fife Council, Chief Executive and Executive Director of Finance and Corporate Services, including the internal audit overall conclusion on the adequacy and effectiveness of the organisation's governance, risk management and control framework. For the year to 31 March 2026, the overall conclusion reached is that reasonable assurance can be placed upon the adequacy and effectiveness of the Council's framework of governance, risk management and control.

All internal audit reports are issued to the:

- Standards, Audit and Risk Committee and, from 2023-24, convenors of the Council's Scrutiny Committees.
- Chief Executive, Executive Director of Finance and Corporate Services, appropriate Executive Director and the wider Council Executive Team.
- Head of Finance and other relevant Head(s) of Service.
- Head of Legal & Democratic Services and Service Manager - Change & Improvement.
- External Auditor, Azets.

- 6.8 The AGS is subject to external audit review to consider whether the AGS is prepared in accordance with the Delivering Good Governance in Local Government Framework and the CIPFA Accounting Code of Practice. New CIPFA guidance on the recommended approach to the preparation of an AGS was published in 2025 for the preparation of the 2025-26 process. There is still further opportunity for development in this area including – assurance from elected members, for example:

- Reports from committee chairs;
- Improved performance and data reports (including benchmarking) that demonstrate how well the authority has met its objectives and managed its resources;
- Self-assessments against best practice guidance that underpin the core arrangements, such as the Code of Practice on Good Governance for Local Authority Statutory Officers or the Financial Management Code; and
- Outcomes from relevant stakeholder engagement exercises.

- 6.9 However, it should be noted that a sound system of Corporate Governance, risk management and internal control provides only reasonable, but not absolute, assurance that the Council will not be hindered in achieving its objectives or in the orderly and legitimate conduct of its business. A system of corporate governance, risk management and internal control cannot provide protection with certainty against material errors, losses, fraud, or breaches of laws or regulations; however, it can greatly mitigate the risk(s).

7.0 Evaluation

Our assessment of effectiveness

- 7.1 The review of effectiveness is an important process in considering whether the Council's arrangements are adequately aligned to support the authority's delivery of planned outcomes and meet its responsibilities for value for money and best value and whether arrangements are in place and operating effectively, to support and deliver each of the principles of good governance. The Council has a good process in place to undertake that review, through the corporate governance group. The process continues to develop year on year.
- 7.2 The Council has considered the operation of the Code as part of its evaluation. The Council intends to build on, as part of the scheduled autumn review of the Code, the previous approach where the core governance documents that sit within the Code are mapped against the framework so that evaluation against the Code can be undertaken more effectively.

How we have improved our governance arrangements in 2025-26

- 7.3 In addition to those themed areas of improvement set out in the action plan below, there have been a number of governance developments during the year 2025-26.

Budget

- 7.4 The Council set its budget in February 2025, but it was noted that the Council is operating in a heightened level of future financial risk and uncertainty. A review of the Council's budget assumptions had been undertaken, and it was noted that there was a level of uncertainty around the assumptions from 2027-28 particularly over future funding and the level of future pay awards and that this carries a degree of risk. The Council has been able to balance its budget in recent years despite challenging settlements, and the future financial sustainability of the Council is of significant concern given the potential risk to core funding and the overall financial outlook.
- 7.5 Budget setting builds on the Council's Medium Term Financial Strategy and its refreshed Capital Plan and this approach will continue to be important given the challenge to the Council's financial position during the year as economic conditions meant the organisation was dealing with the lingering impacts of high inflation and impact on increased demand for Council Services. The Council finances may be more challenged going forward as increasing levels of savings will need to be delivered and some of the corporate mitigations applied over the last few years are no longer be available. Strong financial management will be required to control and contain costs where possible. In particular, there is financial risk linked to increasing demand in the Health & Social Care Partnership and uncertainty relating to any impact of equal pay claims.

Council decision making

- 7.6 Full Council met regularly, providing a forum for political debate, scrutiny and decision making. After initially deferring the paper, full Council considered and then approved revised Standing Orders, List of Officer Powers and List of Committee Powers in March 2026, following a review which was led by an elected member working group. Full Council also completed a review of the scheme of establishment for community Councils in December 2025, following extensive stakeholder engagement through the community Council review process.

7.7 Cabinet Committee continued to meet approximately four weekly – taking all strategic decisions not reserved to full Council. It also continued to monitor and control the Council's capital and revenue expenditure, approving the Treasury Management Strategy and the Capital Strategy 2025-28 and receiving regular budget updates throughout the course of the year. Cabinet Committee also received updates on important strands of work and approved several policies and strategies as noted below

- The Cabinet Committee considered a report by the Chief Executive providing an update on change planning which built on recent work to develop three year forward plans for change and improvement in line with the medium-term financial position and Plan for Fife ambitions.
- The Cabinet Committee received a paper on proposals to consider a potential Fife Transient Visitor and Cruise Levy and the committee agreed to develop proposals around this and undertake the necessary consultation; this work may be considered in future budget setting discussions.
- There was a continued focus on responding to the Housing Emergency as this has been identified as a high risk for the Council, with reports including the Allocations Policy Review and the Houses in Multiple Occupation (HMO) Overprovision policy update. It is accepted that some of these policy changes will take some time to implement. The committee also considered a report outlining the proposed policy and delivery for the next three years of the Fife Affordable Housing Programme (AHP) and a report concerning an application to access the second phase of Housing Infrastructure Funding to support the continued delivery of Strategic Transport Intervention Measures which were required to support the scale of planned growth across the City of Dunfermline.
- The committee considered a report outlining an ambitious plan to transform the Children and Families Service with a renewed focus on prevention and early intervention. The strategy titled "Families First" sought to support families earlier with a range of creative and support interventions across communities and in partnership with key stakeholders in local areas. The strategy aligned with the service changes across Housing, Communities and Customer Services and was key to embedding a tertiary of services as part of No Wrong Door.
- The committee considered a report outlining activity aiming to strategically realign leisure, culture and community services to be more resilient, inclusive and community led. The report sought to build on recent recovery efforts while addressing challenges such as ageing infrastructure and changing usage patterns. The overarching goal was to embed leisure within broader wellbeing and placemaking strategies tackling inequalities.
- The committee considered a report providing an update on the announcement from the UK Government regarding the allocation of Pride in Place Programme (PIPP) funding to Methil and Buckhaven and the West Fife Villages. The paper sought approval for the appointment of Neighbour Board Chairs and the formation of Neighbourhood Boards in each area overseeing and directing investment from the £20 million PIPP Fund for each area, ensuring effective and transparent governance and delivery of projects.
- The Committee received a report on the delivery of the Council's Workforce Strategy "Our People Matter (OPM)" 2022-2025 and its position at the close of its third and final year. The report also presented the People Plan and Workforce Strategy 2025-2028 which was placed within the context of a wider corporate approach to workforce planning.
- During the course of 2025, a sitting elected member was convicted of sexual offences and in response the Cabinet Committee commissioned an independent report from Brodies LLP on wellbeing and safeguarding with a formal officer response to the recommendations set out in the Brodies Report, to be considered at a future meeting of the Cabinet Committee.

- 7.8 The Scrutiny committees continue to consider inspection outcomes., including reports from the Care Inspectorate and Education Scotland. The scrutiny committees continue to develop their workplans, using horizon scanning approaches and considering how they might best consider areas where performance improvement could make the biggest impact.
- 7.9 The Standards Audit and Risk Committee continued to received reports on areas appropriate to its remit across audit, fraud, complaints, information requests, data protection and risk. The Committee also received a comprehensive report on an update on the Global Internal Audit Standards (GIAS) and related framework, which came into effect on 1 April 2025, and the revised Internal Audit Charter for approval.
- 7.10 Finally, the important work of the seven Area Committees assists the Council in maintaining its focus on local decision making.

Best Value Report – Accounts Commission February 2025

- 7.11 In February 2025 the Accounts Commission published its Best Value Report on Fife Council. It recognised that Fife Council has been able to deliver services without having to make significant reduction in service costs in recent years, but that there is now change required. It also recognised that performance in delivering services is mixed, with service deterioration in key services such as social care, together with large overspends in this area. Whilst the Best Value report emphasised the significance of the scale of future financial pressure, the Council took a medium-term approach to setting the revenue budget and the decisions taken in February 2026, brought the estimated budget gap for 2027-28, down from £28.546m to £8.450m.
- 7.12 The Commission recognised that the Council has strong foundations, including strong engagement with local communities. The Council's innovative approach to workforce challenges was recognised, as was its developing three-year change plan process. Further work has continued this year, as set out below, responding to the Commission's findings.

Update on Action plan for 2025-26

- 7.13 Last year the Council set out an action plan to address the governance issues identified in the previous year's statement. The action plan has now been updated with a summary of the activity undertaken in the year 2025-26 and each action also notes whether the theme will continue to be addressed in the action plan for 2025-26 as further work is required. The action plans are themed at a high level and the 'planned' actions are not all designed to be tracked through the AGS, however where there are specific actions which have arisen as a result of the self-assessment process these are tracked by the corporate governance group. This group will review and monitor progress on a quarterly basis throughout the year to ensure appropriate actions are taken forward. A detailed action plan, containing all Council actions, along with responsible officers and implementation dates will assist the corporate governance group with the monitoring process.

Workforce (absence)

Issue: Reduce working days lost and improve our position as a local authority against the Statutory Performance Indicators.

Responsible Officer: Head of Human Resources

Action Planned within 2025-26:

- Integrated Attendance Procedure Ongoing
- Early engagement with absent employees (targeted pilot areas).
- Enhancing managers' knowledge and understanding of absence procedures, as well as increasing their skills and confidence in managing employee absence - ongoing

Workforce (absence) continued

- Data Reporting & Insights, developing reports from Oracle Fusion Data Intelligence to access previously inaccessible data, enabling hotspot identification and targeted interventions – not progressed as in house solution via Oracle reporting identified..
- Continue to promote wellbeing initiatives.
- Physical Wellbeing Pilot Review.
- Develop and deploy new wellbeing learning inputs (Neurodivergence, Resilience & Healthy Ageing).
- Manage Mentally Healthy Workplace Trainers and the deployment of training for managers.
- Grow Fife Wellbeing forum to include third sector representation.
- Work with Directorates to understand and improve employee engagement barriers -not yet complete.
- Review of occupational health referrals and updated guidance for managers
- Long-term sickness strategy development.
- Working with the research team and our NHS partners to consider population health across Fife and contributing factors impacting current absence levels.
- Working Group to be established with Fife GP Practices to look at ways to reduce timeframes in obtaining FME.
- Collaborative occupational health contract agreed for all LAs - implementation to be considered at the end of the current contract term.

Progress update within 2025-26:

The following improvements were made in 2025-26:

- Collaborative works continues to implement an integrated attendance procedure across all staff groups.
- Training Material was made available on the Intranet to support this area of work.
- There was a focus on enhancing managers' knowledge and understanding of absence procedures, as well as increasing their skills and confidence in managing employee absence The Attendance Support Unit have been providing absence training courses which are available to book online. For areas with high absence levels, bespoke training has been offered.
- Occupational health referrals processes have been reviewed and implemented. Revised guidance was developed and available on the Intranet.
- The strategy in the Attendance Support Unit has been developed to focus on long term sickness absence, which accounts for the greatest Working Days Lost across all areas of the Council.
- Working with the research & insights team has allowed the service to consider what other external factors are impacting on current absence levels across the Fife. An HR working group has been established to examine workforce health inequalities, reviewing existing wellbeing interventions and identify additional approaches to reducing absence linked to mental health, stress and MSK.
- Fife Council signed up to Scotland Excel Collaborative Occupational Health Contract commencing on 1st April 2026.
- Access to Workforce reports through the Oracle reporting tool provides specific reports for Managers and HR.
- A range of activities and sessions incorporating wellbeing initiatives have been delivered and are planned.
- Physical Wellbeing Pilot Review completed in March 26 demonstrated that insufficient data/evidence was available due to the small number of pilot participants.
- New wellbeing learning inputs (i.e. Neurodivergence, Resilience & Healthy Ageing) were developed and piloted in a range of Teams/Services across the Council.

Workforce (absence) continued

- Ongoing management, recruitment and support for Mentally Healthy Workplace Trainers network was put in place, as well as accessibility improvements made to the delivery of Mentally Healthy Workplace training for managers.
- Place Directorate collaborative enquiry work took place during Summer/Autumn 2025 as a follow up to Heart Beat 2 survey results, a starting point in journey to inform improvements in Heart Beat 3 questions/approach with a view to enhancing 'hard to reach' staff engagement.

This theme will continue on to next action plan.

Leadership

Issue: Development of leadership skills and capacity of officers to ensure effective leadership to respond successfully to changing demands and risks

Responsible Officer: Head of Human Resources

Action Planned within 2025-26:

- Quarterly Council Leadership Team and Extended Council Leadership Team Meetings.
- Continued delivery of the First Line Managers (FLM) Development Programme (120 places in both calendar years of 2025 and 2026).
- Coach approach training.
- Leadership for Change Development Programme – places for 100 Service Managers/Heads of Service.
- Executive coaching/mentoring offering for Chief Officers – not yet complete.
- Digital Mindset Training for Leaders – not yet complete.
- Insights Discovery sessions for First Line Managers (who have completed the FLM Programme) and teams/leaders.
- Support as required for the development and commissioning of bespoke leadership development for Services/Councils.
- Explore with partners organisational development opportunities.
- Continued participation in national groups exploring options for collaborative leadership development activities across Councils.

Progress update within 2025-26:

- Quarterly Council Leadership Team and Extended Council Leadership Team Meetings have taken place during 2025-26.
- The First Line Manager Training 2025 Evaluation Summary was prepared.
- The HR service led on Keep in Touch sessions and 5 Thematic Coach Approach Sessions have been delivered throughout 2025 with very positive feedback.
- The Leadership for Change Development Programme allocated places for 100 Service Managers/Heads of Service on 'Braver Than Before' programme running between October 2025 - March 2026'.
- Planning commenced for pilot Executive coaching/mentoring offering Chief Officers
- Digital Mindset Training for Leaders. Programme has been developed for Fife and will be delivered in 2026-27.
- Insights Discovery sessions for First Line Managers (who have completed the First Line Managers Programme) were offered in Autumn 2025.
- All requests to date for support in commissioning bespoke leadership development/coaching for Services/Directorates have been fulfilled successfully.
- Ongoing participation in the national Improvement Service Organisational Development Network enables opportunities for sharing best practice/partner organisational development working.
- There has been continued participation in national groups exploring options for collaborative leadership development activities across Directorates .

This theme will continue on to next action plan.

Performance

Issue: Integrate service planning, change planning and annual reporting through scrutiny committees and further improve performance management practice, assessment and analysis.

Responsible Officer: Manager, Policy & Communications

Action Planned within 2025-26:

- Continue to develop the integrated planning and performance model, aligning key business processes and strengthening the focus on data and insight led outcomes – not yet complete.
- Extend the use and coordination of corporate and service analysis and reporting to support strategic decision-making – not yet complete.
- Improve reporting formats further, including Annual Service Reviews, to set change priorities and progress in the context of service delivery, performance analysis, resources and risks.
- Extend engagement with elected members, enhance support for scrutiny and encourage involvement in the design of the emerging new systems.
- Improve the use of dashboards to inform performance management and cross-cutting analysis – not yet complete.
- Review and implement new direction on Statutory Performance Indicators.
- Develop community planning and governance through the design of the Plan for Fife 2027, linking associated strategy including the next local development plan in 2028 – not yet complete.
- Explore opportunities to strengthen self-assessment practice across the organisation.

Progress update within 2025-26:

- Integrated planning, performance, change and investment model will be further embedded. This includes stronger links to change plan priorities, better progress reporting, the introduction of an independent review process and ongoing further improvement to Annual Service Reviews for 2026. Continued update to online performance pages to ensure timely information. The service will explore options for a bespoke LGBF (Local Government Benchmarking Framework) dashboard with the Improvement Service.
- Corporate Assessment cycle will now be embedded on a quarterly basis. Ideagen dashboards have been developed for all services.
- Approval of corporate timetable at CET (Corporate Executive Team).
- Annual Service Review Report revised and updated in 2025-26.
- Annual Service Review Report and Public Performance Report approach revised and implemented in 2025-26.
- Engagement with elected members taken place on 2025-26 Best Value Assessment.
- Dashboards developed for all Services. Corporate change dashboard presented to Reform Board monthly. Reporting working group to work throughout the first half of the year to give a sample integrated dashboard.
- Ongoing compliance across Council Services with Statutory Performance Indicators Direction.
- Self-Assessment and Best Value Self-Assessment processes are in place and research into national frameworks will continue in 2026.

This theme will continue on to the next action plan.

Fraud Governance

Issue: The Council's fraud governance arrangements have improved during 2024-25, however further development is required during 2025-26.

Responsible Officer: Service Manager – Audit & Risk Management

Action Planned within 2025-26:

- New Corporate Fraud Lead Officer to be appointed.

Fraud Governance) continued

- Monitoring arrangements for the Corporate Fraud Improvement Plan will be established - not yet complete.
- Continued promotion of the Council's Whistleblowing Policy.
- Delivery of further corporate fraud awareness raising sessions, including whistleblowing.
- Finalisation of the Fraud Strategy and review of other fraud-related policies and procedures – not yet complete.
- Engage with Council ALEOs and provide corporate fraud advice and guidance as appropriate not yet complete.

Progress update within 2025-26:

- Corporate Fraud Lead Officer has been appointed and in post 4th August 2025.
- The improvement plan has been compiled and reviewed by Management. Progress towards completion of the corporate fraud improvement plan is monitored operationally through 1-2-1's with the Corporate Fraud Lead Officer. Further monitoring arrangements will be established in due course.
- Promotion of the Council's Whistleblowing Policy is an ongoing improvement action. The Council's Whistleblowing Policy is in the process of being updated and will be reported to committee in due course.
- Continuously delivering awareness raising sessions.
- Strategy has been compiled by the Corporate Fraud Lead Officer and reviewed by Service Manager Audit & Risk Management. The strategy has since been updated to reflect the review points and will be finalised in due course. Plan to submit to CET for senior management review and approval.
- Engage with Council ALEOs and provide corporate fraud advice and guidance as appropriate is an action that will be taken forward to 2026-27.

This theme will continue on to next action plan.

Financial Management

Issue: Focus on delivering agreed savings and managing overspends

Responsible Officer: Head of Finance

Action Planned within 2025-26:

- As savings were approved as part of the budget for 2025-26, Directorates will be responsible for ensuring that the savings are delivered and that overall budgets are managed. Budget holders now have access to self-service forecasts, which was rolled out during 2024-25. This enables budget holders to review their own financial data rather than relying on spreadsheets being sent from Finance. A savings tracker will also be used throughout 2025-26 which will allow reporting on delivery of savings to both Cabinet and Scrutiny committees.
- Executive Directors will again be asked to work within the resource envelope provided in the budget and forecasts and any necessary mitigating actions will be scrutinised by both the Cabinet Committee and in more detail by Scrutiny Committees.
- It is recognised that there is a higher level of inherent financial risk within the Health and Social Care Partnership. As a result, monthly finance meetings will continue to take place with senior staff across the Council, IJB (Integration Joint Board) and Health. For 2025-26 there will be a focus on volatile budgets and the levels of demand in the system. In addition, grip and control measures ensuring the continued scrutiny of care packages will be in place. Delivery of savings will be a key priority, and a recruitment panel will continue to scrutinise the filling of vacant posts.

Progress update within 2025-26:

- Meetings have continued to take place with the IJB throughout the year with regular meetings with Directors of Finance and Tripartite meetings with Chief Executive.
- Savings trackers were shared with relevant committees throughout the year and will be also be shared in a final outturn report.

Financial Management continued

- Whilst the position is an underspend overall for 2025-26, strong financial management will still be needed as the requirement to deliver savings increases as we progress into 2026-27. Heightened risk remains within the IJB and this will be closely monitored in conjunction with partners.

This theme will continue on to the next plan.

Change

Issue: Improvements in change planning and reporting are required

Responsible Officer: Corporate Development Service Manager

Action Planned within 2025-26:

- To support the evolution of the single system for strategic planning, change, performance improvement and reporting, Cabinet Committee will continue to scrutinise strategic change progressed by Directorates through existing reporting arrangements. Where business cases and more specific updates are required, these will be reported separately to Cabinet where appropriate. E.g. examples of these being the work progressing on the Digital Programme business cases and the Children and Families Strategy.
- Progress against previous programmes of change has been assessed in this way via regular update reporting to Cabinet with ongoing review and monitoring through the Council's Executive Team (Reform Board). These arrangements have worked well, and a similar approach will be put in place going forward.

Progress update within 2025-26:

- Agreed by CET that revised template for Annual Service Review Reports (ASRR) covers planning, performance and change in the annual reporting.
- A further change update report was presented to the Cabinet Committee in June 2026.

This theme will continue on to next year's plan.

Data

Issue: the Council does not have a defined corporate approach to managing its data assets and this is essential if progress is to be made on digital transformation

Responsible Officer: Head of Legal and Democratic Services

Action Planned within 2025-26:

- Development and approval of a Data Strategy.
- Continued focus on preparing an Information Asset Register.
- Development of digital skills across the Council.
- Increasing the Council's data maturity level.

Progress update within 2025-26:

- Extensive work has been undertaken in developing the Data Strategy. This has included a small cross- Council working group of officers, a workshop which was externally facilitated, two surveys – one for those who manage data and another for those who make decisions based on data and a maturity assessment. A draft Data Strategy was prepared and considered and approved by CET on 18/02/2026.
- Progress continues to be made on developing the Council's Information Asset Register with a refresh of the Register for business-critical datasets. This work will continue and will be essential to support the development of the data strategy.
- The Dive into Digital 2026 event which focused on digital learning and skills was very successful. With more engagement and attendance, then ever before and supportive and positive feedback from around the Council. Particularly successful was our in-person session at Bankhead for staff who don't normally use PCs.
- The Council launched the Digital & Data Capabilities toolkit which is starting to gain traction around the Council.
- Also very positive was the implementation of Redwood learning in the Oracle system which is much more inclusive and user-friendly

Data continued

- The Council's data maturity assessment was in the autumn of 2024, and the Council was assessed as developing. The next step will be to move to systematic, and this will be facilitated by the Data Strategy.

This theme will continue on to the next action plan.

Governance

Issue: the Council will need to comply with revised guidance issued by CIPFA and recommendations made by internal audit regarding the AGS process

Responsible Officer: Head of Legal and Democratic Services

Action Planned within 2025-26:

- Review the AGS process to ensure that the Council takes into account the approach set out by CIPFA, with a particular emphasis on CIPFA's suggested approach to evaluation.
- Comply with internal audit recommendations to include an improved approach to considering third party regulatory assessments and the provision of training.

Progress update within 2025-26:

- Some progress has been made refining the AGS process but there are still areas for improvement. Internal Audit recommendations are either complete or in progress with a due date in 2026. Training was offered to all Council for the completion of the AGS.

This theme will not continue but improvements will continue to be reported in the AGS.

8.0 Suggested areas for improvement for 2026-27

- 8.1 When developing the action plan for the new year, the Corporate Governance Group considered the responses completed by Councils and ALEOs and cross referenced this to the Delivering Good Governance Framework.
- 8.2 The key themes that are continuing from the last action are similar to last year. Progress has been made in the last year against these themes, however given their importance it is considered necessary to continue the emphasis on improvement within these themes. A new theme added to the improvement plan this year is consultation and public engagement.
- 8.3 The following action plan is proposed for 2026-27.

Workforce (absence)

Issue: Continue to focus on reducing working days lost and our position as a local authority against the Statutory Performance Indicators.

Responsible Officer: Head of Human Resources

Action Planned within 2026 -27:

- Completing the roll out of an Integrated Attendance Procedure.
- Continuing early engagement with absent employees through targeted pilot areas.
- Enhancing managers' knowledge and understanding of absence procedures, as well as increasing their skills and confidence in managing employee absence.
- Data Reporting & Insights - developing reports from Oracle Fusion Data Intelligence to access previously inaccessible data, enabling hotspot identification and targeted interventions.
- Continuing to promote wellbeing initiatives.
- Developing, deploying and monitoring new wellbeing learning inputs (Neurodivergence, Resilience & Healthy Ageing).
- Continue to focus on managing Mentally Healthy Workplace Trainers and the deployment of training for managers.
- Working with Services to understand and improve employee engagement barriers.
- Continuing to work with the research team and our NHS partners to consider population health across Fife and contributing factors impacting current absence levels.

Leadership

Issue: Continue to develop leadership skills and capacity of officers to ensure effective leadership to respond successfully to changing demands and risks

Responsible Officer: Head of Human Resources

Action Planned within 2026-27:

- Continue and develop Quarterly Council Leadership Team and Extended Council Leadership Team Meetings. This work is being led by the Policy and Communications Team.
- Continue delivery of the First Line Managers (FLM) Development Programme.
- Continue Coach approach training.
- Leadership for Change Development Programme was delivered through Braver than Before and based on evaluation feedback a second cohort is proposed during 2026/27.
- Executive coaching/mentoring offering for Chief Officers – pilot will commence and be going for the duration of 2026/27.
- Deliver Digital Mindset Training for Leaders.
- Insights Discovery sessions based on evaluation feedback, further investment in this development tool and related activity is being proposed.
- Ongoing participation in the national Improvement Service Organisational Development Network enables opportunities for sharing best practice/ partner organisational development working and collaborative development opportunities. This will continue in 2026.

Performance

Issue: Integrate service planning, change planning and annual reporting through scrutiny committees and further improve performance management practice, assessment and analysis.

Responsible Officer: Manager, Policy & Communications

Action Planned within 2026-27:

- Continue to develop the integrated planning and performance model, aligning key business processes and strengthening the focus on data and insight led outcomes.
- Extend the use and coordination of corporate and service analysis and reporting to support strategic decision-making.
- Improve the use of dashboards to inform performance management and cross-cutting analysis.
- Develop community planning and governance through the design of the Plan for Fife 2027, linking associated strategy including the next local development plan in 2028.
- Integrated planning, performance, change and investment model will be further embedded. This will include stronger links to change plan priorities, better progress reporting, the introduction of an independent review process and ongoing further improvement to Annual Service Reviews for 2026.
- Corporate Assessment cycle is embedded on a quarterly basis. A performance indicator review will start in 2026.
- Materials for engagement developed in May 2026 with initial phase of partner leadership engagement starting in June 2026.
- Self-Assessment and Best Value Self-Assessment processes are in place and research into national frameworks will continue in 2026.

Fraud Governance

Issue: The Council's fraud governance arrangements have improved during 2025-26, however further development is required during 2026-27.

Responsible Officer: Service Manager – Audit & Risk Management

Action Planned within 2026-27:

- Monitoring arrangements for the Corporate Fraud Improvement Plan will be established.

Fraud Governance continued

- Finalisation of the Fraud Strategy and review of other fraud-related policies and procedures.
- Promotion of the Council's Whistleblowing Policy is an ongoing improvement action. The Council's Whistle Blowing Policy is in the process of being updated and will be reported to committee in due course.
- Continuously delivering awareness raising sessions.
- Engage with Council ALEOs and provide corporate fraud advice and guidance as appropriate is an action that will be taken forward to 2026-27.

Financial Management

Issue: Focus on financial sustainability and delivering agreed savings and strong financial management

Responsible Officer: Head of Finance

Action Planned within 2026-27:

- Directorates will be responsible for ensuring strong financial management and that savings are delivered and that overall budgets are managed. A savings tracker will also be used throughout 2026-27 which will allow reporting on delivery of savings to both Cabinet and Scrutiny committees.
- Executive Directors will again be asked to work within the resource envelope provided in the budget and any necessary mitigating actions will be scrutinised by both the Cabinet Committee and in more detail by Scrutiny Committees.
- It is recognised that there remains a higher level of inherent financial risk within the Health and Social Care Partnership. It is anticipated that the Integration Scheme will be reviewed in 2026-27 as it reaches its 5-year review cycle. This will create further discussion on the operation of the integration scheme.

Change

Issue: Improvements in change planning and reporting are required

Responsible Officer: Corporate Development Service Manager

Action Planned within 2026-27:

- Work will continue to progress on the revised Plan for Fife.
- Cabinet Committee will continue to scrutinise strategic change progressed by Councils through existing reporting arrangements. Where business cases and more specific updates are required, these will be reported separately to Cabinet where appropriate, following internal governance.
- The revised template for Annual Service Review Reports (ASSR), which covers planning, performance and change in the annual reporting will be launched.
- Further change update report will be presented to the Cabinet in June 2026.

Data

Issue: the Council does not have a defined corporate approach to managing its data assets and this is essential if progress is to be made on digital transformation

Responsible Officer: Head of Legal and Democratic Services

Action Planned within 2026-27:

- Development and approval of a Data Strategy.
- Continued focus on preparing an Information Asset Register.
- Increasing the Council's data maturity level.
- Extensive work has been undertaken in developing the Data Strategy. This has included a small cross- Council working group of officers, a workshop which was externally facilitated, two surveys – one for those who manage data and another for those who make decisions based on data and a maturity assessment. A draft Data Strategy was prepared and considered and approved by CET on 18/02/2026.
- Progress continues to be made on developing the Council's Information Asset Register with a refresh of the Register for business critical datasets. This work will continue and will be essential to support the development of the data strategy.

Data continued

- The Council's data maturity assessment was in the autumn of 2024 and the Council was assessed as developing. The next step will be to move to systematic, and this will be facilitated by the Data Strategy.

Consultation and Public Engagement

Issue: the Council needs to ensure it meets its statutory duties to consult and delivers on the priorities it has identified following public engagement

Responsible Officer: Manager – Communications & Customer Insights

Action Planned within 2026-27:

- embed use of national standards for community engagement and the council's approved online consultation platform across the organisation
- improve quality and consistency of published consultation feedback
- Build on public engagement through the budget consultation process

Councillor David Ross
Leader of the Council

Ken Gourlay
Chief Executive

1. The Local Authority Accounts (Scotland) Amendment Regulations 2011 (SSI No 2011/64) amended the Local Authority Accounts (Scotland) Regulations 1985 (SI No 1985/267) and requires local authorities in Scotland to prepare a Remuneration Report as part of their annual accounts. Information disclosed in Tables A to D of this Remuneration Report will be audited by the Council's external auditors. The other sections of the Report will be reviewed by Council's external auditors to ensure that they are consistent with the financial statements.

2. Councillors

The remuneration of councillors is regulated by the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007 (SSI No. 2007/183), and Local Governance (Scotland) Act 2004 (Remuneration) Amendment Regulations 2025 (SSI 2025/36). The Regulations provide for differing levels of remuneration for councillors depending on the positions they hold i.e. Council Leader, Civic Head (Provost), Senior Councillors or Councillors. The Council Leader and Provost cannot be the same person for the purposes of remuneration. A senior councillor is a councillor who holds a significant position of responsibility in the Council's political management structure.

The Regulations set out the maximum salary that may be paid to the Council Leader and Provost and it is Fife Council policy is to pay the Provost at 75% of the Council Leader's maximum salary.

The Regulations also set out the remuneration that may be paid to senior councillors and the total number of senior councillors the Council may have. The total yearly amount payable by the Council for remuneration of its senior councillors shall not exceed £679,965 and the maximum yearly amount that may be paid to a senior councillor is 75% of the total yearly amount payable to the Council Leader. The Council is able to exercise local flexibility in the determination of the precise number of senior councillors (up to a maximum of 19) and their salary within these maximum limits.

Table A details remuneration paid by the Council to its 19 senior councillors (totalling £670,623), and to the Leader and Provost. The Regulations also permit the Council to pay contributions or other payments as required to the Local Government Pension Scheme for councillors who elect to become councillor members of the scheme. Fife Council's governance arrangements structure and positions of responsibility, which encompasses the salaries of the Council Leader, Provost and Senior Councillors, was agreed at a meeting of the full Council on 19 May 2022.

Total salaries, allowances and expenses paid to all Councillors (including those above) is shown in the table below with details of the figures shown on the Fife Council website at this link; [Fife Council / Politicians and committees / Your local Councillors](#)

2024-25 £m		2025-26 £m
1.791	Salaries	2.180
0.040	Other Expenses and Allowances	0.043
1.831	Total	2.223

The Regulations also set out remuneration payable to councillors with the responsibility of a Convenor or Vice Convenor of a Joint Authority. For those members, the Regulations require the remuneration to be paid by the Council of which they are a member which includes any pension contributions to LGPS. The Council is reimbursed by the Joint Authority for any additional remuneration paid to those members.

3. Senior Employees

A senior employee is defined as being any local authority employee who meets at least one of these criteria:-;

- has responsibility for management of the local authority to the extent that the person has power to direct or control the major activities of the authority (including activities involving the expenditure of money), during the year to which the Report relates, whether solely or collectively with other persons;
- holds a post politically restricted by reason of section 2(1)(a),(b) or (c) of Local Government & Housing Act 1989
- has annual remuneration, including remuneration from a local authority subsidiary body, of £150,000 or more.

Senior employee salaries are set by reference to national arrangements. The Scottish Joint Negotiating Committee for Local Authority Services sets salaries for Chief Executives of Scottish local authorities and issued circular CO-155 - Chief Officials Salary Agreement to cover the period 1 April 2025 to 31 March 2027, but this circular was subsequently superseded by Industrial Relations Circular 11-25 which sets the salary for the Chief Executive of Fife Council for the period 1 November 2025 to 31 March 2026.

Executive Director pay is based on a Fife Council review of senior manager salaries by Sir Neil McIntosh following his review of Chief Executives' salaries at national level on behalf of COSLA (Convention of Scottish Local Authorities). The review took market forces, salaries in comparable authorities and reductions in overall Chief Official numbers into consideration. Posts at Executive Director level are only agreed by Committee.

Heads of Service and Senior Manager salaries are determined using Fife Council role criteria. The salary for each role is fixed at a point on the national spinal column. Any new Chief Officer posts below Executive Director level are evaluated and assessed by the Head of HR, approved by the Chief Executive under delegated Officer Powers and reported to Committee through Directorate Performance Reports. Appointment to Chief Officer posts at Tier 1 and 2 are subject to a recruitment process by the Council's Appointments Committee, unless there is a legal obligation to redeploy for redundancy or other statutory reason.

Remuneration policy of one of Fife Council's subsidiary bodies Business Gateway Fife is set by its own Board of Directors. Fife Council is represented on this board of five members by two officers. Fife Council has no direct influence on the determination of the remuneration policy. The other subsidiary bodies are encouraged to maintain grading links with Fife Council which evaluates posts for the Trust Boards when requested.

Details of senior employees for Fife Council and Subsidiary bodies are shown in Tables A & B.

4. Pensions Benefits

Pension benefits for employees and Councillors are provided through the Local Government Pension Scheme (LGPS), a funded scheme made up of contributions from employees and councillors and the employer. The LGPS in Scotland changed on 1 April 2015 from a final salary scheme to a career average revalued earnings (CARE) scheme. The scheme year runs from 1 April to 31 March. and all members, both employee and councillor, now build up a pension based on 1/49th of pensionable pay received in each scheme year. The normal pension age of the new scheme is linked to State Pension Age but with a minimum age of 65.

Pension benefits for employee members built up before 1 April 2015 are protected which means that membership built up to that date will continue to be based on final salary when the member retires or leaves.

Pension benefits for councillor members built up before 1 April 2015 will continue to be calculated using average pay over the whole period of scheme membership, including both pre and post 2015 membership. The councillor's pay for each year or part year ending 31 March (other than the pay in final year commencing 1 April) is increased by the increase in the cost of living, as measured by the appropriate index (or indices) between the end of that year and the last day of the month in which their membership of the scheme ends. The total of revalued pay is then divided by period of membership to calculate career average pay for the pre 2015 benefits.

From 1 April 2009 a five tier contribution system was introduced with contributions from scheme members based on how much pay falls into each tier. It is designed to give more equality between costs and benefits of scheme membership. Prior to 2009 contribution rates were set at 6% for all non-manual employees. From 1 April 2015, part time members' contribution rates are now based on actual pensionable pay as opposed to whole time pay.

Actual Pay 2024-25	Rate 2024-25	Actual Pay 2025-26	Rate 2025-26
Up to and including £27,000	5.50%	Up to and including £27,500	5.50%
Above £27,001 and up to £33,000	7.25%	Above £27,501 and up to £33,600	7.25%
Above £33,001 and up to £45,300	8.50%	Above £33,601 and up to £46,100	8.50%
Above £45,301 and up to £60,400	9.50%	Above £46,101 and up to £61,400	9.50%
Above £60,401	12.00%	Above £61,401	12.00%

The calculation of pension benefits for employee and Councillor members is as follows:

- For membership from date of joining the pension scheme to 31 March 2009 the accrual rate is 80ths
- For membership from 1 April 2009 to 31 March 2015 the accrual rate is 60ths
- For membership under the new CARE scheme from 1 April 2015 to date of retirement the accrual rate is 49ths

A pension lump sum is only automatically paid for scheme membership up to 31 March 2009 at an accrual rate of 3/80ths. Members may opt to give up (commute) pension for lump sum up to the limit set by the Finance Act 2004.

Value of accrued benefits is calculated on the basis of the age at which the person will first become entitled to receive a pension on retirement without reduction on account of its payment at that age; without exercising any option to commute pension entitlement into a lump sum; and without adjustment for the effects of future inflation.

The pension figures shown in Tables A & B relate to the benefits that the person has accrued as a consequence of; for councillors, their service as a councillor with Fife Council and any appropriate transfers into the scheme; for employees, their local government service, and not just their current appointment. These pension figures do not include McCloud Remedy provisional underpin amounts.

Table A- Fife Council

Name	Responsibility	Remuneration (Note 1)		Pension Benefits (Note 2)				
		Salary, Fees & Allowances		Employer's pension contributions		Accrued Pension Benefits		Change from 31/03/25
		2024-25 £	2025-26 £	2024-25 £	2025-26 £	at 31/03/26 £		
Senior Councillors								
David Ross	Leader of Council	49,810	60,779	-	-	Pension Lump Sum	-	-
Jim Leishman	Provost	37,360	45,585	8,032	9,801	Pension Lump Sum	16,000	3,000
Craig Walker	Convener: Glenrothes Area Committee (until 19.09.24) / Leader of Opposition (from 19.09.24)	29,352	35,780	6,311	7,693	Pension Lump Sum	6,000	-
Tom Adams	Chair Regulation & Licensing	29,352	35,780	6,311	7,693	Pension Lump Sum	3,000	1,000
David Barratt	Convener: South & West Fife Area Committee and West & Central Planning Committee	29,352	35,780	6,311	7,693	Pension Lump Sum	5,000	1,000
John Beare	Convener: Glenrothes Area Committee (from 02.10.24)	15,719 (fy 29,352)	35,780	3,380	7,693	Pension Lump Sum	10,000 2,000	1,000 -
Aude Boubaker-Calder	Convener: Environment, Transportation & Climate Change Scrutiny Committee (from 02.09.25)	-	20,649 (fy 35,780)	-	4,439	Pension Lump Sum	2,000	1,000
James Calder	Convener: City of Dunfermline Area Committee	29,352	35,780	6,311	7,693	Pension Lump Sum	5,000	1,000
Ian Cameron	Convener: Kirkcaldy Area Committee	29,352	35,780	6,311	7,693	Pension Lump Sum	5,000	1,000
Alex Campbell	Convener: Cowdenbeath Area Committee	29,352	35,780	-	-	Pension Lump Sum	-	-
Altany Craik	Spokesperson: Finance, Economy & Strategic Planning	29,352	35,780	6,311	7,693	Pension Lump Sum	9,000	1,000
Colin Davidson	Convener: Levenmouth Area Committee (until 11.11.25)	29,352	22,132 (fy 35,780)	6,311	4,758	Pension Lump Sum	5,000	1,000
Dave Dempsey	Convener: Standards, Audit and Risk Committee, Convener: Pensions Committee	29,352	35,780	6,311	7,693	Pension Lump Sum	18,000 3,000	3,000 1,000
Linda Erskine	Spokesperson: Communities & Leisure	29,352	35,780	6,311	7,693	Pension Lump Sum	13,000	3,000
Judy Hamilton (note 3)	Spokesperson: Housing & Building Services	31,000	43,864	6,671	9,478	Pension Lump Sum	13,000 5,000	2,000 -

Name	Responsibility	Remuneration (Note 1)		Pension Benefits (Note 2)				
		Salary, Fees & Allowances		Employer's pension contributions		Accrued Pension Benefits		Change from 31/03/25
		2024-25 £	2025-26 £	2024-25 £	2025-26 £	at 31/03/26 £		
Senior Councillors (continued)								
Cara Hilton	Spokesperson: Education	29,352	35,780	6,311	7,693	Pension Lump Sum	3,000 -	1,000 -
Gary Holt	Convener: People & Communities Scrutiny Committee (from 26.09.24)	15,883 (fy 29,352)	35,780	3,415	7,693	Pension Lump Sum	2,000 -	- -
Allan Knox	Convener: Finance, Economy & Corporate Services Scrutiny Committee	29,352	35,780	6,311	7,693	Pension Lump Sum	3,000 -	1,000 -
Jane Ann Liston	Convener: Environment, Transportation & Climate Change Scrutiny Committee (until 08.06.25)	29,352	6,758 (fy 35,780)	6,311	1,453	Pension Lump Sum	5,000 -	1,000 -
Kathleen Leslie	Convener Education Scrutiny Committee	29,352	35,780	6,311	7,693	Pension Lump Sum	5,000 -	1,000 -
Alistair Suttie	Convener: Levenmouth Area Committee (from 20.11.25)	-	12,824 (fy 35,780)	-	2,757	Pension Lump Sum	4,000 -	1,000 -
Jan Wincott	Spokesperson: Environment & Climate Change	29,352	35,780	6,311	7,693	Pension Lump Sum	7,000 -	1,000 -
Jonny Tepp	Convener: North East Area Committee & North East Planning Committee	29,352	35,780	6,311	7,693	Pension Lump Sum	5,000 -	1,000 -
	Total Senior Councillors (incl Council Leader & Provost)	619,404	785,071	116,163	148,081	Pension Lump Sum	144,000 10,000	26,000 1,000
Senior Employees								
Ken Gourlay (note 4)	Chief Executive	198,657	207,853	41,269	44,688	Pension Lump Sum	109,000 160,000	10,000 12,000
Carol Connolly	Executive Director Place	147,044	152,920	31,614	32,878	Pension Lump Sum	7,000 -	3,000 -
Michael Enston	Executive Director Communities	147,044	152,920	31,614	32,878	Pension Lump Sum	96,000 141,000	6,000 5,000
Donald Macleod	Executive Director Education (from 12.08.24)	93,464 (fy 147,044)	152,920	20,095	32,878	Pension Lump Sum	5,000 -	3,000 -
Elaine Muir	Executive Director Finance & Corporate Services (from 30.03.26)	-	838 (fy 152,920)	-	180	Pension Lump Sum	54,000 53,000	2,000 -
Eileen Rowand	Executive Director Finance & Corporate Services (until 29.03.26)	147,287	140,495 (fy 152,920)	31,614	30,175	Pension Lump Sum	76,000 81,000	4,000 2,000
James Ross	Head of Children & Families & Criminal Justice (Chief Social Work Officer from 27.05.24)	98,167 (fy 115,958)	120,591	21,106	25,927	Pension Lump Sum	4,000	2,000 -
	Total Senior Employees	831,663	928,537	177,312	199,604	Pension Lump Sum	351,000 435,000	30,000 19,000

Table B- Joint Initiative and Subsidiary Bodies - Senior Employees

	Responsibility	Organisation	Remuneration (Note 1)		Pension Benefits (Note 2)				
			Salary, Fees & Allowances		Employer's pension contributions		Accrued Pension Benefits at 31/03/26		Change from 31/03/25
			2024-25 £	2025-26 £	2024-25 £	2025-26 £	£	£	£
Lynne Garvey	Director-Health & Social Care	Health & Social Care Partnership (from 04.11.24) (Note 5)	51,883 (fy 112,210)	124,279	11,541	27,195	Pension Lump Sum	40,000 95,000	6,000 11,000
Heather Stuart	Chief Executive	Fife Cultural Trust	118,171	122,893	23,043	23,964	Pension Lump Sum	33,000 -	3,000 -
Emma Walker	Chief Executive	Fife Sport & Leisure Trust	109,441	113,808	16,939	17,616	Pension Lump Sum	14,000 -	3,000 -
Paul Murphy	Chief Executive	Fife Golf Trust	78,239	81,371	14,161	14,728	Pension Lump Sum	44,000 42,000	4,000 2,000
Jeremy Harris	Chief Executive	Fife Coast & Countryside Trust	77,879	81,138	14,669	15,254	Pension Lump Sum	11,000 -	2,000 -
Robin Baird	Chief Executive	Fife Resource Solutions LLP & CIRECO (Scotland) LLP	109,285	113,651	21,092	21,935	Pension Lump Sum	42,000 23,000	4,000 -
Fraser McKee	Senior Growth Adviser	Business Gateway	47,254	48,956	-	-	see Note 6		
	Total Joint Initiative and Subsidiary Bodies		592,152	686,096	101,445	120,692	Pension Lump Sum	184,000 160,000	22,000 13,000

Notes - Table A & Table B

Note 1 - Full year equivalent (fy) salaries are shown in brackets for those who started or left in the year.

Note 2 - The pension figures shown relate to benefits accrued as a consequence of total local government service and not just for the current post. Benefits for persons who have left during the year are shown as the benefits accrued at the time of leaving.

Note 3 - Remuneration for Cllr Hamilton includes £6,400 (2024-25, £1,648) for her role as Chair of APSE (Association for Public Service Excellence) and £1,684.50 (2024-25 NIL) for her role as Chair for Housing Construction Advisory Group.

Note 4 - Remuneration for Ken Gourlay, Chief Executive includes payments made in respect of his role as Returning Officer in 2025-26 of NIL (2024-25 £5,708)

Note 5 - The Director of Health & Social Care Joint Initiative is employed by the NHS.

Note 6 - Business Gateway Fife employees are members of a defined contribution pension scheme therefore disclosure of pension benefits accrued in year is not possible.

Table C - Fife Council Employees Analysis by Pay Band

The figures below are the total number of Council employees receiving more than £50,000 remuneration for the year (including any associated redundancy or early retirement payments).

2024-25	Remuneration Bands	2025-26	2024-25	Remuneration Bands	2025-26
790	£50,000 - £54,999	1,486	5	£110,000 - £114,998	9
367	£55,000 - £59,999	601	9	£115,000 - £119,999	6
198	£60,000 - £64,999	333	0	£120,000 - £124,999	6
207	£65,000 - £69,999	210	0	£125,000 - £134,999	0
131	£70,000 - £74,999	145	0	£135,000 - £139,999	1
116	£75,000 - £79,999	121	0	£140,000 - £144,999	1
30	£80,000 - £84,999	90	3	£145,000 - £149,999	0
8	£85,000 - £89,999	8	0	£150,000 - £154,999	3
16	£90,000 - £94,999	7	0	£155,000 - £194,999	0
7	£95,000 - £99,999	13	1	£195,000 - £199,999	0
3	£100,000 - £104,999	6	0	£200,000 - £204,999	0
9	£105,000 - £109,999	6	0	£205,000 - £209,999	1
			1,900		3,053

Table D - Exit Packages

Exit Packages are defined as amounts payable as a result of either an employer's decision to terminate an employee's employment before normal retirement date, or an employee's acceptance of voluntary redundancy in exchange for those benefits, as agreed by the Council. Ill health retirements are not classified as exit packages. The number of exit packages and total cost of compulsory and other departures are shown by cost band below.

Exit Package Cost Band	Number of Compulsory Redundancies		Number of Other Agreed Departures		Total Number of Exit Packages		Total cost of Exit Packages £m	
	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26
£								
0 - 19,999	1	2	17	9	18	11	0.125	0.088
20,000 - 39,999	0	0	5	1	5	1	0.125	0.024
40,000 - 59,999	0	0	0	1	0	1	0.000	0.040
60,000 - 79,999	0	0	1	2	1	2	0.077	0.135
80,000 - 99,999	0	0	1	0	1	0	0.093	0.000
100,000 - 149,999	0	0	0	0	0	0	0.000	0.000
Over 150,000	0	0	0	0	0	0	0.000	0.000
Total	1	2	24	13	25	15	0.420	0.287

The total cost of exit packages £0.287m in the table for 2025-26, accrued for and charged to Fife Council's Comprehensive Income and Expenditure Statement in the current year.

Of the 2025-26 total cost of £0.287m, £0.034m relates to statutory redundancy payments, £0.212m to compensation for loss of office and £0.041m for enhanced pension benefits.

Councillor David Ross
Leader of the Council

Ken Gourlay
Chief Executive

The Council's Responsibilities

The Council is required to:-

- Make arrangements for the proper administration of its financial affairs and to secure that the proper officer of the Council has the responsibility for the administration of those affairs (section 95 of the Local Government (Scotland) Act 1973). In Fife Council, that officer is the Executive Director Finance and Corporate Services.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- Ensure the Annual Accounts are prepared in accordance with legislation (The Local Authority Accounts (Scotland) Regulations 2014 and so far as is compatible with that legislation, in accordance with proper accounting practices (section 12 of the Local Government in Scotland Act 2003).
- Approve the Annual Accounts for signature.

We confirm that these Annual Accounts were approved for signature by the Standards, Audit and Risk Committee at its meeting on 30th September 2026

Signed on behalf of Fife Council

Councillor David Ross
Leader of the Council

The Executive Director Finance and Corporate Services Responsibilities

The Executive Director Finance and Corporate Services is responsible for the preparation of Fife Council's Annual Accounts in accordance with proper practices as required by legislation and as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Accounting Code),

In preparing the Annual Accounts, the Executive Director Finance and Corporate Services has :-

- Selected suitable accounting policies and then applied them consistently
- Made judgements and estimates that were reasonable and prudent
- Complied with legislation
- Complied with the local authority Accounting Code (in so far as it is compatible with legislation)

The Executive Director Finance and Corporate Services has also:-

- Kept adequate accounting records which were up to date
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

I have been in post only since 30th March 2026, however, the knowledge from my previous post as Fife Council's Head of Finance, and the 3 month formal handover period with the previous Executive Director Finance and Corporate Services, has satisfied me that the responsibilities contained within this statement have been met.

I certify that the financial statements give a true and fair view of the financial position of Fife Council and its group at the reporting date and the transactions of Fife Council and its group for the year ended 31 March 2026.

Elaine Muir FCCA
Executive Director Finance and Corporate Services

The objective of this Analysis is to demonstrate to council tax and rent payers how funding available to the Council (i.e. government grants, rents, fees and charges, council tax and business rates) for the year has been used in providing services in comparison with resources consumed or earned by authorities in accordance with generally accepted accounting practices under accounting standards or statutory provisions, and shows how net expenditure is allocated for decision making purposes between Council directorates. Expenditure under generally accepted accounting practices is presented more fully in Comprehensive Income & Expenditure Statement (CIES). It should be noted that this analysis is not a principal financial statement of the accounts.

2024-25				2025-26		
Net Expenditure chargeable to Balances £m	Adjustments between Funding & Accounting Basis £m	Net Expenditure in the CIES £m		Net Expenditure chargeable to Balances £m	Adjustments between Funding & Accounting Basis £m	Net Expenditure in the CIES £m
445.113	121.842	566.955	Education	464.212	62.481	526.693
248.108	0.981	249.089	Health & Social Care	261.394	(2.161)	259.233
142.878	35.833	178.711	Place	147.102	41.806	188.908
159.883	47.108	206.991	Communities	162.515	0.961	163.476
60.709	8.726	69.435	Finance & Corporate	73.142	15.141	88.283
0.301	0.000	0.301	Chief Executive	0.377	(0.009)	0.368
(54.512)	68.319	13.807	Housing Revenue Account	(59.435)	12.477	(46.958)
131.162	(131.162)	0.000	Loan Charges & CFCR	137.969	(137.969)	0.000
1,133.642	151.647	1,285.289	Net Cost of Services	1,187.276	(7.273)	1,180.003
(1,088.400)	(48.296)	(1,136.696)	Other Income & Expenditure	(1,161.801)	(39.290)	(1,201.091)
45.242	103.351	148.593	Total (Surplus)/Deficit on Provision of Services	25.475	(46.563)	(21.088)
(1.448)	11.092	9.644	Subsidiaries	2.067	(0.894)	1.173
(0.865)	0.865	0.000	Less Intercompany transactions	0.000	0.000	0.000
42.929	115.308	158.237	Group (Surplus)/Deficit on Provision of Services	27.542	(47.457)	(19.915)
(162.597)			Opening General Fund & HRA Balance	(117.704)		
45.242			(Surplus) / Deficit for the year	25.475		
(0.349)			Transfers to / (from) Other Reserves	(7.078)		
(117.704)			Closing General Fund & HRA Balance (see Movement in Reserves Statement)	(99.307)		

Adjustments between funding & accounting basis (above) is comprised of the following 3 items which are detailed by Council directorate in Note 8-Analysis of Income and Expenditure by Segment/Nature.

- **Adjustments for Capital Purposes** in Net Cost of Services reflect impairment & revaluation gains/losses and depreciation charged to CIES. Adjustments outwith Net Cost of Services include gains/losses on disposal of assets and capital grants receivable in the year.

- **Net change for Pension Adjustments** in Net Cost of Services are the removal of employer pension contributions made by the Council, replaced with current & past service costs calculated under IAS19. Adjustments outwith Net Cost of Service includes net interest on defined benefit asset / liability under IAS19.

- **Other Adjustments** in Net Cost of Services include an accrual for costs of holiday entitlement earned by employees not taken before year end, and other transfers between services to recognise differences between the reporting structure of the Council and the accounting basis. Adjustments outwith Net Cost of Services include timing differences for premiums and discounts relating to Financial Instruments.

This statement shows the movement in the year on the different reserves held by the Council, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other reserves. The Total Comprehensive Income & Expenditure line shows the true economic cost of providing the Council's services, details of which are shown in the CIES. These are different from the amounts charged to General Fund Balance and Housing Revenue Account for council tax setting and dwellings rent setting purposes under accounting standards and statutory regulations. The Transfers (to)/from Other Statutory Reserves shows charges made to the CIES to be financed from a reserve. The Balances at 31 March are before any discretionary transfers to or from earmarked reserves undertaken by the Council.

	General Fund £m	HRA £m	Insurance Fund £m	Capital Fund £m	Capital Grants and Receipts and Unapplied £m	Total Usable Reserves £m	Unusable Reserves £m	Total Fife Council Reserves £m	Subsidiary Reserves & Share of Joint Venture £m	Total Group Reserves £m
Opening Balance 1 April 2024	(157.282)	(5.315)	(17.583)	0.000	(1.134)	(181.314)	(2,750.846)	(2,932.160)	(229.233)	(3,161.393)
<u>Movement in Reserves during 2024-25</u>										
Total Comprehensive Income & Expenditure	143.159	5.434	0.000	0.000	0.000	148.593	(173.269)	(24.676)	(45.136)	(69.812)
Adjustments between accounting & funding basis:										
- permitted by accounting standards	(66.850)	(3.737)	0.000	0.000	0.000	(70.587)	70.587	0.000	0.000	0.000
- required by statutory regulations	(37.799)	5.035	0.000	0.000	1.021	(31.743)	31.743	0.000	0.000	0.000
Transfers to/(from) Other Statutory Reserves	3.661	(4.010)	0.349	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transfer to/(from) Common Good Reserves	0.000	0.000	0.000	0.000	0.000	0.000	1.662	1.662	(1.662)	0.000
(Increase)/Decrease in Year	42.171	2.722	0.349	0.000	1.021	46.263	(69.277)	(23.014)	(46.798)	(69.812)
Balance at 31 March 2025	(115.111)	(2.593)	(17.234)	0.000	(0.113)	(135.051)	(2,820.123)	(2,955.174)	(276.031)	(3,231.205)
<u>Movement in Reserves during 2025-26</u>										
Total Comprehensive Income & Expenditure	28.938	(50.026)	0.000	0.000	0.000	(21.088)	(125.162)	(146.250)	(7.944)	(154.194)
Adjustments between accounting & funding basis:										
- permitted by accounting standards	(58.733)	(1.223)	0.000	0.000	0.000	(59.956)	59.956	0.000	0.000	0.000
- required by statutory regulations	52.085	54.434	0.000	0.000	(0.007)	106.512	(106.512)	0.000	0.000	0.000
Transfers to/(from) Other Statutory Reserves	(3.642)	(3.436)	7.078	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Asset donated to Charitable Trusts & Funds	0.000	0.000	0.000	0.000	0.000	0.000	0.006	0.006	(0.006)	0.000
(Increase)/Decrease in Year	18.648	(0.251)	7.078	0.000	(0.007)	25.468	(171.712)	(146.244)	(7.950)	(154.194)
Balance at 31 March 2026	(96.463)	(2.844)	(10.156)	0.000	(0.120)	(109.583)	(2,991.835)	(3,101.418)	(283.981)	(3,385.399)

Comprehensive Income and Expenditure Statement

This statement shows the cost of providing services and managing the Council during the year and includes, on an accruals basis, all of the Council's day-to-day expenses and related income but excludes any amounts relating to VAT, as VAT collected is payable to HM Revenue & Customs and VAT paid is recoverable from them.

The statement shows the accounting cost in accordance with generally accepted accounting practices rather than the amount to be funded from taxation. Authorities raise taxation to cover net expenditure in accordance with statutory regulations which may be different from the accounting cost and the taxation position is shown in the Movement in Reserves Statement.

2024-25					2025-26			
Gross Expenditure £m	Gross Income £m	Fife Council Net Expenditure £m	Group Net Expenditure £m		Gross Expenditure £m	Gross Income £m	Fife Council Net Expenditure £m	Group Net Expenditure £m
595.582	(28.627)	566.955	566.955	Education	555.897	(29.204)	526.693	526.693
609.861	(360.772)	249.089	249.089	Health & Social Care	637.463	(378.230)	259.233	259.233
227.844	(49.133)	178.711	178.711	Place	245.778	(56.870)	188.908	188.908
248.154	(41.163)	206.991	206.991	Communities	201.971	(38.495)	163.476	163.476
156.427	(86.992)	69.435	69.435	Finance & Corporate	156.988	(68.705)	88.283	88.283
0.301	0.000	0.301	0.301	Chief Executive	0.368	0.000	0.368	0.368
161.193	(147.386)	13.807	13.807	Housing Revenue Acc.	110.219	(157.177)	(46.958)	(46.958)
129.330	(118.198)	0.000	11.132	Subsidiaries	146.486	(143.432)	0.000	3.054
		1,285.289	1,296.421	Net cost of Services (note 8)			1,180.003	1,183.057
				Other Income & Expenditure (note 9)				
		(0.339)	(0.338)	- Other Operating Expenditure			0.016	0.024
		49.150	48.526	- Financing & Investment			58.472	57.420
		(1,185.507)	(1,186.372)	- Taxation & Non-Specific Grant Income			(1,259.579)	(1,260.416)
		148.593	158.237	(Surplus)/Deficit on Provision of Services			(21.088)	(19.915)
				Other Comprehensive Income & Expenditure				
		(335.639)	(369.245)	-(Gain)/Loss-non-current asset revaluation			(138.786)	(148.238)
		21.905	21.905	-(Gain)/Loss-non-current asset impairment			0.000	0.000
		(0.608)	(0.608)	-(Gain)/Loss-financial asset revaluation			0.088	0.088
		141.073	146.284	-Remeasurement of net pensions liability			13.536	14.428
		0.000	(27.894)	-Movement in Common Good lease assets			0.000	0.000
		(173.269)	(229.558)				(125.162)	(133.722)
		0.000	1.509	Share of Joint Venture			0.000	(0.557)
		(24.676)	(69.812)	Total Comprehensive Income & Expenditure			(146.250)	(154.194)

Material Items of Income and Expenditure

Fife Integration Joint Board (IJB)

Fife Council made contributions of £260.865m to the IJB, £259.219m from Health & Social Care Directorate and £1.646m from Communities Directorate. Fife Council received amounts from the IJB totalling £257.174m. The Council's share of IJB reserves increased by £0.557m in 2025-26 and is included in the Group figures above.

The Balance Sheet shows the value of the assets and liabilities held by the Group which are matched by reserves (Usable and Unusable). Usable reserves are those the Group may use to provide services subject to the need to maintain a prudent level of reserves and any statutory limitations on their use. Unusable reserves cannot be used by the Group to provide services and include reserves that hold unrealised gains and losses which only become available to provide services if assets are sold, and reserves that hold timing differences detailed in the Movement in Reserves Statement line 'Adjustments between accounting basis & funding basis under regulations'.

31 March 2025			Notes	31 March 2026	
Fife Council £m	Group £m			Fife Council £m	Group £m
4,291.142	4,556.057	Property, Plant & Equipment	11	4,568.789	4,839.627
29.537	31.735	Heritage Assets	12	29.537	31.735
0.000	0.003	Intangible Assets	13	0.000	0.002
4.032	4.032	Long Term Debtors	21	3.354	3.354
3.100	11.356	Long Term Investments	21	3.015	12.917
0.000	0.856	Investment in Joint Venture	27	0.000	1.413
4,327.811	4,604.039	Long Term Assets		4,604.695	4,889.048
79.610	89.993	Cash and Cash Equivalents	Cash Flow	79.573	91.147
7.116	7.116	Assets held for sale	14	14.905	14.905
5.254	5.546	Inventories	18	4.986	5.217
133.956	132.752	Short Term Debtors	19	146.990	146.982
225.936	235.407	Current Assets		246.454	258.251
(24.233)	(24.233)	Short Term Receipts in Advance	10	(23.478)	(23.478)
(113.617)	(121.747)	Short Term Creditors	19	(127.520)	(138.571)
0.000	0.000	Short Term Provisions	20	(0.280)	(0.333)
(256.454)	(256.454)	Short Term Borrowing	21	(297.439)	(297.439)
(394.304)	(402.434)	Current Liabilities		(448.717)	(459.821)
(20.660)	(20.660)	Long Term Receipts in Advance	10	(23.168)	(23.168)
(14.311)	(14.311)	Long Term Provisions	20	(18.184)	(18.184)
(1,017.473)	(1,017.473)	Long Term Borrowing	21	(1,116.343)	(1,116.343)
0.000	(1.018)	Long Term Creditors	21	0.000	(0.459)
(65.933)	(65.933)	Other Long Term Liabilities	21	(59.005)	(59.093)
(85.892)	(86.412)	Defined Benefit Pension Liability	23	(84.314)	(84.832)
(1,204.269)	(1,205.807)	Long Term Liabilities		(1,301.014)	(1,302.079)
2,955.174	3,231.205	Net Assets/(Liabilities)		3,101.418	3,385.399
(135.051)	(364.269)	Usable Reserves	6	(109.583)	(338.469)
(2,820.123)	(2,866.936)	Unusable Reserves	7	(2,991.835)	(3,046.930)
(2,955.174)	(3,231.205)	Total Reserves		(3,101.418)	(3,385.399)

The unaudited accounts were issued on 30th June 2026. The audited accounts were authorised for issue on 30th September 2026.

Elaine Muir FCCA
Executive Director Finance and Corporate Services

The statement: shows the changes in cash and cash equivalents by operating, investing and financing activities. Net cash flows from operating activities is a key indicator of the extent to which operations are funded by taxation, grants or charges for services. Investing activities represent the extent to which cash outflows have been made for resources intended to contribute to future service delivery. Cash flows from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing).

2024-25			2025-26	
Fife Council £m	Group £m		Fife Council £m	Group £m
(148.593)	(158.237)	Net surplus or (deficit) on the provision of services	21.088	19.915
		Adjustments for non cash movements		
172.596	179.405	Depreciation charges	159.035	167.281
115.804	120.678	Downward/(upward) revaluations & Impairments	(4.922)	(6.422)
0.000	0.001	Amortisation of intangibles	0.000	0.001
0.000	0.286	Movement in Fair Value of Investments	0.000	(0.687)
(2.689)	3.685	Increase/(decrease) in creditors	20.470	21.506
(2.332)	(7.711)	(Increase)/decrease in debtors	0.300	0.411
(0.142)	(0.158)	(Increase)/decrease in inventories	0.268	0.328
(5.963)	(5.534)	Movement in pension asset / liability	(15.114)	(16.008)
(0.841)	(0.842)	Contributions to/(from) provisions	4.153	4.206
3.299	10.456	Carrying amount of assets sold	2.071	2.901
0.000	0.000	Other non-cash items	0.000	(0.137)
		Adjustments for investing & financing activities		
(97.107)	(97.972)	Capital Grants in surplus/(deficit) on provision of services	(97.778)	(98.614)
(3.638)	(11.171)	Proceeds from the sale of assets	(2.055)	(2.877)
30.394	32.886	Net cash flows from Operating Activities	87.516	91.804
(257.155)	(261.231)	Purchase of non-current assets	(299.949)	(303.379)
0.000	(7.546)	Purchase of investments	(0.001)	(1.316)
3.638	11.171	Proceeds from the sale of assets	2.055	2.877
99.661	100.526	Other receipts from investing activities	100.040	100.877
(153.856)	(157.080)	Net cash flows from Investing Activities	(197.855)	(200.941)
149.521	149.521	Cash receipts and repayments of short & long term borrowing	138.445	138.445
(5.147)	(5.263)	Cash payments reducing liabilities on Leases & PPP	(13.223)	(13.234)
(6.948)	(6.948)	Other financing activities	(14.920)	(14.920)
137.426	137.310	Net cash flows from Financing Activities	110.302	110.291
13.964	13.116	Net increase or (decrease) in cash & cash equivalents	(0.037)	1.154
65.646	76.877	Cash & cash equivalents at beginning of reporting period	79.610	89.993
79.610	89.993	Cash & cash equivalents at end of reporting period	79.573	91.147
0.050	0.107	Cash in Hand	0.050	0.062
3.768	10.026	Bank	1.579	10.055
79.860	79.860	Short Term Investments	81.030	81.030
(4.068)	0.000	Advances from other accounts	(3.086)	0.000
79.610	89.993		79.573	91.147
		Net cash flows for Operating Activities include:-		
(0.022)	0.629	Interest received	(0.182)	0.185
(54.157)	(54.157)	Interest paid	(53.683)	(53.683)
(54.179)	(53.528)	Total	(53.865)	(53.498)

Movement in Liabilities held in the Balance Sheet recognised as Financing Activities (£m)

	1 April 2024	Movement 2024-25 Cash	Non-Cash	1 April 2025	Movement 2025-26 Cash	Non-	31 March 2026
Long & Short Term Borrowing	(1,103.838)	(149.521)	0.000	(1,253.359)	(138.445)	0.000	(1,391.804)
PPP & Lease Liabilities	(69.292)	5.147	(13.805)	(77.950)	13.223	(6.401)	(71.128)
EIR Loan Liability	(5.025)	0.000	2.842	(2.183)	0.000	0.014	(2.169)

Notes to the Accounts

1. General Accounting Policies

General Principles

The Annual Accounts summarise the Fife Council and its Group transactions for the 2025-26 financial year and its position at the year-end of 31 March 2026. The Council is required to prepare Annual Accounts by the Local Authority Accounts (Scotland) Regulations 2014. Section 12 of the Local Government in Scotland Act 2003 requires that these accounts be prepared in accordance with proper accounting practices. The Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2025-26 (the Code) and supported by International Financial Reporting Standards (IFRS).

The accounting concepts of materiality, accruals, going concern and primacy of legislative requirements have been considered in the application of accounting policies. The materiality concept is an expression of the relative significance of a matter in the context of the annual accounts as a whole and items of income and expenditure are material if individually or collectively they could influence the decisions or assessments of users of the financial statements. The accruals concept requires the non-cash effects of transactions to be included in the financial statement for the year in which they occur, not in the period in which the cash is paid or received. The going concern concept assumes that the Council will not significantly curtail the scale of its operation. Wherever accounting principles and legislative requirements are in conflict, the latter shall apply.

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments. The group accounting policies are materially the same as those specified above.

Accruals of Income and Expenditure

The accounts and related statements are compiled on an accruals basis for both revenue and capital. The accruals basis requires that activity is accounted for in the year it takes place, not simply when cash payments are made or received. Accruals are made for all material debtors and creditors within the accounts. Accruals are made for payroll costs where pay has been earned but not paid, for supplies & services where received or consumed within the financial year, for interest due and payable on external borrowings and for customer & client receipts due and receivable in the period to which they relate. The main accrual & estimation techniques used are:

- Payroll Costs: Estimate of salaries & wages based on number of days relating to the period to 31 March 2026
- Energy Costs: Information held by Energy Management Unit and Service records.
- Supplies & Services: Purchase ordering and goods receipting information held in the Council's financial
- Interest: Based on the Council's Investment Team records of internal and external loans.
- Pensions: Estimate of future asset / liability calculated by the Council's actuaries in accordance with IAS19.
- Holiday Pay: Based on employees holiday leave earned in 2025-26 but not taken by 31 March 2026.

Reserves

Reserves are created by appropriating amounts out of the General Fund Balance into the Movement in Reserves Statement (MIRS). When expenditure to be financed from a reserve is incurred, it is charged to Surplus/Deficit on Provision of Services in the Comprehensive Income & Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in MIRS so that there is no net charge against council tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Council.

Fair Value

The Council values some of its non-financial assets and financial instruments at Fair Value which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market. The Council uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The levels of the fair value are:

- Level 1 - quoted prices (unadjusted) in active markets for
- Level 2 - inputs other than quoted prices included within Level 1
- Level 3 - unobservable inputs

Interests in Companies and Other Entities

The Council has material interests in companies and other entities that have the nature of subsidiaries and a Joint Venture and is therefore required to prepare group accounts. In the Council's own single-entity accounts, the interests in companies and other entities are recorded as financial assets at cost, less any provision for losses.

2. Accounting Standards Issued, not yet Adopted

The code requires the disclosure of information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted. The following Standards do not require adoption before 31 March 2026 and therefore have no impact on the 2025-26 financial statements;

- a) Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Amendments to Heritage assets) issued in March 2024
- b) Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) issued in May 2024
- c) Annual improvements to IFRS accounting standards – Volume 11 issued in July 2024
- d) Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 & IFRS 7) issued December

There will be limited application of items a) to d) for the Council.

3. Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the Council has to make certain judgements about complex transactions or those involving uncertainty about future events. Where a critical judgement has been made, this is referred to in the relevant note to the financial statements. The most significant of these for the Council is;

• **Public Private Partnership (PPP)** The Council is deemed to control the Services provided under the agreement for the provision of educational establishments. The accounting policies for PPP schemes and similar arrangements have been applied and the assets under the contract are included within Property, Plant & Equipment on the Council's Balance Sheet with further details shown in a separate note to the accounts.

4. Assumptions made about the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Council about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. The items in the Council's Balance Sheet at 31 March 2026 for which there is a significant risk of material adjustment in the forthcoming financial year are below:-

• **Property, Plant & Equipment:** The Net Book Value of assets subject to depreciation is £2,437.939m. These are depreciated over useful lives dependent on assumptions about future levels of repairs & maintenance that will be incurred for individual assets. The current economic climate makes it uncertain that the Council will be able to sustain its current spending on repairs and maintenance, bringing into doubt the useful lives assigned to assets.

The Council has reviewed the potential for indexation of Other, Land & Buildings Assets valued on a Depreciated Replacement Cost basis. It was deemed by the Council's Estates professionals that an indexation increase should be applied to build cost components for the period 01/04/25 - 31/03/26 to reflect conditions in the external market. This indexation was adjusted to the date of the last valuation. From 1 April 2025, the Code requirements changed in respect of revaluations of all Plant, Property and Equipment, which is subject to revaluation, and now requires the Council to revalue assets every five years with annual indexation applied to these assets during the four intervening years. The balances as at 31 March 2025 have been considered materially up to date in line with previous Code requirements. The indexation has been applied to the value of the assets as at 31 March 2026 and the appropriate index has been selected by the Council's Estates professionals from indices provided by an external valuer.

Council dwellings are valued using the Beacon Method under which the values of groups of similar properties are calculated by assessing the capital value of one of them (a beacon) then extrapolating the value across the rest of the group. Current values for Council dwelling assets (valued to Economic Use Value-Social Housing) at 31 March 2026 were calculated by applying an adjustment factor of 39.34% to the underlying vacant possession value.

The Council has also reviewed the potential for indexation of Council Dwellings. The District Valuer undertakes an annual review to advise if there is likely to have been a change in value of the housing stock since the last full valuation at 31 March 2023. The outcome of this review concluded that the value of the housing stock is likely to have increased in the region of 10%. The Council Dwellings value was adjusted to reflect at 31 March 2026.

All Asset Valuations are recorded with two components – land and buildings. Where the building component is greater than £10 million, the building element is further componentised to provide a value for the Mechanical & Electrical services within the asset. The percentage used for this further split varies by property type and is included with the build cost information provided by the Council Quantity Surveyors.

No estimations and assumptions about the estimated cost of dismantling, removing or restoring items of property, plant and equipment have been included in the Capital Expenditure in the Accounts.

Effect if Actual Results Differ from Assumptions: If the useful life of assets is reduced, depreciation increases and carrying amount of assets fall. It is estimated that for every year that useful lives are reduced, the annual depreciation charge for buildings would increase by approximately £21.874m. If the beacon adjustment factor is increased by 1%, this would lead to a corresponding reduction in the total value of council dwellings of £29.687m

• **IFRS 16 Leases** Assets included within the Right-of-Use asset are those valued at greater than £10,000. Lease liabilities are measured at the present value of the lease payments, discounted by the Council's incremental borrowing rate where the implicit interest could not be determined in the lease contract. Where contracts were on a tacit or rolling basis, the Council has considered other policies and procedures to provide an estimated end date. The Right-of-Use Assets have been charged depreciation from the commencement date to the lower of the assets useful life or lease term. The Council has made no estimations or assumptions about the estimated cost of dismantling, removing or restoring leased items therefore the lease liability has not been adjusted. For service concession arrangements, the balance on the PPP/NPD contracts have been remeasured to reflect the carrying amount of the liability.

• **Defined Pensions Liability:** Estimation of the Council's net liability to pay pensions depends on a number of complex judgements including the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Council with expert advice about the assumptions to be applied.

Effect if Actual Results Differ from Assumptions: Changes to individual assumptions will have an effect on the defined benefit obligation. e.g. a 0.1% decrease in the discount rate would increase the liability by 2% (£40m), a 1 year increase in life expectancy assumptions would increase the liability by 4% (£99m) and a 0.1% increase in Pension Increase rate (CPI) would increase the liability by 2% (£37m).

• **Fair Value Measurements:** If fair value of a financial asset or liability cannot be measured based on quoted prices in active markets (Level 1), it is measured using valuation techniques (e.g. quoted prices for a similar asset or liability in active markets). Where possible, the techniques are based on observable data, but if not, judgement is required to establish fair values, typically including considerations such as uncertainty and risk. Where Level 1 inputs are unavailable, the Council employs relevant experts to identify the most appropriate valuation techniques.

Effect if Actual Results Differ from Assumptions: Significant changes in any of the unobservable inputs would result in a significantly lower or higher value for the Council's assets which are measured at fair value.

5. Adjustments between Accounting Basis and Funding Basis under Regulations

These are adjustments made to the comprehensive income & expenditure statement (CIES) recognised by the Council in accordance with proper accounting practice to the resources that are specified by accounting standards or statutory regulations as being available to the Council to meet future capital and revenue expenditure.

2024-25							2025-26					
Usable Reserves				Unusable Reserves	Total Reserves		Usable Reserves				Unusable Reserves	Total Reserves
General Fund £m	Housing Revenue Account £m	Capital Fund £m	Capital Grants & Receipts & Unapplied £m				General Fund £m	Housing Revenue Account £m	Capital Fund £m	Capital Grants & Receipts & Unapplied £m		
						Accounting Standards Adjustments						
						Adjustments for Capital Purposes						
(66.850)	(3.737)	0.000	0.000	70.587	0.000	Revaluation element of depreciation in CIES	(58.733)	(1.223)	0.000	0.000	59.956	0.000
(66.850)	(3.737)	0.000	0.000	70.587	0.000	Total Accounting Standards Adjustments	(58.733)	(1.223)	0.000	0.000	59.956	0.000
						Statutory Adjustments						
						Adjustments for Capital Purposes						
(152.997)	(64.816)	0.000	0.000	217.813	0.000	Depreciation, Impairment & Revaluations	(81.880)	(12.277)	0.000	0.000	94.157	0.000
73.696	23.411	0.000	1.021	(98.128)	0.000	Capital grants & contributions	74.962	22.816	0.000	(0.007)	(97.771)	0.000
0.278	0.061	(3.638)	0.000	3.299	0.000	Gains/(Losses) on disposal of assets	(0.086)	0.070	(2.055)	0.000	2.071	0.000
0.000	0.000	3.607	0.000	(3.607)	0.000	Capital Fund applied to capital investment	0.000	0.000	1.595	0.000	(1.595)	0.000
0.000	0.000	0.031	0.000	(0.031)	0.000	Capital Fund applied to HRA debt repayment	0.000	0.000	0.460	0.000	(0.460)	0.000
19.046	20.671	0.000	0.000	(39.717)	0.000	Statutory provision-financing capital investment	26.866	23.556	0.000	0.000	(50.422)	0.000
2.402	0.068	0.000	0.000	(2.470)	0.000	Right of Use Assets lease liability repayments	4.620	0.099	0.000	0.000	(4.719)	0.000
11.377	23.420	0.000	0.000	(34.797)	0.000	Capital expenditure charged to revenue	12.910	18.597	0.000	0.000	(31.507)	0.000
						Pensions Adjustments						
6.027	(0.064)	0.000	0.000	(5.963)	0.000	Difference in pension costs charged to CIES from those chargeable under regulations	14.566	0.548	0.000	0.000	(15.114)	0.000
						Financial Instruments Adjustments						
3.238	2.186	0.000	0.000	(5.424)	0.000	Difference in finance costs charged to CIES from those chargeable under regulations	1.500	1.052	0.000	0.000	(2.552)	0.000
						Employee Statutory Adjustments						
(0.866)	0.098	0.000	0.000	0.768	0.000	Difference in officer remuneration charged to CIES from those chargeable under regulations	(1.373)	(0.027)	0.000	0.000	1.400	0.000
(37.799)	5.035	0.000	1.021	31.743	0.000	Total Statutory Adjustments	52.085	54.434	0.000	(0.007)	(106.512)	0.000

6. Usable Reserves and Earmarked Balances

2024-25 £m	Usable Reserves	2025-26 £m
(115.111)	General Fund	(96.463)
(2.593)	Housing Revenue Account (HRA)	(2.844)
(17.234)	Insurance Fund	(10.156)
0.000	Capital Fund	0.000
(0.113)	Capital Grants and Receipts Unapplied Account	(0.120)
(135.051)	Total Usable Reserves	(109.583)

Movements in usable reserves are outlined in the Movement in Reserves Statement (MIRS) which also shows movements in amounts set aside from General Fund balances in statutory reserves for the following purposes:-

- Insurance Fund

The Council purchases insurance cover and manages risk through its Insurance Fund with the exception of theft, malicious damage and accidental damage which are charged to the cost of services in the year they arise.

- Capital Fund

Capital receipts are transferred to this fund which is used to finance capital expenditure or set aside to repay HRA debt.

- Capital Grants and Receipts Unapplied Account

This account holds capital grants and receipts credited to Surplus / Deficit on Provision of Services but not yet applied to fund expenditure. When applied to fund capital expenditure these are transferred in MIRS to Capital Adjustment Account.

Legislation in Scotland does not allow for creation of separate non-statutory earmarked reserves, however the Council has areas where funds are earmarked or committed but remain part of usable reserves. The table shows net transfers between committed balances and Service budgets, either to increase committed balances or to augment Service expenditure, and also other transfers between committed and uncommitted balances.

2025-26	Balance 1 April 2025 £m	Net Transfers to / (from) Services £m	Other Balance Transfers £m	Movement in Reserves (MIRS) £m	Balance 31 March 2026 £m
General Fund					
<u>Earmarked Balances:</u>					
Council Tax - Second Homes	(8.503)	2.289	0.000		(6.214)
Earmarked Grants	(4.644)	(0.888)	(0.149)		(5.681)
Grants Received & Carried Forward	(1.111)	0.333	0.396		(0.382)
Service Carry Forwards	(7.407)	10.040	(13.089)		(10.456)
Local Growth Fund	0.000	0.000	(1.500)		(1.500)
Cost of Living Crisis Commitments	(3.935)	2.780	0.000		(1.155)
Capital Investment Plan	(39.649)	12.966	3.221		(23.462)
Contribution from Balances	(0.300)	0.181	(3.487)		(3.606)
<u>Committed Balances:</u>					
Change Fund	(9.694)	0.208	0.000		(9.486)
Demographics/Pay/Pensions	(9.126)	4.204	0.000		(4.922)
Workforce Change	(4.000)	0.000	0.000		(4.000)
Kirkcaldy Car Parks	(2.500)	1.786	0.000		(0.714)
Other Commitments	(0.763)	3.656	(3.644)		(0.751)
Total Commitments	(91.632)	37.555	(18.252)	0.000	(72.329)
Uncommitted Balances	(23.479)	(37.555)	18.252	18.648	(24.134)
	(115.111)	0.000	0.000	18.648	(96.463)
Insurance Fund					
Insurance Fund - Earmarked	(8.742)	0.000	4.077		(4.665)
Insurance Fund	(8.492)	0.000	(4.077)	7.078	(5.491)
	(17.234)	0.000	0.000	7.078	(10.156)

Explanatory Note

General Fund Balance

The General Fund Services balance decreased by £18.648m as planned commitments were allocated throughout 2025-26, leaving a balance at the end of the year of £96.463m. Once the commitments of £72.329m shown above are set against this, an uncommitted balance of £24.134m remains as at 31 March 2026. The level of uncommitted reserves is above the policy minimum of 2% and is kept under continuous review.

Council Tax - Second Homes

Scottish Government legislation requires that income collected from council tax for second homes is utilised to fund Affordable Housing. This reserve represents the remaining balance of funds to be used for that purpose.

Earmarked Grants

The balance held for earmarked grants relates to situations where the paying agency allows any unspent grant to be retained without imposing any conditions. In order to recognise that the grant is ring-fenced the element of the balance relating to the unspent grant has been earmarked for use in the future.

Grants Received & Carried Forward

The balance is held for Grants Received which are expected to be finalised in the following financial year and monies have been carried forward for this purpose.

Service Carry Forward

The Council operates a devolved school management scheme which allows an element of budget carry forward in the Education Service.

Local Growth Fund

In 2025 the UK Government announced a new three-year Local Growth Fund to replace the UK Shared Prosperity Fund. The new funding will be lower than that previously received and the balance will move to a higher proportion being allocated to Capital projects. The consequence of this results in a considerable reduction in available revenue funding, particularly impacting Employability project delivery. This commitment will allow a transition year for the new arrangements to be embedded.

Cost of Living Crisis Commitments

The committed balance represents mainly unused GRG (General Revenue Grant) provided during the pandemic and has been committed to the ongoing financial consequences.

Capital Investment Plan

Funding earmarked for the approved Capital Plan 2023-33. The funding is available from previous years service underspends identified and earmarked for investment, along with the benefit released from the application of revised Statutory Guidance (Finance circular 10/2022) in respect of Service Concession arrangements.

Contribution from Balances

Fife Councils approved Revenue Budget 2026-29 included a commitment of £33.487m which has been used for one-off temporary investment in 2026-27. Fife Council's approved Revenue Budget 2024-27 included a commitment of £6.000m which has been used for one-off temporary investment the remaining amount is £0.119m.

Change Fund

In order to address the scale of the financial challenge the Council is facing in the coming years, Services will be required to change the way they operate. To facilitate this change, investment is required to enable major change initiatives within the Council and balances have been identified for this purpose.

Demographics/Pay/Pensions

There is a known temporary demographics pressure arising in the coming years within secondary school rolls which will be challenging to contain within the resources available. In addition, there is uncertainty over future pay settlements that have yet to be agreed.

Workforce Change

The balance represents the costs in relation to the Council's future strategy of workforce change.

Kirkcaldy Car Parks

Remaining funding for the of demolition of 2 Multi Storey Car Parks in Kirkcaldy.

Other Commitments

This represents a number of other minor commitments against balances.

Insurance Fund - Earmarked

The earmarked balance is held to cover known own-damage claims and anticipated incurred but not reported (IBNR) claims.

7. Unusable Reserves

2024-25 £m		2025-26 £m
(1,864.129)	Revaluation Reserve	(1,942.838)
(0.550)	Financial Instruments Revaluation Reserve	(0.462)
85.892	Pensions Reserve	84.314
(1,104.555)	Capital Adjustment Account	(1,194.916)
40.526	Financial Instruments Adjustment Account	37.974
22.693	Employee Statutory Adjustment Account	24.093
(2,820.123)	Total Unusable Reserves	(2,991.835)

Revaluation Reserve

The reserve contains unrealised gains arising from increases in the value of Property, Plant & Equipment and Heritage Assets, and gains accumulated for assets disposed in year transferred to Capital Adjustment Account. The reserve contains only revaluation gains accumulated since 1 April 2007, the date the reserve was created.

2024-25 £m		2025-26 £m
(1,623.598)	Balance at 1 April	(1,864.129)
	Revaluation of non-current assets not posted to Surplus/Deficit on Provision of Services	
(432.146)	Upward revaluation & reversal of impairment losses	(138.786)
118.412	Downward revaluation & impairment losses	0.000
(313.734)		(138.786)
70.587	Revaluation element of depreciation charged to CIES	59.956
1.028	Transfer to Capital Adjustment Account - accumulated gains on assets disposed	0.121
1.588	Transfer to/(from) Common Good Reserves	0.000
(1,864.129)	Balance at 31 March	(1,942.838)

Financial Instruments Revaluation Reserve

The reserve contains unrealised gains or losses made by the Council arising from changes in the fair value of its financial assets which includes the Council's employment land investments with Scottish Enterprise. The balance is reduced when investments are impaired, revalued downward or disposed of and the gains realised.

2024-25 £m		2025-26 £m
0.064	Balance at 1 April	(0.550)
(0.608)	(Surplus)/Deficit on Financial Instruments Revaluation	0.088
(0.006)	Transfer to Capital Adjustment Account - accumulated gains/(losses) on disposals	0.000
(0.550)	Balance at 31 March	(0.462)

Pensions Reserve

The reserve absorbs timing differences arising from the different arrangements for accounting for post employment benefits (pension costs) and for funding pensions in accordance with statutory provisions. The Council accounts for pensions in the CIES as the benefits are earned by employees (e.g. accruing years of service, updating inflation assumptions and investment returns), whereas statutory arrangements require benefits to be financed as the Council makes its contributions to pension funds or pays any pensions for which it is directly responsible. The Pensions Reserve therefore shows the difference in the benefits earned by past and current employees and the resources the Council has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside should the benefits come to be paid.

2024-25 £m		2025-26 £m
(49.218)	Balance at 1 April	85.892
141.073	Actuarial (gains) or losses on pensions assets and liabilities	13.536
83.366	Reversal of items relating to retirement benefits charged to CIES	78.580
(89.329)	Employer's pensions contributions & direct payments to pensioners payable	(93.694)
85.892	Balance at 31 March	84.314

Capital Adjustment Account

The account absorbs timing differences from accounting for consumption of long-term assets (e.g. depreciation, impairment) and financing the acquisition, construction or enhancement of those assets under statutory provisions.

2024-25 £m		2025-26 £m
(1,145.969)	Balance at 1 April	(1,104.555)
	Reversal of items relating to capital expenditure charged to the CIES:-	
102.009	Depreciation of non-current assets	99.079
115.804	Revaluation & Impairments losses/(gains) on non-current assets	(4.922)
(0.339)	(Gains)/Losses on disposal of assets	0.016
	Capital financing applied in the year:-	
(98.128)	Capital grants & contributions applied to finance capital expenditure	(97.771)
(34.797)	Capital expenditure charged to General Fund and HRA balances	(31.507)
(39.717)	Statutory provision for the financing of capital investment	(50.422)
(2.470)	Right of Use Assets lease liability repayments	(4.719)
(1.028)	Adjusting amounts written out of the Revaluation Reserve	(0.121)
0.006	Adjusting amounts written out of the Financial Instruments Revaluation Reserve	0.000
0.074	Transfer to/(from) Common Good Reserves	0.000
0.000	Asset donated to Charitable Trusts & Funds	0.006
(1,104.555)	Balance at 31 March	(1,194.916)

Financial Instruments Adjustment Account

The account absorbs timing differences for certain financial instruments between the different rates at which gains and losses are recognised under the Code and those to be met from General Fund and Housing Revenue Account balances under statutory requirements. The Council uses the account to manage effective interest rate adjustments and also premiums paid in prior years for the early redemption of loans over the unexpired term outstanding on those loans when they were redeemed - the longest of these terms being up to 2065-66.

2024-25 £m		2025-26 £m
45.950	Balance at 1 April	40.526
	Amount by which costs charged to the CIES are different from costs chargeable in the year in accordance with statutory requirements:-	
(2.841)	Effective Interest Rate - Borrowings Loan Interest	(0.015)
(0.004)	Effective Interest Rate - Soft Loans	(0.003)
(2.579)	Proportion of prior year early redemption premiums	(2.534)
40.526	Balance at 31 March	37.974
2.184	Borrowing where the loan is a stepped interest rate loan.	2.169
0.079	Loans to third parties granted at less than market interest rates	0.076
38.263	Premiums and discounts associated with the refinancing of loans	35.729
40.526	Balance at 31 March	37.974

Employee Statutory Adjustment Account

The account absorbs the differences that would otherwise arise on the General Fund and HRA balances from accruing for compensated absences earned but not taken in the year. Statutory arrangements require that the impact on the General Fund and HRA balances are neutralised by transfers to or from the account.

2024-25 £m		2025-26 £m
21.925	Balance at 1 April	22.693
(21.925)	Settlement or cancellation of accrual at previous financial year end	(22.693)
22.693	Amounts accrued at the end of the current year	24.093
22.693	Balance at 31 March	24.093

8. Analysis of Income and Expenditure by Segment/Nature

	Employee Expenditure £m	Other Service Expenditure £m	Adjustments between funding & accounting basis			Total Expenditure £m	Fees, Charges & Service Income £m	Grants & Contribution Income £m	Total Income £m	Net Expenditure in the CIES £m
			For Capital Purposes £m	For Pensions £m	Other £m					
2025-26										
Education	397.719	95.697	73.033	(3.909)	(6.643)	555.897	(2.991)	(26.213)	(29.204)	526.693
Health & Social Care	114.467	525.157	1.927	(3.585)	(0.503)	637.463	(301.324)	(76.906)	(378.230)	259.233
Place	173.809	30.163	50.847	(5.581)	(3.460)	245.778	(34.573)	(22.297)	(56.870)	188.908
Communities	93.198	107.812	4.879	(2.998)	(0.920)	201.971	(21.259)	(17.236)	(38.495)	163.476
Finance & Corporate Services	55.522	86.325	4.714	(2.697)	13.124	156.988	(6.507)	(62.198)	(68.705)	88.283
Chief Executive	0.319	0.058	0.000	(0.009)	0.000	0.368	0.000	0.000	0.000	0.368
Housing Revenue Account	22.145	75.597	13.393	(0.718)	(0.198)	110.219	(156.976)	(0.201)	(157.177)	(46.958)
Loan Charges & CFCR	0.000	137.969	(81.328)	0.000	(56.641)	0.000	0.000	0.000	0.000	0.000
Other Income and Expenditure (note 9)	0.000	0.000	(97.762)	4.383	54.089	(39.290)	(212.399)	(949.402)	(1,161.801)	(1,201.091)
Fife Council-(Surplus)/Deficit for the year	857.179	1,058.778	(30.297)	(15.114)	(1.152)	1,869.394	(736.029)	(1,154.453)	(1,890.482)	(21.088)
Subsidiaries	39.931	105.568	0.000	(0.894)	0.000	144.605	(138.759)	(4.673)	(143.432)	1.173
Less Group Intercompany transactions	0.000	(98.535)	0.000	0.000	0.000	(98.535)	98.535	0.000	98.535	0.000
Group-(Surplus)/Deficit for the year	897.110	1,065.811	(30.297)	(16.008)	(1.152)	1,915.464	(776.253)	(1,159.126)	(1,935.379)	(19.915)
2024-25										
Education	375.936	97.804	127.878	0.873	(6.909)	595.582	(2.786)	(25.841)	(28.627)	566.955
Health & Social Care	110.010	498.870	0.820	0.815	(0.654)	609.861	(287.672)	(73.100)	(360.772)	249.089
Place	161.339	30.672	37.522	1.236	(2.925)	227.844	(31.721)	(17.412)	(49.133)	178.711
Communities	86.977	114.069	46.730	0.670	(0.292)	248.154	(20.832)	(20.331)	(41.163)	206.991
Finance & Corporate Services	51.865	95.836	4.146	(7.284)	11.864	156.427	(6.494)	(80.498)	(86.992)	69.435
Chief Executive	0.294	0.007	0.000	0.002	(0.002)	0.301	0.000	0.000	0.000	0.301
Housing Revenue Account	20.254	72.620	68.477	0.156	(0.314)	161.193	(147.129)	(0.257)	(147.386)	13.807
Loan Charges & CFCR	0.000	131.162	(74.157)	0.000	(57.005)	0.000	0.000	0.000	0.000	0.000
Other Income and Expenditure (note 9)	0.000	0.000	(97.446)	(2.431)	51.581	(48.296)	(195.319)	(893.081)	(1,088.400)	(1,136.696)
Fife Council-(Surplus)/Deficit for the year	806.675	1,041.040	113.970	(5.963)	(4.656)	1,951.066	(691.953)	(1,110.520)	(1,802.473)	148.593
Subsidiaries	36.479	80.271	10.820	0.429	(0.157)	127.842	(113.237)	(4.961)	(118.198)	9.644
Less Group Intercompany transactions	0.000	(91.031)	0.865	0.000	0.000	(90.166)	90.166	0.000	90.166	0.000
Group-(Surplus)/Deficit for the year	843.154	1,030.280	125.655	(5.534)	(4.813)	1,988.742	(715.024)	(1,115.481)	(1,830.505)	158.237

9. Other Income and Expenditure

2024-25 £m		2025-26 £m
	Other Operating Expenditure	
(0.339)	(Gains)/losses on the disposal of assets	0.016
(0.339)		0.016
	Financing and Investment Income and Expenditure	
51.563	Interest payable and similar charges	53.910
0.022	Interest receivable and similar income	0.182
(2.431)	Pensions interest cost & expected return on pensions assets	4.383
(0.004)	Income & expenditure related to financial instruments and changes in their fair value	(0.003)
49.150		58.472
	Taxation and Non Specific Grant Income	
(194.348)	Council tax income	(211.430)
(143.471)	Non-domestic rates (contribution from National Non Domestic Rates Pool)	(171.721)
(0.015)	Non-domestic rates (Tax Incremental Financing projects)	(0.013)
(0.956)	Non-domestic rates (Non Domestic Rates Incentivisation Scheme)	(0.956)
(749.610)	Non ring-fenced government grants	(777.681)
(97.107)	Capital grants and contributions	(97.778)
(1,185.507)		(1,259.579)

10. Grant and Contribution Income

Whether paid by instalments or in arrears, government grants and third party contributions & donations are recognised as due to the Council when there is reasonable assurance that the Council will comply with the conditions attached to the payments, and that the grant or contribution will be received. They are only credited to Comprehensive Income & Expenditure Statement (CIES) when any conditions are met, but if conditions are not met at financial year end they are held as Receipts in Advance in the Balance sheet. When capital grants are credited to CIES, they are reversed out of General Fund or HRA Balances in Movement in Reserves Statement.

2024-25 £m	Grants and Contributions credited to the CIES (excl non ring-fenced Government Grants)	2025-26 £m
	Credited to Services	
(77.070)	Government Grant: Housing Benefit Subsidy	(60.853)
(73.036)	Government Grants and Contributions: NHS	(76.545)
(63.955)	Government Grants and Contributions: Other	(64.828)
(3.378)	Non-Government Grants and Contributions	(2.825)
(217.439)		(205.051)
	Credited to Taxation and Non Specific Grant Income	
(83.466)	Government Grants and Contributions	(85.676)
(13.641)	Non Government Grants and Contributions	(12.102)
(97.107)		(97.778)

31 March 2025 Short Term £m	Long Term £m	Receipts in Advance (balances at year end)	31 March 2026 Short Term £m	Long Term £m
		Receipts in Advance - Revenue		
(5.806)	(6.031)	Government Grants and Contributions	(8.185)	(6.145)
(0.129)	0.000	Non Government Grants and Contributions	(0.036)	0.000
(5.935)	(6.031)		(8.221)	(6.145)
		Receipts in Advance - Capital		
(18.298)	(1.713)	Government Grants and Contributions	(15.257)	(2.164)
0.000	(12.916)	Non Government Grants and Contributions	0.000	(14.859)
(18.298)	(14.629)		(15.257)	(17.023)
(24.233)	(20.660)	Total Receipts in Advance	(23.478)	(23.168)

11. Property, Plant and Equipment

Property, Plant and Equipment (PPE) are assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and that are expected to be used during more than one financial year. The Council has applied Statutory Override 1 in the Local Government Circular 6/2025 which allows Infrastructure assets to be presented as Net Book Value only, and this is reflected below.

Property, Plant & Equipment movements	Council Dwellings £m	Other Land & Buildings £m	Vehicles, Plant & Equipment £m	Community Assets £m	Surplus Assets £m	Assets Under Construction £m	Right of Use Assets £m	Infrastructure Assets £m	Total PPE £m	PPP/NPD Assets included in Total PPE £m
2025-26										
Net Book Value at 1 April 2025	1,081.880	2,628.420	47.758	6.670	22.188	133.751	9.280	361.195	4,291.142	335.668
Additions	59.458	32.550	27.032	2.605	0.127	143.884	0.000	30.783	296.439	0.566
Additions - Right of Use Assets	0.000	0.303	0.000	0.000	0.000	0.000	8.741	0.000	9.044	0.303
Revaluation & Impairment to Net Cost of Services	22.887	(17.789)	0.000	0.000	(0.071)	0.000	0.000	0.000	5.027	0.000
Revaluation & Impairment to Revaluation Reserve	22.304	117.400	0.000	(0.006)	(0.912)	0.000	0.000	0.000	138.786	13.919
Depreciation	(34.610)	(89.434)	(10.425)	(0.415)	(0.228)	0.000	(9.062)	(14.861)	(159.035)	(10.686)
Disposals	(0.813)	(0.466)	(0.769)	0.000	0.000	0.000	(2.560)	0.000	(4.608)	0.000
Asset donated to Charitable Trusts & Funds	0.000	0.000	0.000	(0.006)	0.000	0.000	0.000	0.000	(0.006)	0.000
Other Movements	47.901	14.544	0.000	(0.051)	(7.146)	(63.248)	0.000	0.000	(8.000)	0.000
Net Book Value at 31 March 2026	1,199.007	2,685.528	63.596	8.797	13.958	214.387	6.399	377.117	4,568.789	339.770
Gross Book Value	1,199.007	2,702.834	180.434	10.616	14.065	219.547	15.461			339.770
Accumulated Depreciation & Impairment	0.000	(17.306)	(116.838)	(1.819)	(0.107)	(5.160)	(9.062)			0.000
Net Book Value at 31 March 2026	1,199.007	2,685.528	63.596	8.797	13.958	214.387	6.399	377.117	4,568.789	339.770
2024-25										
Net Book Value at 1 April 2024	1,126.297	2,248.811	43.338	5.480	26.235	206.209	0.000	347.053	4,003.423	274.741
Additions	75.513	35.794	17.363	0.961	0.334	94.745	0.000	28.180	252.890	(4.342)
Additions - Right of Use Assets	0.000	7.133	0.000	0.000	0.000	0.000	11.877	0.000	19.010	7.133
Revaluation & Impairment to Net Cost of Services	(30.335)	(79.911)	0.000	0.000	0.008	0.000	0.000	0.000	(110.238)	0.000
Revaluation & Impairment to Revaluation Reserve	(81.558)	398.547	0.000	(0.103)	(0.145)	0.000	0.000	0.000	316.741	66.425
Depreciation	(36.030)	(107.262)	(12.077)	(0.345)	(0.246)	0.000	(2.597)	(14.039)	(172.596)	(8.289)
Disposals	0.000	(2.061)	(0.866)	0.000	0.000	0.000	0.000	0.000	(2.927)	0.000
Other Movements	27.993	127.369	0.000	0.677	(3.998)	(167.203)	0.000	0.001	(15.161)	0.000
Net Book Value at 31 March 2025	1,081.880	2,628.420	47.758	6.670	22.188	133.751	9.280	361.195	4,291.142	335.668
Gross Book Value	1,081.880	2,675.615	160.351	8.084	22.578	138.895	11.877			335.668
Accumulated Depreciation & Impairment	0.000	(47.195)	(112.593)	(1.414)	(0.390)	(5.144)	(2.597)			0.000
Net Book Value at 31 March 2025	1,081.880	2,628.420	47.758	6.670	22.188	133.751	9.280	361.195	4,291.142	335.668

Recognition and De-Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred. Assets are initially measured at cost, comprising: the purchase price and any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When assets are disposed or decommissioned, the carrying values of those assets in the balance sheet are reduced accordingly and any proceeds from those disposals (less costs of sale) are treated as a capital receipt.

Measurement

Assets are carried in the Balance Sheet using the following measurement bases:-

- Council House Dwellings

Existing Use Value for Social Housing using Beacon approach (adjusted vacant possession)

- Surplus Assets / Other Land & Buildings

Current value, determined as the amount that would be paid for the asset in its existing use, in accordance with methodologies & bases for estimation in RICS (Royal Institution of Chartered Surveyors) Professional Standards. These assets are valued on a five-year rolling programme with indexation applied in the intervening four years. The appropriate index has been selected by the Councils Estates professionals using indices provided by an external valuer.

- Dunfermline Museum and Art Gallery (included in Other Land & Buildings Assets)

Carnegie Library is an historic building with special features and is the first "Carnegie Library" built with donations from Dunfermline born philanthropist Andrew Carnegie. As such it is valued using reproduction valuation method.

- Schools / Nursey Schools (included in Other Land & Buildings Assets)

Schools are valued using a Depreciated Replacement Cost methodology.

- Harbours (included in Infrastructure Assets)

Current Value, determined as the amount that would be paid for the asset in its existing use, in accordance with methodologies & bases for estimation in RICS (Royal Institution of Chartered Surveyors) Professional Standards.

- Vehicles, Plant & Equipment / Infrastructure (excl Harbours) / Community Assets / Assets Under Construction

Historic Cost, net of Depreciation

Revaluations

The Council's rolling valuation programme, undertaken by RICS qualified in-house and external valuers, ensures assets requiring valuations are valued at least every 5 years. Due to a change in requirement in the Code 2025-26, annual indexation is now applied in the intervening four years. As result Gross Book Values are now analysed between the current year and those held at historic cost.

Gross Book Value at 31 March 2026	Council Dwellings £m	Other Land & Buildings £m	Surplus Assets £m
Historic Cost	0.000	29.777	0.363
2025-26 valuation	1,199.007	2,673.057	13.702
Total at 31 March 2026	1,199.007	2,702.834	14.065

Land and buildings are two distinct components of individual assets and accounted for separately. If the building component of an asset has a carrying value of over £10 million it is separated into further significant components.

Depreciation

Depreciation and amortisation is applied on a straight line basis on 1 April asset values over their remaining useful lives with significant components depreciated separately. Exceptions are made for assets without a determinable finite useful life (i.e. land) and not yet available for use (i.e. assets under construction). Typical useful lives are:-

Buildings	1 - 99 years	Determined by the valuer
Vehicles, Plant & Equipment	3 - 25 years	Determined by suitably qualified officers
Infrastructure	10 - 99 years	Determined by suitably qualified officers

Impairment

Impairment reviews are undertaken at the end of each financial year to identify if the value of any asset has materially changed in the year and the reasons for that change. Where this is the case, the recoverable amount of the asset is estimated and, if this is less than the carrying amount of the asset, an impairment loss is recognised.

There were 10 impairments made to assets in year with a value of £0.550m. These are all related to Common Good Leasehold Assets which have received a valuation as at 31 March 2026.

Accounting Treatment

The CIES is charged with the following amounts relating to Property, Plant & Equipment during the year:

- depreciation and amortisation attributable to the assets used by the relevant service
- revaluation/impairment losses where no accumulated gains in Revaluation Reserve exist to write losses against
- revaluation/impairment gains to extent of previous losses charged to CIES, balance to Revaluation Reserve
- gain or loss arising from de-recognition of an asset

The Council is not required to raise council tax or HRA rents to cover these charges so these are a reconciling item in Movement in Reserves Statement (MIRS) with adjusting transactions in the capital adjustment account.

12. Heritage Assets

Heritage assets are those that are intended to be preserved in trust for future generations, held and maintained principally for their contribution to knowledge and culture. Accounting treatment is the same as for Property, Plant & Equipment assets however they are deemed to have indeterminate lives and high residual values and as such it is considered inappropriate to charge depreciation. The Council has identified Heritage Assets which include works of art, museums collections, historical buildings and archaeological sites.

• The Council has Heritage Assets which have been valued and recognised in the balance sheet, namely; the Council's fine art collections mainly comprising 19th and 20th century oil paintings, and a substantial number of works on paper and a small number of pieces of sculpture were valued in November 2022 by historic and contemporary fine arts specialists, the Scottish Gallery of Edinburgh and; the Council's Provost chains which were valued in December 2022 by leading auction house Lyon & Turnbull of Edinburgh.

• The Council's museums collections were mainly built up in the 20th century by gifts from the public, are diverse in nature with information on individual items variable and are recognised in the balance sheet at insurance value.

• The Council owns a small number of historical buildings and sites however these are not included on the balance sheet as valuation of these assets is neither practicable nor useful to potential users of the accounts.

Individual museums are fully accredited under the Accreditation Scheme administered by Museums Galleries Scotland (An application was made in 2024 for accredited status for Dunfermline Carnegie Library & Galleries, which has Working Towards Accreditation Status). This sets minimum standards for collections care (including storage, documentation, handling and access). Various plans, such as the Museum Documentation Manual, Collections Care Plan and Document Plans govern the management and preservation of collections. The Museums Collections Development Policy 2024-28, agreed in February 2024 by Cabinet Committee, governs acquisitions and disposals. The Plans and Policy form part of the services agreement between Fife Council and Fife Cultural Trust.

2024-25			Heritage Assets movements during the year	2025-26		
Fine Art £m	Other £m	Total £m		Fine Art £m	Other £m	Total £m
22.504	8.628	31.132	Balance at 1 April	21.574	7.963	29.537
0.000	0.067	0.067	Revaluations	0.000	0.000	0.000
(0.930)	(0.732)	(1.662)	Transfers to Common Good	0.000	0.000	0.000
21.574	7.963	29.537	Balance at 31 March	21.574	7.963	29.537

13. Intangible Assets

Intangible assets are non-monetary assets that do not have a physical substance but are controlled by the Council. The Council's Intangible assets are software assets which are not an integral part of IT systems within Property, Plant & Equipment (PPE). Accounting treatment of Intangible assets is the same as for PPE assets.

2024-25			Intangible Assets movements during the year	2025-26		
Gross Book Value £m	Accumulated Amortisation £m	Net Book Value £m		Gross Book Value £m	Accumulated Amortisation £m	Net Book Value £m
1.302	(1.302)	0.000	Balance at 1 April	1.302	(1.302)	0.000
0.000	0.000	0.000	Movements in year	0.000	0.000	0.000
1.302	(1.302)	0.000	Balance at 31 March	1.302	(1.302)	0.000

14. Assets Held for Sale

Current Assets Held for Sale are those that the Council has identified as surplus to requirements, are being actively marketed and it is expected that the sale will be realised within 12 months of the balance sheet date. The Council has no non-current Assets Held for Sale (sale expected to be realised over 12 months).

The assets are measured at lower of carrying value and fair value (less costs to sell). If assets no longer meet the Held for Sale criteria, they are classified as Property, Plant & Equipment and valued at lower of; carrying value immediately before being classified as Held for Sale; and recoverable amount at date of the decision not to sell.

Accounting treatment is the same as Property, Plant & Equipment with exceptions that no depreciation is charged, and **all** revaluation gains/losses are charged to CIES (gains limited to extent of previous losses to CIES).

2024-25 £m	Assets Held for Sale movements during the year	2025-26 £m
0.705	Balance at 1 April	7.116
(5.566)	Revaluation & Impairment to Net Cost of Services	(0.105)
(3.074)	Revaluation & Impairment to Revaluation Reserve	0.000
15.161	Assets transferred (to)/from Property, Plant & Equipment	8.000
(0.110)	Assets sold	(0.106)
7.116	Balance at 31 March	14.905

15. Capital Expenditure and Capital Financing

The Capital Financing Requirement (CFR) is a measure of the capital expenditure incurred historically that has yet to be financed. Shown below is capital expenditure in the year, the resources used to finance that expenditure and repayment of Loans Fund principal (relating to outstanding debt from prior years), which all impact on the CFR. Also shown are material capital contract commitments at 31 March which will impact on future year's CFR.

2024-25 £m	Capital Financing Requirement movements during the year	2025-26 £m
1,268.513	Balance at 1 April	1,361.663
	Capital investment:-	
271.900	Property, Plant and Equipment	305.483
0.000	Financial Instrument Investments	0.001
	Sources of finance:-	
(3.638)	Capital receipts	(2.055)
(98.128)	Government grants and other contributions	(97.771)
(34.797)	Direct revenue contributions	(31.507)
(39.717)	Loans Fund principal repayments	(50.422)
(2.470)	Right of Use Assets lease liability repayments	(4.719)
0.000	Right of Use Assets lease liability derecognition	(2.643)
1,361.663	Balance at 31 March	1,478.030
872.217	Capital Financing Requirement - General Fund	932.093
489.446	Capital Financing Requirement - Housing Revenue Account	545.937
1,361.663	Balance at 31 March	1,478.030
130.271	Capital Contract Commitments at 31 March - Property, Plant & Equipment	70.440

16. Leases

Leased in Assets

IFRS 16 is an accounting standard adopted by the Code from 1 April 2024 which sets out the principles for the recognition, measurement, presentation and disclosure of leases. The main effect of the standard is to introduce a single lessee accounting model where right-of-use assets are recognised for all leases and the financing obligation is recognised as a lease liability. IFRS 16 means the majority of leases where the Council acts as lessee are included on the balance sheet and lessor accounting is effectively unchanged.

IFRS 16 is also applied to service concession arrangements i.e. Public Private Partnerships (PPP) and similar schemes. The main impact is the lease liability is required to be remeasured on each indexation date (annually) to reflect the carrying amount of the liability based on the indexation already applied to the variable payments in the previous reporting year. The contractual arrangements continue to be disclosed in note 17.

A weighted average incremental borrowing rate of 5.18% has been applied to lease liabilities in 2025-26.

2024-25		Right of Use Assets Lease Liabilities (all lease liabilities relate to vehicles, plant & equipment)	2025-26	
Fife Council £m	Group £m		Fife Council £m	Group £m
0.000	0.000	Value at 1 April	9.407	10.711
11.877	13.298	Additions during the year	8.741	8.858
0.000	0.000	Disposals during the year	(2.643)	(2.643)
(2.470)	(2.587)	Principal repaid in year	(4.719)	(5.112)
9.407	10.711	Value at 31 March	10.786	11.814
3.586	3.971	Within one year	4.172	4.729
5.821	6.740	Between 2 and 5 years	6.614	7.085
0.000	0.000	Over 5 years	0.000	0.000
9.407	10.711	Total Liabilities at 31 March	10.786	11.814

Fife Council has an agreement with Common Good to manage various land and buildings assets which are used and actively managed by the Council but whose ownership has been confirmed as Common Good. The arrangement is on a full repairs basis by the Council at peppercorn rental (i.e. a rent at a very low or nominal value). It has been determined that these arrangements do not meet the definition of a lease under IFRS 16 due to their nature and no right-of-use assets have been recognised on Fife Council's balance sheet.

The Council has decided to apply recognition exemptions to short-term leases and has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a term of 12 months or less and leases of low value assets. The lease payments are charged to the CIES as an expense to the services benefitting from the use of the lease, on a straight-line basis over the lease term.

2024-25 £m	Future minimum lease payments due at 31 March under non-cancellable leases in future years:-	2025-26 £m
0.215	Not later than one year	0.280
0.749	Later than one year and not later than five years	0.766
0.200	Later than five years	1.821
1.164	Total	2.867
2024-25 £m	Expenditure charged to the CIES during the year in relation to these leases:-	2025-26 £m
0.088	Minimum lease payments	0.319
0.088	Total	0.319

Leased out Assets

The Council leases out property for a number of purposes. These are mainly to support economic growth by providing industrial and commercial lets at affordable levels for local business and to facilitate the provision of community, arts and tourism facilities within local communities. Rental income received under operating leases is credited to the relevant service in accordance with the terms specified in the lease agreement.

2024-25 £m	The future minimum lease payments at 31 March receivable in future years are:-	2025-26 £m
3.981	Not later than one year	4.685
9.320	Later than one year and not later than five years	12.222
71.562	Later than five years	76.590
84.863	Total	93.497

17. Public Private Partnerships (PPP) and Non-Profit Distribution (NPD) contracts

PPP and NPD contracts are agreements to receive services where responsibility for making assets available to provide the services passes to the PPP/NPD operator. As the Council is deemed to control the services provided and as ownership of the assets passes to the Council at the end of the contract periods for no additional charge, assets are carried on the Council Balance Sheet and are detailed in the Property, Plant & Equipment Note to these accounts. Fife Council has three such contracts in place for construction and servicing of certain facilities.

- **PPP1 (A New Way Forward)**-replacement of 2 secondary schools, a new primary school, sports hall and all weather pitch, which were fully operational from August 2003 under contract operator Pinnacle Schools Fife Ltd.
- **PPP2 (Expanding Horizons)**-construction of 3 new primary schools and a community facility, replacement of 3 primary schools and a new combined campus to replace 2 further primary schools. These were fully operational in June 2007 under contract operator Emblem Consortium.
- **NPD (Levenmouth Academy)**-construction of a new school which was operational in August 2016 under contract operator HUB East Central Scotland Ltd. Unlike PPP, the funding of the NPD project is entirely from borrowing, there is no equity element and therefore no distribution of surpluses at the contract end to investors. The opening balance of the contract has been adjusted to reflect a reduction in construction costs.

The contracts allow the Council to use the facilities for Education and Community use and gives the right for the Council to vary the contracts in terms of changes to facilities, services to be provided and hours of use, they also include refinancing and termination mechanisms. The contract operators have obligations to maintain the assets to a high standard, to undertake any lifecycle replacement and to hand back the assets in a good condition. The facilities are passed back to the Council at the end of the contract periods (in 2028, 2032 and 2042 respectively).

For all three contracts, annual unitary charges (calculated to compensate operators for fair value of services provided, capital expenditure and interest charges) are payable by the Council to the operator over the contract period and are subject to annual indexation uplifts but can be reduced if the operator fails to meet availability and performance standards. The charges are partly offset by annual Scottish Government Grant support. The Council holds the outstanding capital expenditure element of the contracts as a liability on its Balance sheet.

2024-25			2025-26	
Unitary charge £m	Grant support £m	Annual Unitary Charge payments and Scottish Government Grant support	Unitary charge £m	Grant support £m
9.468	(3.680)	PPP1	9.815	(3.680)
9.952	(4.168)	PPP2	10.278	(4.168)
4.159	(3.212)	NPD	4.226	(3.212)
23.579	(11.060)		24.319	(11.060)
		Outstanding Liability on Balance Sheet		
69.292		1 April		68.543
(5.205)		Adjustment to NPD opening balance		0.000
7.133		IFRS16 Lease Remeasurement (see note 16)		0.303
(2.677)		Capital Repayments during the year		(8.504)
68.543		31 March		60.342

Annual unitary charge payments are comprised of elements which determine accounting treatment. **Service costs** are Fair Value of Services received charged to Cost of Services in the Comprehensive Income and Expenditure Statement (CIES) and Lifecycle Replacement Costs charged as Property, Plant & Equipment additions when work is undertaken; **Capital Repayment** is applied to write down the outstanding Balance Sheet liability; **Finance costs** are Interest Charges (on outstanding liability) charged to CIES (Financing and Investment Income & Expenditure).

Scottish Government Service Concession Arrangements flexibilities applied in 2022-23 allowed capital debt repayments to be reprofiled with a one-off benefit (£38.571m) and annual savings until the end of each contract. Unitary charge payments to contractors are made until the end of each contract, but after those dates, Reprofiled Debt Repayments (see table below) continue to be charged annually until the debt liability has been extinguished.

Contract payments remaining 31 March 2026 (using 2.5% indexation excl contract variations)	Service Costs £m	Capital Repayment £m	Finance Costs £m	Total £m	Reprofiled Repayment £m
Payable in 2026-27	11.375	7.951	4.504	23.830	2.520
Payable within two to five years	34.247	23.982	12.082	70.311	12.186
Payable within six to ten years	13.017	15.729	6.792	35.538	21.525
Payable within eleven to fifteen years	6.467	11.709	2.718	20.894	31.911
Payable within sixteen to twenty years	0.125	0.971	0.035	1.131	32.200
Payable within twenty one to thirty five years	0.000	0.000	0.000	0.000	15.680
Total	65.231	60.342	26.131	151.704	116.022

18. Inventories

Stores / Raw Materials £m	2024-25		Movement in Inventories (measured at lower of cost and net realisable value)		2025-26	
	Equipment Stock £m	Total £m			Equipment Stock £m	Total £m
4.637	0.475	5.112	Opening Balance 1 April		4.735	5.254
21.948	2.059	24.007	Purchases		20.958	22.800
(22.179)	(2.015)	(24.194)	Recognised as in-year expense		(20.693)	(22.581)
0.329	0.000	0.329	Stock adjustments-write on/(off)		(0.487)	(0.487)
4.735	0.519	5.254	Balance 31 March		4.513	4.986

19. Short Term Debtors and Creditors

31 March 2025		Short Term Debtors and Creditors (after provision for impairment)	31 March 2026	
Debtors £m	Creditors £m		Debtors £m	Creditors £m
47.809	(20.888)	Central Government bodies	60.086	(23.640)
35.814	(0.663)	Local Taxation (Council Tax & Non-Domestic Rates)	39.730	(0.648)
1.213	(24.760)	Employees (Pay & Holiday Pay Accruals)	1.938	(27.815)
18.789	(30.782)	Financial Assets and Liabilities (see Note 21)	19.979	(41.427)
3.536	0.000	Integration Joint Board (IJB)	2.090	0.000
26.795	(36.524)	Other Entities and Individuals	23.167	(33.990)
133.956	(113.617)		146.990	(127.520)
		Local Taxation Debtors (analysed by age of debt)		
8.338		Up to 1 Year	9.988	
14.667		1-5 Years	16.063	
12.809		Greater than 5 Years	13.679	
35.814			39.730	

Total Debtors at 31 March 2026 is after provision for impairment of £75.294m (31 March 2025, £73.431m).

20. Provisions

Provisions are based on the Council's obligations arising from past events, probability that transfer of economic benefit or service potential will take place and reliable estimate of the obligation. Provisions are charged to the relevant service in the CIES when the obligation becomes known and reviewed at each balance sheet date.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. insurance claims) this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be made if the Council settles the obligation. When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Where it becomes less than probable that a provision is required (or lower settlement than anticipated is made), it is reversed and credited back to the relevant service.

	Planning Costs £m	Insurance Claims £m	Asset Decomm. £m	Total £m
1 April 2025	0.000	(7.671)	(6.640)	(14.311)
Additional provisions made	(0.319)	(5.665)	(0.199)	(6.183)
Amounts used	0.000	2.202	0.000	2.202
Unwinding of discounting	0.000	(0.172)	0.000	(0.172)
31 March 2026	(0.319)	(11.306)	(6.839)	(18.464)
Short-Term Provisions	(0.280)	0.000	0.000	(0.280)
Long-Term Provisions	(0.039)	(11.306)	(6.839)	(18.184)
31 March 2026	(0.319)	(11.306)	(6.839)	(18.464)

- Planning costs- expected future costs to the Council arising from Planning decisions
- Insurance Claims - all known outstanding third party claims.
- Asset Decommissioning - expected future obligations for landfill site aftercare at Lochhead (£3.013m) and Lower Melville Wood (£3.590m) when they reach the point of closure, and for the closed site at Balbarton (0.236m).

21. Financial Instruments

Financial instruments are contracts which create a financial asset in one entity and a financial liability in another.

31 March 2025		Financial Instruments in the Balance Sheet	31 March 2026	
Short Term £m	Long Term £m		Short Term £m	Long Term £m
		Investments		
0.000	3.100	Employment Land	0.000	3.015
0.000	3.100		0.000	3.015
		Other Financial Assets		
0.633	3.950	Loan Debt - Police and Fire Authorities	0.669	3.280
0.010	0.082	Loan Advances - Soft Loans	0.012	0.074
18.146	0.000	Trade Debtors	19.298	0.000
18.789	4.032		19.979	3.354
		Borrowings		
(18.055)	(876.254)	Loans - Public Works Loan Board (PWLB)	(41.105)	(985.149)
0.000	(139.050)	Loans - Money Market	0.000	(129.050)
(220.000)	0.000	Loans - Temporary Short Term	(236.500)	0.000
(18.385)	0.000	Loan Interest	(19.809)	0.000
(0.014)	(2.169)	Loan Liability - Effective Interest Rate (EIR)	(0.025)	(2.144)
(256.454)	(1,017.473)		(297.439)	(1,116.343)
		Other Financial Liabilities		
(18.765)	0.000	Trade Creditors (at contract amount)	(29.304)	0.000
(8.431)	(60.112)	PPP & NPD contract liabilities	(7.951)	(52.391)
(3.586)	(5.821)	Right of Use Assets lease liabilities	(4.172)	(6.614)
(30.782)	(65.933)		(41.427)	(59.005)

Employment Land Investments and Soft Loans advances (above) are held in the Balance sheet at fair value. Other assets and liabilities are held at amortised cost or, where no reliable measurement exists, measured at cost.

Investments

The Council is party to Employment Land investments with Scottish Enterprise. Market conditions show that similar assets are actively sold so these are valued at Level 2 of the Fair Value hierarchy. Valuation changes are shown in Comprehensive Income & Expenditure Statement (CIES) & Financial Instruments Revaluation Reserve.

Other Financial Assets

The Council has loan debt due from Scottish Police & Fire Authorities, recognised in 2013 when the services were transferred from the Council, repayable annually until 2037; soft loans (below market rate of interest) to employees valued using observable inputs and therefore at Level 2 of the Fair Value Hierarchy; and trade debtors.

Interest receivable is based on an effective rate of interest for each instrument and credited to CIES. For soft loans, a higher rate of interest is credited (reflecting interest foregone over the life of the loan) with transfers to Financial Instruments Adjustment Account to ensure only interest receivable impacts on Council Balances. Any gains and losses from de-recognition or impairment of loans & receivables are also charged to CIES.

Borrowings

Borrowing from the PWLB, Money Market & Temporary Loans is held at amortised cost. Fair Value of these loans was assessed and is lower than amortised cost, as the Council's portfolio of loans includes fixed rate loans where interest payable was lower than market rates available on similar loans in the market at the balance sheet date.

2024-25 £m	PWLB and Money Market Loans	2025-26 £m
1,033.359	Carrying Value (amortised cost) at balance sheet date	1,155.304
809.359	Fair Value at balance sheets date	905.032
39.101	Interest on borrowings charged to CIES in the year	47.659

The Council has modified the structure of its Loan Debt in previous years and costs of this restructuring are added to amortised cost as an EIR liability written down over the life of the debt. The Impact on Balances is spread over the life of the debt by an annual transfer between General Fund and Financial Instruments Adjustment Account.

Other Financial Liabilities

Liabilities include Trade Creditors, Right of Use Assets lease liabilities (see Note 16) and PPP/ NPD contract liabilities (see Note 17).

22. Nature and Extent of Risks Arising from Financial Instruments

The Council's treasury management policies operate to minimise exposure to the unpredictability of the financial markets and protects the financial resources available to fund services. The Council has formally adopted the CIPFA Code of Practice on Treasury Management and, in accordance with the Prudential Code for Capital Finance in Local Authorities, approved annually prudential and treasury indicators for the following three years.

Liquidity and Re-Financing Risk

There is no significant risk that the Council will be unable to raise finance to meet its commitments, as borrowing is readily available from PWLB, but there is a risk that it will be bound to replenish a significant proportion of debt in a time of unfavourable interest rates. The Council's treasury management indicators provide maximum limits for maturity structure of borrowings and investments maturing beyond one year, and its Borrowing & Investment Strategy addresses the main risks by monitoring maturity profiles of financial liabilities and investments, and amending (by new borrowing or rescheduling debt) to ensure sufficient liquidity is available for daily cash flow.

Maturity Analysis of Financial Liabilities	PWLB & Money Market £m	Temp Loans & Interest £m	EIR Loan Liability £m	Total £m	Maturity Profile %
Less than one year	41.105	256.309	0.025	297.439	21.04%
Between one and two years	36.120	0.000	0.014	36.134	2.56%
Between two and five years	121.852	0.000	0.062	121.914	8.62%
Between five and ten years	163.559	0.000	0.127	163.686	11.58%
Ten years or more	792.668	0.000	1.941	794.609	56.20%
Total	1,155.304	256.309	2.169	1,413.782	100.00%

All trade and other payables are due to be paid in less than one year.

Credit Risk

Credit risk from financial instruments arises from the deposits placed with banks and financial institutions, loans to other Local Authorities and credit exposures to the Council's customers. The Council's policy for managing credit risk is outlined in the its Treasury Management Policy. Deposits are not made with banks and financial institutions unless they satisfy a minimum rating set by each of three leading credit agencies.

Loss allowances from credit risk, based on experience of default and uncollectability is shown below. The majority of debt is past its due date for payment as the Council's payment policy is 14 days from the invoice date.

Analysis of Trade Debtors	Under 3 months £m	3 - 6 months £m	6 - 12 months £m	Over 12 months £m	Total £m	Loss Allowance £m	Net Total £m
31 March 2026	7.406	1.568	5.295	12.540	26.809	(7.511)	19.298
31 March 2025	7.088	2.017	5.264	10.786	25.155	(7.009)	18.146

Market risk

The Council is exposed to interest rate movements on borrowings and investments which have a direct impact on General Fund or HRA balances. e.g. an increase in interest rates would increase interest payable on variable borrowings and increase interest receivable on investments (if rates reduce the reverse applies). Borrowings are held at amortised cost, so gains and losses to fair value from a change in interest rates will not have an impact.

2024-25 £m	Impact of 1% increase in interest rate (assuming all other variables are constant)	2025-26 £m
1.149	Increase in Interest Payable	1.373
(1.603)	Increase in Interest Receivable	(1.339)
(0.454)	Net impact on the CIES	0.034

The Council's Treasury Management Policies manage interest rate exposure by limiting the amount of borrowing held at variable rates to 75% of it's total portfolio. In previous years loans have been restructured into "variable structure" debt and risk is managed within the contracts as they are Lender Option Buyer Option (LOBO) loans where interest rates can only be reviewed on certain anniversary dates. If the Lender wishes to exercise their option to increase the rate on those dates, the Borrower can exercise their option to repay the loan.

The Council does not invest in equity shares and has no financial asset or liabilities denominated in foreign currencies and therefore is not exposed to losses from share price or exchange rate movements.

23. Defined Benefit Retirement Schemes

As part of the terms and conditions of employment of its workforce, the Council and its Group bodies make contributions towards the cost of post employment benefits. Although these benefits are not actually payable until employees retire, there is a commitment to make the payments which is disclosed at the time that employees earn their future entitlement. The Council and its Group participate in the following employment schemes:-

- Local Government Pension Scheme (LGPS) - a funded defined benefit final salary scheme when employers and employees pay contributions into a fund at a level intended to balance pension liabilities with investment
- Discretionary post retirement benefits awarded upon early retirement– this is an unfunded defined benefit final arrangement, where liabilities are recognised when awards are made. There are no investment assets built up to meet these pensions liabilities and cash has to be generated to meet actual pensions payments as they fall due.

Liabilities for LGPS and Discretionary Benefits are assessed by independent actuaries Hymans Robertson on an actuarial basis using the projected unit credit method, an estimate of pensions payable in future years dependent on assumptions for mortality rates, salary levels, etc. Estimates are based on the 2023 Pension Fund valuation and assumptions vary depending on age profile of scheme members for each employer within the Council Group.

2024-25		Principal Assumptions used	2025-26	
Fife Council	Group bodies (range)		Fife Council	Group bodies (range)
		Mortality-Longevity at age 65 (years)		
20.0	18.8 - 20.5	Men (current pensioners)	20.3	19.2 - 20.9
20.6	20.0 - 21.2	Men (future pensioners)	20.9	20.3 - 21.6
22.8	22.8 - 23.9	Women (current pensioners)	23.0	23.0 - 24.0
24.6	23.1 - 24.9	Women (future pensioners)	24.7	23.2 - 25.0
		Financial		
2.80%	2.75% - 2.80%	Rate of increase in pensions	3.00%	3.00%
3.30%	3.25% - 3.30%	Rate of increase in salaries	3.50%	3.50%
5.80%	5.80%	Rate for discounting scheme liabilities	6.20%	6.20% - 6.30%

A commutation allowance is also included for all employers for 70% (2024-25, 70%) of future retirements to exchange pension for additional tax-free cash up to HMRC limits.

A sensitivity analysis of changes to the Principal Assumptions used is included within Note 4 of these accounts.

Transactions relating to post employment benefits

The cost of retirement benefits is recognised in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, in accordance with accounting regulations, the amount to be funded by council tax or HRA rents is based on benefits payable in the year, so an adjustment is made to General Fund / HRA balances in the Movement in Reserves Statement.

2024-25			2025-26	
Fife Council £m	Group £m		Fife Council £m	Group £m
		Post Employment Benefit charged to the CIES		
		Cost of Services:-		
85.787	91.096	Current Service Cost	67.637	71.891
0.010	0.109	Past service costs (incl. Curtailments)	6.560	6.560
		Financing and Investment Income and Expenditure:-		
129.810	136.266	Interest cost	137.923	144.810
19.367	21.538	Interest on the effect of the Asset Ceiling	57.821	61.956
(151.608)	(160.702)	Interest Income on plan assets	(191.361)	(202.800)
83.366	88.307	Total charged to (Surplus)/Deficit on Provision of Services	78.580	82.417
141.073	146.284	Total remeasurements recognised in Other Expenditure	13.536	14.428
224.439	234.591		92.116	96.845
		Movement in Reserves Statement		
(83.366)	(88.307)	Reversal of charges to CIES under accounting regulations	(78.580)	(82.417)
		Amounts charged for pensions in the year against Balances		
81.671	86.152	Employers' contributions payable to plan	86.086	90.786
7.658	7.689	Contributions in respect of unfunded benefits	7.608	7.639
5.963	5.534		15.114	16.008

Employer's contributions expected to be made to funded plan in financial year 2026-27	86.048	90.748
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Value of Plan Assets and Liabilities

2024-25			2025-26	
Fife Council £m	Group £m		Fife Council £m	Group £m
3,155.268	3,342.459	Fair Value of Plan assets at 1 April	3,291.512	3,487.432
151.608	160.702	Interest Income on Plan Assets	191.361	202.800
22.351	23.795	Participants Contributions	23.618	25.163
81.671	86.152	Employers contributions	86.086	90.786
(93.011)	(96.522)	Benefits paid	(93.870)	(97.461)
(7.658)	(7.689)	Unfunded benefits paid	(7.608)	(7.639)
7.658	7.689	Contributions in respect of unfunded benefits paid	7.608	7.639
(26.375)	(29.154)	Return on assets excluding amounts included in net interest	137.290	144.944
3,291.512	3,487.432	Balance at 31 March	3,635.997	3,853.664
(2,702.578)	(2,834.645)	Present Value of Plan liabilities at 1 April	(2,379.796)	(2,497.466)
(85.787)	(91.096)	Current Service Cost	(67.637)	(71.891)
(0.010)	(0.109)	Past Service Cost (including curtailments)	(6.560)	(6.560)
(129.810)	(136.266)	Interest Cost on defined benefit obligation	(137.923)	(144.810)
(22.351)	(23.795)	Participants Contributions	(23.618)	(25.163)
93.011	96.522	Benefits paid	93.870	97.461
7.658	7.689	Unfunded Benefits paid	7.608	7.639
425.528	448.343	Remeasurement: Change in financial assumptions	75.440	80.168
4.525	4.740	Remeasurement: Change in demographic assumptions	(15.165)	(15.839)
30.018	31.151	Remeasurement: Other experience	(21.138)	(22.078)
(2,379.796)	(2,497.466)	Balance at 31 March	(2,474.919)	(2,598.539)
(403.472)	(453.476)	Unrecognised Pension Surplus at 1 April	(997.608)	(1,076.378)
(594.136)	(622.902)	Movement in Unrecognised Pension Surplus	(247.784)	(263.579)
(997.608)	(1,076.378)	Balance at 31 March	(1,245.392)	(1,339.957)
(85.892)	(86.412)	Net Asset / (Liability)	(84.314)	(84.832)
3,291.512	3,487.432	Fair value of Plan Assets	3,635.997	3,853.664
(2,293.904)	(2,411.017)	Present value of funded liabilities	(2,390.605)	(2,513.669)
(85.892)	(86.449)	Present value of unfunded liabilities	(84.314)	(84.870)
(997.608)	(1,076.378)	Unrecognised Pension Asset	(1,245.392)	(1,339.957)
(85.892)	(86.412)	Net Asset / (Liability)	(84.314)	(84.832)

31 March 2025				Fair Value of Plan Assets at bid value (under accounting standard IAS19)	31 March 2026			
Prices Quoted in Active Markets £m	Prices not Quoted in Active Markets £m	Total £m	%		Prices Quoted in Active Markets £m	Prices not Quoted in Active Markets £m	Total £m	%
808.613	0.000	808.613	25%	Equity Securities	879.488	0.000	879.488	24%
				Debt Securities				
0.000	70.765	70.765	2%	• Corporate Bonds	0.000	0.000	0.000	0%
0.000	393.706	393.706	12%	• UK Government	0.000	545.987	545.987	15%
0.000	0.188	0.188	0%	• Other	0.000	0.000	0.000	0%
				Real Estate				
146.861	31.032	177.893	5%	• UK Property	154.420	40.439	194.859	5%
				Investment Funds & Unit Trusts				
798.274	0.000	798.274	24%	• Equities	979.140	0.000	979.140	27%
301.584	0.000	301.584	9%	• Bonds	247.413	0.000	247.413	7%
0.000	588.908	588.908	18%	• Infrastructure	0.000	549.713	549.713	15%
0.070	0.000	0.070	0%	Derivatives	0.000	0.000	0.000	0%
151.511	0.000	151.511	5%	Cash & Cash Equivalents	239.397	0.000	239.397	7%
2,206.913	1,084.599	3,291.512	100%	TOTAL	2,499.858	1,136.139	3,635.997	100%

Only Fife Council figures are shown above as other Group bodies are prepared using accounting standard FRS102.

24. Pensions Schemes Accounted for as Defined Contribution Schemes

Teachers employed by the Council are members of the Scottish Teachers' Superannuation Scheme, an unfunded scheme administered by the Scottish Public Pensions Agency. The scheme is accounted for as a defined contribution scheme as it is a national scheme which does not allow for the identification of pension liabilities consistently and reliably between participating authorities. The accounts, therefore, include the payments made by the Council to the scheme in year but do not reflect estimated pension assets or liabilities. The Council is however responsible for additional benefits awarded upon early retirement outwith the terms of the teachers' scheme which are accounted for on a defined benefit basis and included in the Defined Benefit

2024-25 £m	Teachers' Retirement Benefits	2025-26 £m
48.515	Amounts payable to Scottish Public Pensions Agency for Teachers' Pensions	50.453
4.834	Early Retirement Benefits outside the terms of the Teachers' Scheme	4.773

25. Contingent Assets and Liabilities

Contingent assets or liabilities arise where an event occurs that gives the Council a possible asset or obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within control of the Council. Contingent liabilities also arise where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of obligation cannot be measured reliably.

At 31 March 2026 the Council has no contingent assets but has the following contingent liabilities: -

- **Scottish Child Abuse Inquiry:** The Scottish Child Abuse Inquiry was set up in October 2015 to examine the abuse of children in care from the 1930's to the present day. Fife Council has 4 establishments included in the list of Institutions being investigated along with investigations into Foster Care, Child Migrant, and a few individuals. Fife Council have already received claims for £5.780m, however, there is potential for more claims as the time bar has been removed for cases where the abuse occurred post September 1964. The introduction of Qualified One-Way Cost Shifting (QOCS) in 2021 removed the risk of the claimant having to pay defenders expenses if their claim is unsuccessful and therefore this will further open the possibility of new cases or re-submissions of those which were rejected due to the time bar. It is not possible to determine the exact timing or value of any future claims.

- **Equal Pay:** An Employment Tribunal which sat in January 2023 published their judgment in July 2023. Their view is that Fife Council's Job Evaluation Scheme does not meet the requirement set out in section 131 (6)(b) of the Equality Act 2010 in respect of the named evaluations. This has been determined on the basis that the Tribunal has reasonable grounds for suspecting that the claimant and comparator evaluations are unreliable. There are further stages of the legal process yet to be progressed. There may be a possible obligation on the Council in future, but this will not be confirmed until the legal processes have concluded. It is not feasible to place any reliable value on any possible outcome at this stage.

26. Agency Income and Expenditure

Agency arrangements operate in some services where the Council undertakes work on behalf of other Local Authorities, Government or other public bodies. Expenditure and income relating to this work is excluded from the Comprehensive Income and Expenditure Statement because it is not part of the Council's responsibilities.

- The Council bills and collects domestic water and sewerage charges on behalf of Scottish Water along with its own Council Tax. During 2025-26 the Council transferred £84.517m (2024-25 £76.426m) to Scottish Water.

27. Group & Related Parties

Group accounts are required to be prepared where the Council has material interests in other organisations which can be classified as subsidiaries, joint ventures or associates in line with the level of control that the Council exerts.

Subsidiaries

Subsidiaries are independent bodies over which the Council is considered to have control. The following Subsidiaries have been identified and are included in the Group accounts where material.

Payments from Fife Council £m	2024-25 Fife Council balances at 31 March			Payments from Fife Council £m	2025-26 Fife Council balances at 31 March	
	Debtors £m	Creditors £m			Debtors £m	Creditors £m
			Included in Group Accounts			
6.844	0.290	0.884	Fife Sports and Leisure Trust	6.848	0.356	0.048
12.666	0.100	0.000	Fife Cultural Trust	10.206	0.039	0.009
3.300	0.022	0.576	Fife Coast & Countryside Trust	3.115	0.017	0.110
1.106	0.010	0.000	Fife Golf Trust	0.986	0.010	0.000
28.006	6.815	0.422	Fife Resource Solutions LLP	33.711	6.752	0.334
0.002	0.000	0.000	CIRECO (Scotland) Ltd	0.002	0.000	0.000
2.867	0.746	0.193	Business Gateway Fife	1.454	0.713	0.133
54.791	7.983	2.075		56.322	7.887	0.634
			Not included in Group Accounts			
			(due to materiality levels)			
0.000	0.000	0.000	Sustainability Fife Ltd	0.000	0.000	0.000

Fife Sports & Leisure Trust is a company limited by guarantee with charitable status set up on 1 April 2008 to provide sport & leisure activities in Fife through 14 leisure facilities leased from the Council. The Council pays a management fee to the Trust and is represented on the Board of Directors by 6 board members.

Fife Cultural Trust is a company limited by guarantee with charitable status set up on 1 October 2012 to provide arts, culture and entertainment across Fife, through library and museum services, an Arts Development service and management & operation of 4 theatre facilities, which are owned by the Council and leased to the Trust. The Council pays a management fee to the Trust and is represented on the Board of Directors by 4 board members.

Fife Coast & Countryside Trust is a company limited by guarantee with charitable status set up on 31 July 2006 providing countryside activities in Fife for the Council and partners including Scottish Natural Heritage. The Council pays a management fee to the Trust and is represented on the Board of Directors by 4 board members.

Fife Golf Trust is a company limited by guarantee with charitable status set up on 1st April 2011. The Trust provides golf across Fife through 7 golf courses which are owned by the Council and leased to the Trust. The Council pays a management fee to the Trust and is represented on the Board of Directors by 4 board members.

Fife Resource Solutions Limited Liability Partnership was established on 1 April 2014 between Fife Council and Sustainability Fife Ltd to provide Waste Treatment & Disposal, Collection of Commercial & Industrial Waste, Waste Haulage & Transfer, Recycling Facilities, Energy Generation & Supply and related Consultancy Services. The Council pays a management fee and is represented on the Board of Directors by 4 board members.

CIRECO (Scotland) Ltd was established (as Resource Efficient Solutions Limited Liability Partnership) on 1 April 2014 as a partnership between Fife Council and Fife Resource Solutions LLP to develop new income streams predominantly from provision of waste disposal, collection of commercial & industrial waste to external customers and provision of consultancy services. The Council is represented on the Board of Directors by 4 board members.

Business Gateway Fife is a company limited by guarantee established as a joint venture between Fife Council and Scottish Enterprise to deliver support to start up and existing small businesses in Fife. The Council is now the sole owner, providing funding for financial assistance to small businesses, operational funding and a contribution to the Business Gateway delivery contract, and is represented on the Board of Directors by 2 board members.

Sustainability Fife Ltd is wholly owned by the Council and established to form a partnership with the Council to create Fife Resource Solutions LLP. The Council is represented on the Board of Directors by 4 board members.

Joint Ventures

Joint ventures are arrangements where the parties who have joint control of the arrangement have rights to its net assets. The Council has one Joint Venture, the **Fife Integration Joint Board (IJB)**.

The IJB, established on 3 October 2015 as a Joint Venture with NHS Fife, is responsible for planning, operational oversight and management of Integrated Health & Social Care services. The Council's share of IJB reserves at 31 March 2026 is £1.413m (31 March 2025 £0.856m) which is included in the Council's accounts on an equity basis. Further details are shown under material items in the Comprehensive Income & Expenditure Statement.

Associates

Associates are bodies which the Council has significant influence over, but do not meet criteria of Joint Ventures or Subsidiaries. The following Associate was identified but not included in Group accounts due to materiality.

Fife Environment Trust is a company which distributes locally generated landfill tax monies to environmental and community projects eligible under Scottish Landfill Communities Fund requirements. The Council has 2 of the 6 Board members and in 2025-26 the Council and its Group contributed £0.224m (2024-25 £0.521m).

Other Related Parties

The Council transacts with 'related parties' on a regular basis i.e. bodies or individuals that have the potential to control or influence the Council or to be controlled or influenced by the Council. Disclosure of these transactions allows readers to assess the extent to which the Council might have been constrained in its ability to operate independently or might have secured the ability to limit another party to bargain freely with the Council.

Scottish Government

The Scottish Government has effective control over the general operations of the Council. It provides the statutory framework within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many transactions that the Council has with other parties (e.g. council tax, housing benefits). Grants received from government departments are shown in the Grant Income note to these accounts.

Members and Officers of the Council

In addition to Subsidiaries and Associates, elected members have registered interests in other bodies where the Council does not have significant influence over their operations. The members' register of interests is found here; [Fife.gov.uk / politicians and committees / your local councillors](https://fife.gov.uk/politicians-and-committees/your-local-councillors)

The Council's senior officers (detailed in Remuneration Report) have control over its financial & operating policies. There were no material payments to bodies where senior officers have a registered an interest.

Other Organisations

The Council has interests in other bodies in collaboration with other local authorities, but are not Associates as the Council either has no significant influence, or does not invest in those bodies. These include SESTran (South East of Scotland Transport Partnership), Tay Bridge Joint Board and Scotland Excel. Payments made to these bodies are included in Members and Officers section above where material.

Local Government Pension Fund

Fife Council acts as the administering Authority for the Fife Pension Fund which is a Local Government Pension Scheme and a statutory scheme established by the Superannuation Act 1972. The Fund covers employees and pensioners of Fife Council and also a number of scheduled and admitted bodies but does not include Teachers. The Fife Pension Fund accounts are not part of the Council's accounts but subject to separate audit, and can be found here: [Fife.gov.uk / Budgets and Finance / Annual Accounts](https://fife.gov.uk/Budgets-and-Finance/Annual-Accounts)

28. External Audit

The agreed external audit fee for 2025-26 was £0.742m for work undertaken in accordance with the Code of Audit Practice (2024-25, £0.716m).

29. Financial Guarantees

The Council has formal guarantees and arrangements in place for subsidiary bodies within the Council's Group;

- A pension guarantee, approved by the Council in September 2015, with Business Gateway Fife which ensures that if the company were unable to continue as active members of the pension scheme and their assets and liabilities would be pooled with Fife Council's within the Pension Fund.
- Two financial guarantees which relate to CIRECO Scotland Ltd in respect of any defaults on energy from waste agreements which enable the diversion of waste from landfill. These are, Earlsgate site £5.280m (approved by the Council in April 2018) and Westfield site £11.899m (approved by the Council in May 2019).
- The Council issued letters of comfort to Fife Resource Solutions LLP, Fife Sports & Leisure Trust, Fife Golf Trust and Fife Cultural Trust to confirm the Council's commitment to the ongoing financial sustainability of those bodies.

In addition, the Council agreed in January 2020 to provide a pensions arrangement for small employers who wished to exit the Fife Pension Fund. Six employers elected to take advantage of this proposal and subsequently ceased participation in the Fund. The Council, as an Employer, has taken on the pension assets and liabilities of these employers which could result in increased liabilities depending on the future performance of the Fund.

30. Prior Period Adjustments / Restatements

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error.

Changes in accounting policies are only made when required by proper accounting practices or to provide more reliable or relevant information on the Council's financial position. Where a change is made, it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied. Material errors discovered in prior period figures are also corrected retrospectively.

There are no items which have required a restatement in these Accounts.

31. Events after the Reporting Period

Events after the Balance Sheet date are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date the Statement of Accounts is authorised for issue. There are two distinct types:- those that existed at the balance sheet date where the accounts should be adjusted to reflect these; and those which arose after the balance sheet date which require disclosure in the notes to the accounts if material.

There is one event which arose after the balance sheet date which requires disclosure;

- **Lower Melville Wood Landfill Site:** A fire in May 2026 resulted in significant damage to elements of site infrastructure and processing equipment, along with business interruption costs. A policy excess of £0.250m will apply.

Housing Revenue Account (HRA) Income and Expenditure Statement

The HRA Income and Expenditure Statement shows the economic cost in the year of providing housing services in accordance with generally accepted accounting practices, rather than the amount to be funded from rents and government grants. Authorities charge rents to cover expenditure in accordance with regulations, this may be different from the accounting cost. The increase or decrease in the year, on the basis of which rents are raised, is shown in the Movement on the HRA Statement.

2024-25 £m		2025-26 £m
	Income	
(139.396)	Dwelling Rents	(148.675)
1.708	Rent Voids	1.764
(3.699)	Non-dwelling Rents	(3.841)
(2.441)	Hostels - Accommodation Charges	(2.502)
(3.558)	Other Income	(3.923)
(147.386)	Total Income	(157.177)
	Expenditure	
58.528	Repairs and Maintenance	59.809
29.345	Supervision and Management	31.675
0.230	Rents, rates, taxes and other charges	0.103
68.477	Depreciation, impairment and revaluation losses of non-current assets	13.392
3.598	Impairment of Debtors	3.111
1.015	Other Expenditure	2.129
161.193	Total Expenditure	110.219
13.807	Net Expenditure or (Income) of HRA Services as included in the Comprehensive Income and Expenditure Statement	(46.958)
0.181	Share of Corporate and Democratic Core	0.198
0.035	HRA share of other amounts included in the whole Council Net Expenditure of Continuing Operations but not allocated to specific services	0.027
14.023	Net (Income) or Expenditure for HRA Services	(46.733)
	HRA Share of operating income and expenditure included in the whole Council Comprehensive Income and Expenditure Statement	
(0.061)	(Gain) or Loss on sale of HRA Non Current Assets	(0.070)
16.143	Interest Payable and Similar Charges	20.562
(1.168)	Interest and Investment Income	(1.139)
(0.092)	Pension Interest Cost and Expected Return on Pension Assets	0.170
(23.411)	Capital Grants and Contributions Receivable	(22.816)
5.434	(Surplus) or Deficit for the Year on HRA Services	(50.026)

Movement on the Housing Revenue Account Statement

2024-25 £m		2025-26 £m
5.434	(Surplus) or Deficit for the Year on HRA Income and Expenditure Statement	(50.026)
	Adjustments between accounting & funding basis:	
(3.737)	- permitted by accounting standards	(1.223)
5.035	- required by statutory regulations	54.434
(4.010)	Transfers to/(from) Other Statutory Reserves	(3.436)
2.722	Net (Increase) or Decrease In Year on HRA	(0.251)
(5.315)	Balance on the HRA at the end of the Previous Year	(2.593)
(2.593)	Balance on the HRA at the end of the Current Year	(2.844)

Housing Revenue Account Disclosures

1. Adjustments between Accounting Basis and Funding Basis under Regulations

2024-25 £m		2025-26 £m
	Accounting Standards Adjustments	
	Adjustments for Capital Purposes	
(3.737)	Revaluation element of depreciation in CIES	(1.223)
(3.737)	Total Accounting Standards Adjustments	(1.223)
	Statutory Adjustments	
	Adjustments for Capital Purposes	
(64.816)	Depreciation, Impairment and Revaluations	(12.277)
23.411	Capital Grants and Contributions	22.816
0.061	Gain or (loss) on sale of HRA non-current assets	0.070
20.671	Repayment of Debt	23.556
0.068	Right of Use Assets lease liability repayments	0.099
23.420	Capital expenditure funded by the HRA	18.597
(0.064)	HRA share of contributions to/(from) the Pensions Reserve	0.548
2.186	HRA Share of Transfer (to)/from Financial Instruments Adjustment Account	1.052
0.098	HRA adjustment for compensated absences	(0.027)
5.035	Total Statutory Adjustments	54.434

2. Housing Stock

31 March 2025 Number	Council housing stock analysed by number of bedrooms	31 March 2026 Number
257	0	234
7,430	1	7,422
14,733	2	14,836
7,582	3	7,666
1,241	4 - 8	1,273
31,243		31,431

3. Rent Arrears

31 March 2025 £m		31 March 2026 £m
9.504	Rent Arrears	11.130
(7.519)	Provision made in respect of uncollectable debt	(7.916)
1.985		3.214

The Non-Domestic Rate Account (Scotland) is an agent's statement that reflects the statutory obligation for billing authorities to maintain a separate Non-Domestic Rate Account. The statement shows gross income from rates, deductions made under statute and income retained by the Council for amounts identified under the Scottish Government's Non Domestic Rates Incentivisation scheme (NDRIS) and approved Tax Incremental Financing (TIF) projects. The net income is paid to Scottish Government as a contribution to the national non-domestic pool.

2024-25 £m		2025-26 £m
(227.928)	Gross Rates Levied & Contributions in Lieu	(225.669)
38.607	Reliefs & Other Deductions	39.950
0.199	Payment of Interest	0.948
1.694	Debts Written Off and Allowance for Impairment	1.725
(187.428)	Net Non-Domestic Rate Income	(183.046)
8.943	Adjustment to previous years National Non-Domestic Rates	20.352
0.015	Non-domestic rate income retained by the Council (TIF)	0.013
0.956	Non-domestic rate income retained by the Council (NDRIS)	0.956
(177.514)	Contribution to Non-Domestic Rate Pool	(161.725)
(143.471)	Distribution from Non-Domestic Rate Pool	(171.721)
(143.471)	Non-Domestic Rate Income to the CIES	(171.721)

Analysis of Rateable Values at 1 April 2025	Number of Subjects	Total £m	%
Type of Subject			
Shops	3,318	71.254	16.90
Public Houses	237	4.950	1.17
Offices (including banks)	2,163	23.897	5.67
Hotels, Boarding Houses etc	148	10.189	2.42
Industrial and Freight Transport Subjects	3,691	105.434	25.02
Leisure, Entertainment, Caravans and Holiday sites	1,571	17.417	4.13
Garages and Petrol Stations	47	1.497	0.36
Education and Training	229	35.210	8.35
Public Service Subjects	315	14.593	3.46
Communications (Non Formula)	5	0.035	0.01
Quarries, Mines etc.	31	1.226	0.29
Petrochemical	14	7.476	1.77
Religious	269	3.860	0.92
Health/Medical	119	11.738	2.78
Care Facilities	298	10.625	2.52
Undertaking (including Scottish Water)	26	87.045	20.65
Cultural	148	3.955	0.94
Sporting Subjects	831	3.327	0.79
Advertising	34	0.206	0.05
Other	1,326	7.603	1.80
Total all Non-Domestic Subjects	14,820	421.537	100.00%

The valuation of all Scottish Water utilities are valued by the Fife Assessor and is shown on the Fife Assessment roll. This income is included within the Net Non-Domestic Rate Income shown above.

Explanatory Note

Non-Domestic Rates is a tax on the occupation of non-domestic land and property which is entered in the Valuation Roll. The amount levied is calculated by multiplying the Rateable Value by the Rate Poundage, which is prescribed by Scottish Government. For 2025-26 this rate was 49.8p (2024-25, 49.8p) which is uniform throughout Scotland. A rate poundage of 55.4p (2024-25, 54.5p) applies to properties with a rateable value between £51,001 and £100,000. A rate poundage of 56.8p (2024-25, 55.9p) applies to properties with a rateable value of more than £100,000. There are several types of rate reliefs which are available in certain circumstances.

The Council Tax Income Account shows the gross income raised from council taxes levied and deductions made under Statute. The resultant net income is transferred to the Comprehensive Income and Expenditure Statement.

By law, the Council is required to bill and collect water and sewerage charges for Scottish Water however these are excluded from the Council's accounts except for any cash collected not yet paid over at the financial year end.

2024-25 £m		2025-26 £m
	Gross Tax Levied	
(256.209)	Council Tax	(279.151)
(0.520)	Council Tax - Prior Year Income	(0.498)
(0.592)	Contributions in lieu	(0.644)
(257.321)		(280.293)
	Deductions	
23.873	Council Tax Reduction	25.917
33.435	Discount and Exemptions	36.604
4.234	Debts Written Off and Allowance for Impairment	5.233
1.431	Prior Years Adjustments	1.109
62.973		68.863
(194.348)	Council Tax Income to CIES	(211.430)

Charges Levied

Council Tax payable is dependent on the valuation band of a dwelling and is payable on any dwelling which is not determined as Exempt. Discounts and exemptions as specified in legislation can be applied to the gross charge.

Valuation Band (£)	A Up to 27,000	B 27,000 -35,000	C 35,001 -45,000	D 45,001 -58,000	E 58,001 -80,000	F 80,001 -106,000	G 106,001 -212,000	H Over 212,000
2025-26 charges (£)	999.17	1,165.70	1,332.23	1,498.76	1,969.20	2,435.49	2,935.07	3,671.96
2024-25 charges (£)	923.45	1,077.36	1,231.27	1,385.18	1,819.97	2,250.92	2,712.64	3,393.69

Band D equivalent properties

The table below shows an analysis of properties at 31 March 2026 across valuation bandings. Certain prescribed dwellings are exempt and discounts are given to eligible taxpayers (e.g. single occupants) with reductions also granted to properties with certain attributes that are the sole and main residence of permanently disabled persons. The table converts the total number of properties into band D equivalents including a provision for non-payment.

Number of Dwellings	Total	A(Dis)	Band							
			A	B	C	D	E	F	G	H
Total Dwellings	185,259	0	40,392	48,773	24,890	22,871	25,457	15,146	7,202	528
Disabled Relief	0	77	135	(33)	27	73	(126)	(68)	(80)	(5)
Exemptions	(8,044)	0	(2,221)	(1,908)	(1,187)	(994)	(951)	(482)	(213)	(88)
Discounts	(20,482)	(9)	(6,599)	(5,634)	(2,848)	(2,188)	(1,909)	(831)	(413)	(51)
	156,733	68	31,707	41,198	20,882	19,762	22,471	13,765	6,496	384
Band D Ratio			240/360	280/360	320/360	360/360	473/360	585/360	705/360	882/360
	157,096	38	21,138	32,043	18,562	19,762	29,524	22,368	12,720	941
Non-payment provision-2.1%	(3,300)	(1)	(444)	(673)	(390)	(415)	(620)	(470)	(267)	(20)
Band D Equivalent	153,796	37	20,694	31,370	18,172	19,347	28,904	21,898	12,453	921

Introduction

The May 2023 LASAAC guidance "Accounting for the Common Good Fund: Guidance for Practitioners", sets out the disclosure requirements for Common Good funds and requires that authorities prepare an Explanatory Foreword, a Comprehensive Income and Expenditure Statement (CIES) and a Balance Sheet. The statements are prepared in accordance with Fife Council's accounting policies.

History and Background

The Common Good Fund relates to particular former Burghs and is administered by Fife Council who, as required by the Local Government (Scotland) Act 1973 must have regard to interests of inhabitants of the area to which the common good formerly related. There are 23 common good funds consolidated into the financial statements.

Common Good Funds consist of a number of assets and properties, these being land & buildings, investments and cash balances. These assets provide sources of income to the fund such as rent, interest and investment income. The first call on this income is the maintenance and up-keep of Common Good properties. Thereafter the income is available for distribution in the interests of the inhabitants of the area where the fund was originally established. All expenditure of this nature is subject to a grant application and an approval process. The Common Good policy statement and asset register is found here; fife.gov.uk/council-and-democracy/land-and-property

Financial Statements

The CIES records the income generated from rents, interest, investment income and any profit from sale of assets. Expenditure represents the costs incurred in relation to the Common Good Fund, such as repairs and maintenance, depreciation and disbursements. The valuation of investments increased by £1.252m in the year.

The Balance sheet includes all land & building assets owned by Common Good. This includes those assets that are used in the provision of Fife Council services which are leased by the Council, on a full repairs basis at a peppercorn rental.

Common Good Comprehensive Income and Expenditure Statement

2024-25 £m		2025-26 £m
	Expenditure	
0.053	Property Costs	0.286
0.107	Donations	0.280
10.422	Depreciation and Revaluations	5.265
0.004	Other Expenditure	0.011
10.586	Total Expenditure	5.842
	Income	
(0.245)	Interest on investments	(0.215)
(0.274)	Rents	(0.272)
(0.049)	Other Income	(0.032)
(0.568)	Total Income	(0.519)
(0.165)	Losses / (Gains) on Disposal of Investments	0.000
0.136	Movement in Fair Value of Investments	(0.317)
(0.865)	Capital Grant Received	(0.837)
(0.894)	Other Operating Income and Expenditure	(1.154)
9.124	(Surplus)/Deficit for year	4.169
(33.608)	Asset revaluations recognised in Revaluation Reserve	(9.452)
(33.608)	Other Comprehensive Expenditure & Income	(9.452)
(24.484)	Total Comprehensive Expenditure & Income	(5.283)

31 March 2025 £m		31 March 2026 £m
258.368	Property, Plant & Equipment	263.392
2.198	Heritage Assets	2.198
3.506	Investments	4.758
264.072	Long Term Assets	270.348
2.806	Cash and Cash Equivalents	1.815
2.806	Current Assets	1.815
0.000	Sundry Creditors	(0.002)
0.000	Current Liabilities	(0.002)
266.878	Net Assets / (Liabilities)	272.161
	Financed by:	
(219.545)	Usable Reserves - Common Good Fund	(216.548)
(47.333)	Unusable Reserve - Revaluation Reserve	(55.613)
(266.878)	Total Reserves	(272.161)

The unaudited accounts were issued on 30th June 2026. The audited accounts were authorised for issue on 30th September 2026.

Elaine Muir FCCA
Executive Director Finance and Corporate Services

Note to the Common Good Fund Accounts

1. Analysis of movement in Reserves

2024-25 £m		2025-26 £m
	Movement in Common Good Reserve	
(228.868)	Balance at 1 April	(219.545)
9.124	(Surplus) / Deficit for year	4.169
0.273	Adjusting amounts written out of the Revaluation Reserve	(1.172)
(0.074)	Transfers to / (from) Fife Council Reserves	0.000
(219.545)		(216.548)
	Movement in Revaluation Reserve	
(11.864)	Balance at 1 April	(47.333)
(33.608)	Asset revaluations recognised in Revaluation Reserve	(9.452)
(0.273)	Adjusting amounts written out of the Capital Reserve	1.172
(1.588)	Transfers to / (from) Fife Council Reserves	0.000
(47.333)		(55.613)

Introduction

The Council is Trustee for 81 Charitable Trusts and Funds consolidated into these financial statements, comprising of an Explanatory Foreword, a Comprehensive Income & Expenditure Statement (CIES) and a Balance Sheet. The statements are prepared in accordance with Fife Council's accounting policies.

There are 44 Trusts registered as charities governed by Office of Scottish Charities Regulator (OSCR) regulations. Consolidated accounts are prepared for 43 of those charities where the Council, or some members of the Council, are sole trustees of the charity. These can be found here: [Fife.gov.uk / Budgets and Finance / Annual Accounts](https://fife.gov.uk/Budgets-and-Finance/Annual-Accounts)

The Fife Educational Trust is also OSCR registered but not all of its Trustees are Council members. The remaining 37 Trusts and Funds are not OSCR registered.

History and Background

Charitable Trusts and Funds have been set up from donations made by various individuals and organisations over many years and consist of a number of assets such as land & buildings, investments and cash balances. These assets provide income from rent, interest and investments which is available for distribution in the interests of the beneficiaries of the trusts, subject to approval, ensuring that resources are available to meet continuing future requirements. In accordance with the Local Government (Scotland) Act 1973, Fife Council, as administrator of the funds, must have regard to the interests of beneficiaries for which each fund was established. The major trust administered by the Council is the Fife Educational Trust whose main purpose is to promote education and reward educational achievement, through providing prizes, bursaries, scholarships, grants and equipment.

Financial Statements

The CIES records income generated and losses or gains from sale of assets. Expenditure represents costs incurred in relation to disbursements from the various Charitable Trusts and Funds in accordance with individual trust conditions. The movement in fair value of investments increased by £0.265m in 2025-26.

Charitable Trusts & Funds Comprehensive Income and Expenditure Statement

2024-25 Total £m		2025-26		
		Registered Charities £m	Other Trusts & Funds £m	Total £m
	Expenditure			
0.164	Disbursements	0.125	0.040	0.165
0.012	Other Expenditure	0.013	0.001	0.014
0.176	Total Expenditure	0.138	0.041	0.179
	Income			
(0.175)	Interest on investments	(0.120)	(0.032)	(0.152)
0.000	Other Income	(0.002)	(0.031)	(0.033)
(0.175)	Total Income	(0.122)	(0.063)	(0.185)
(0.209)	Losses / (Gains) on Disposal of Investments	0.000	0.000	0.000
0.124	Losses / (Gains) in Fair Value of Investments	(0.219)	(0.046)	(0.265)
(0.085)	Other Operating Income and Expenditure	(0.219)	(0.046)	(0.265)
(0.084)	(Surplus)/Deficit for year	(0.203)	(0.068)	(0.271)
0.002	Asset revaluations recognised in Revaluation Reserve	0.000	0.000	0.000
0.002	Other Comprehensive Expenditure & Income	0.000	0.000	0.000
(0.082)	Total Comprehensive Income and Expenditure	(0.203)	(0.068)	(0.271)

31 March 2025 Total £m		31 March 2026 Registered Charities £m	Other Trusts & Funds £m	Total £m
0.000	Property, Plant & Equipment	0.006	0.000	0.006
3.389	Investments	2.860	0.794	3.654
3.389	Long Term Assets	2.866	0.794	3.660
1.262	Cash and Cash Equivalents	1.092	0.178	1.270
1.262	Current Assets	1.092	0.178	1.270
0.000	Sundry Creditors	(0.002)	0.000	(0.002)
0.000	Current Liabilities	(0.002)	0.000	(0.002)
4.651	Net Assets/(Liabilities)	3.956	0.972	4.928
	Financed by:			
(4.651)	Usable Reserves	(3.956)	(0.972)	(4.928)
0.000	Unusable Reserve - Revaluation Reserve	0.000	0.000	0.000
(4.651)	Total Reserves	(3.956)	(0.972)	(4.928)

The unaudited accounts were issued on 30th June 2026. The audited accounts were authorised for issue on 30th September 2026.

Elaine Muir FCCA
Executive Director Finance and Corporate Services

Notes to the Charitable Trusts & Funds Accounts

1. Summary of balances

31 March 2025 Total £m		31 March 2026 Registered Charities £m	Other Trusts & Funds £m	2025-26 Total £m
(2.157)	Fife Educational Trust	(2.288)	0.000	(2.288)
(2.494)	Other Charitable Trusts & Funds	(1.668)	(0.972)	(2.640)
(4.651)		(3.956)	(0.972)	(4.928)

2. Movement in Reserves

2024-25 Total £m		2025-26 Registered Charities £m	Other Trusts & Funds £m	Total £m
	Movement in Usable Reserves			
(4.567)	Balance at 1 April	(3.747)	(0.904)	(4.651)
(0.084)	(Surplus) / Deficit for year	(0.203)	(0.068)	(0.271)
0.000	Asset donated from Fife Council	(0.006)	0.000	(0.006)
(4.651)		(3.956)	(0.972)	(4.928)
	Movement in Revaluation Reserve			
(0.002)	Balance at 1 April	0.000	0.000	0.000
0.002	Asset revaluations recognised in Revaluation Reserve	0.000	0.000	0.000
0.000		0.000	0.000	0.000

Independent auditor's report to the members of Fife Council and the Accounts Commission

Reporting on the audit of the financial statements

Opinion on financial statements

We certify that we have audited the financial statements in the annual accounts of Fife Council and its group for the year ended 31 March 2026 under Part VII of the Local Government (Scotland) Act 1973. The financial statements comprise the group and council-only Movement in Reserves Statement, Comprehensive Income and Expenditure Statement, Balance Sheet, and Cash Flow Statement, the council-only Housing Revenue Account Income and Expenditure Statement, the Movement on the Housing Revenue Account Statement, the Non-domestic Rate Income Account, the Council Tax Income Account, the Common Good Comprehensive Income and Expenditure Statement, the Common Good Balance Sheet, the Charitable Trusts & Funds Comprehensive Income and Expenditure Statement, the Charitable Trusts & Funds Balance Sheet and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2025/26 (the 2025/26 Code).

In our opinion the accompanying financial statements:

- give a true and fair view of the state of affairs of the council and its group as at 31 March 2026 and of the income and expenditure of the council and its group for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2025/26 Code; and
- have been prepared in accordance with the requirements of the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003.

Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Accounts Commission for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Accounts Commission on 18 May 2022. Our period of appointment is five years, covering 2022/23 to 2026/27. We are independent of the council and its group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the council. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern basis of accounting

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the ability of the council and its group to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the current or future financial sustainability of the council and its group. However, we report on the council's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

We report in our Annual Audit Report the most significant assessed risks of material misstatement that we identified and our judgements thereon.

Responsibilities of the Executive Director Finance and Corporate Services and the Council for the financial statements

As explained more fully in the Statement of Responsibilities, the Executive Director Finance and Corporate Services is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Executive Director Finance and Corporate Services determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Director Finance and Corporate Services is responsible for assessing the ability of the council and its group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the operations of the council and its group.

The Council is responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using our understanding of the local government sector to identify that the Local Government (Scotland) Act 1973, The Local Authority Accounts (Scotland) Regulations 2014, and the Local Government in Scotland Act 2003 are significant in the context of the council and its group;
- inquiring of the Executive Director Finance and Corporate Services as to other laws or regulations that may be expected to have a fundamental effect on the operations of the council and its group;
- inquiring of the Executive Director Finance and Corporate Services concerning the policies and procedures of the council and its group regarding compliance with the applicable legal and regulatory framework;
- discussions among our audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the council's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Reporting on other requirements

Opinion prescribed by the Accounts Commission on the audited parts of the Remuneration Report

We have audited the parts of the Remuneration Report described as audited. In our opinion, the audited parts of the Remuneration Report have been properly prepared in accordance with The Local Authority Accounts (Scotland) Regulations 2014.

Other information

The Executive Director Finance and Corporate Services is responsible for the other information in the annual accounts. The other information comprises the Management Commentary, Annual Governance Statement, Statement of Responsibilities and the unaudited parts of the Remuneration Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Management Commentary and Annual Governance Statement to the extent explicitly stated in the following opinions prescribed by the Accounts Commission.

Opinions prescribed by the Accounts Commission on the Management Commentary and Annual Governance Statement

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with statutory guidance issued under the Local Government in Scotland Act 2003; and

- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Delivering Good Governance in Local Government: Framework (2016).

Matters on which we are required to report by exception

We are required by the Accounts Commission to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration Report are not in agreement with the accounting records; or
- We have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice, including those in respect of Best Value, are set out in our Annual Audit Report.

Use of our report

This report is made solely to the parties to whom it is addressed in accordance with Part VII of the Local Government (Scotland) Act 1973 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Karen Jones, (for and on behalf of Azets Audit Services)
Quay 2,
139 Fountainbridge,
Edinburgh,
EH3 9QG

Date:

Annual Accounts 2025-26

This publication contains information about Fife Council's General Fund, Housing Revenue Account and Capital Plan.

This publication is available online at www.fife.gov.uk/councilfinances



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