

Cabinet Committee

Council Chamber, Fife House, North Street, Glenrothes /
Blended Meeting



Thursday, 26 June 2025 - 10.00 am

AGENDA

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- | | | |
|-----|---|-----------|
| 1. | APOLOGIES FOR ABSENCE | |
| 2. | DECLARATIONS OF INTEREST – In terms of Section 5 of the Code of Conduct, members of the Committee are asked to declare any interest in particular items on the agenda and the nature of the interest(s) at this stage. | |
| 3. | MINUTE – Minute of meeting of the Cabinet Committee of 29 May 2025. | 4 - 10 |
| 4. | REVENUE MONITORING - PROVISIONAL OUTTURN 2024-25 – Report by the Executive Director (Finance and Corporate Services). | 11 - 28 |
| 5. | CAPITAL INVESTMENT PLAN - PROVISIONAL OUTTURN 2024-25 – Report by the Executive Director (Finance and Corporate Services). | 29 - 42 |
| 6. | BUDGET 2026-29 UPDATE – Report by the Executive Director (Finance and Corporate Services). | 43 - 52 |
| 7. | WORKFORCE STRATEGY AND WORKFORCE PLANNING – Report by the Head of Human Resources. | 53 - 93 |
| 8. | CHANGE PLANNING – Report by the Chief Executive. | 94 - 112 |
| 9. | COST OF LIVING UPDATE – Report by the Executive Director (Communities). | 113 - 121 |
| 10. | ALLOTMENT AND COMMUNITY GROWING STRATEGY 2024-2029 RESOURCE UPDATE - Report by the Head of Communities and Neighbourhoods Service. | 122 - 124 |
| 11. | HOUSING EMERGENCY ACTION PLAN: STRATEGIC STATEMENT – Report by the Head of Housing Services. | 125 - 145 |
| 12. | FIFE HOUSING EMERGENCY - REDUCING PRIVATE SECTOR EMPTY HOMES – Report by the Head of Housing Services. | 146 - 154 |
| 13. | GRENFELL INQUIRY RECOMMENDATIONS AND FIFE RESPONSE – Report by the Head of Housing Services. | 155 - 160 |
| 14. | EQUALITY AND DIVERSITY PRIORITIES 2025-2029 – Report by the Head of Communities and Neighbourhoods Service. | 161 - 200 |
| 15. | CABINET COMMITTEE - OUTSTANDING REMITS FROM COMMITTEES | 201 - 203 |

The Committee is asked to resolve, under Section 50(A)(4) of the Local Government (Scotland) Act 1973, as amended, to exclude the public and press from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 8 and 9 of Part 1 of Schedule 7A of the Act.

- 16. ACQUISITION OF 9 NEW BUILD HOUSES IN 2 LOCATIONS OF A DEVELOPMENT - 4 IN KIRKCALDY AND 5 IN MARKINCH (PRIVATE REPORT) – Report by the Head of Housing Services.** 204 - 207

Members are reminded that should they have queries on the detail of a report they should, where possible, contact the report authors in advance of the meeting to seek clarification.

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Finance and Corporate Services
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19 June 2025

If telephoning, please ask for:

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BLENDED MEETING NOTICE

This is a formal meeting of the Committee and the required standards of behaviour and discussion are the same as in a face to face meeting. Unless otherwise agreed, Standing Orders will apply to the proceedings and the terms of the Councillors' Code of Conduct will apply in the normal way

For those members who have joined the meeting remotely, if they need to leave the meeting for any reason, they should use the Meeting Chat to advise of this. If a member loses their connection during the meeting, they should make every effort to rejoin the meeting but, if this is not possible, the Committee Officer will note their absence for the remainder of the meeting. If a member must leave the meeting due to a declaration of interest, they should remain out of the meeting until invited back in by the Committee Officer.

If a member wishes to ask a question, speak on any item or move a motion or amendment, they should indicate this by raising their hand at the appropriate time and will then be invited to speak. Those joining remotely should use the "Raise hand" function in Teams.

All decisions taken during this meeting, will be done so by means of a Roll Call vote.

Where items are for noting or where there has been no dissent or contrary view expressed during any debate, either verbally or by the member indicating they wish to speak, the Convener will assume the matter has been agreed.

There will be a short break in proceedings after approximately 90 minutes.

Members joining remotely are reminded to have cameras switched on during meetings and mute microphones when not speaking. During any breaks or adjournments please switch cameras off.

THE FIFE COUNCIL - CABINET COMMITTEE - BLENDED MEETING

Council Chamber, Fife House, North Street, Glenrothes

29 May 2025

10.00 am - 1.50 pm

PRESENT: Councillors David Ross (Convener), David Alexander, David Barratt, John Beare, James Calder, Ian Cameron (substituting for Councillor Jan Wincott), Fiona Corps, Altany Craik, Linda Erskine, Derek Glen, Brian Goodall, Peter Gulline, Judy Hamilton, Cara Hilton, Stefan Hoggan, Gary Holt, Allan Knox, Kathleen Leslie, Rosemary Liewald, Carol Lindsay, Mary Lockhart and Sarah Neal; and Ian Macaulay, Church of Scotland and Alistair Crockett, Cupar Baptist Church, Religious Interest Representatives.

ATTENDING: Ken Gourlay, Chief Executive; Eileen Rowand, Executive Director (Finance), Elaine Muir, Head of Finance, Lindsay Thomson, Head of Legal and Democratic Services, Helena Couperwhite, Committee Services Manager and Michelle McDermott, Committee Officer, Legal and Democratic Services, Finance and Corporate Services; Shelagh McLean, Head of Education and Sarah Else, Education Manager, Education Service; John Mills, Head of Housing Services, Gavin Smith, Service Manager and Joan Lamie, Service Manager, Housing Services; Kirstie Freeman, Community Manager (North East Fife), Communities and Neighbourhoods Service; Alan Paul, Head of Property Services, Louise Playford, Service Manager, Hilary Roberts, Tourism Manager, Michael O'Gorman, Service Manager (Estates and Asset Management) and Ronnie Hair, Property Investment and Development Manager (Economic Development), Property Services; Kevin Treadwell, Service Manager, Planning Services; and Christopher Conroy, Head of Community Care Services and Caroline Bruce, Service Manager, Health and Social Care Partnership.

APOLOGY FOR ABSENCE: Councillor Jan Wincott.

375. DECLARATIONS OF INTEREST

Councillor James Calder declared an interest at para. 386 - Scottish Government Consultation on Introduction of a Cruise Levy - as he was a member of CruiseForth.

376. MINUTES

- (i) Minute of the Cabinet Committee of 1 May 2025.

Decision

The committee approved the minute.

- (ii) The following minute was submitted for noting:-

Education Appointment Committee of 14 March 2025.

Decision

The minute was noted.

377. STATUTORY CONSULTATION REPORT ON THE PROPOSAL TO REZONE THE CATCHMENT AREAS OF KIRKCALDY WEST AND DUNNIKIER PRIMARY SCHOOLS

The committee considered a report by the Executive Director (Education) presenting proposals to rezone the primary school catchment areas of Kirkcaldy West Primary School and Dunnikier Primary School from 4 July 2025 in terms of the Schools (Consultation) (Scotland) Act 2010.

Decision

The committee agreed:-

- (1) to rezone the primary catchment areas of Kirkcaldy West Primary School and Dunnikier Primary School from 4 July 2025; and
- (2) to recommend that the Education Scrutiny Committee consider the council's current School Admissions Policy for Primary and Secondary Schools in Fife to ascertain whether a statutory review consultation was required to be undertaken.

378. STATUTORY CONSULTATION REPORTS ON THE PROPOSALS TO ESTABLISH A NEW STAGE OF EDUCATION IN A SCHOOL BEING ADDITIONAL SUPPORT CLASS (ASC) PROVISION WITHIN BOTH DALGETY BAY PRIMARY SCHOOL AND STRATHALLAN PRIMARY SCHOOL

The committee considered a report by the Executive Director (Education) presenting proposals to establish a new stage of education in a school, being new Additional Support Class (ASC) provision, within both Dalgety Bay Primary School and Strathallan Primary School in terms of the Schools (Consultation) (Scotland) Act 2010. The report also sought approval to proceed with the recommendations contained within the Consultation Reports appended to the report.

Decision

The committee:-

- (1) agreed to establish a new stage of education in a school, being a new Additional Support Class (ASC) provision, within both Dalgety Bay Primary School and Strathallan Primary School from Monday, 18 August 2025; and
- (2) approved the recommendations contained within the Consultation Reports appended to the committee report.

379. PROPOSAL TO EXTEND VIEWFORTH HIGH SCHOOL

The committee considered a joint report by the Executive Director (Education) and Executive Director (Place) presenting the full Business Case for the proposal to extend Viewforth High School to accommodate projected new pupils from development sites across this secondary catchment area. The report also presented the current position relating to the capacity pressures within Viewforth High School as a direct impact of new housing at the former site of Viewforth High School and the housing located at Kingdom Park, part of the Strategic Development Area (SDA) Kirkcaldy East.

Decision

The committee:-

- (1) reviewed and approved the full Business Case;
- (2) approved Option 2 detailed in the Business Case recognising that the estimated cost of £4.441m would be accommodated through the £4.229m funding agreed in the 2025 Capital Plan over a three-year period and the education Rolling Programme; and
- (3) agreed to delegate to officers authority to progress to financial close and main construction work.

380. STRATEGIC EQUITY FUND - SESSION 2025/26

The committee considered a report by the Executive Director (Education) providing an overview of the rationale and plan for use of the Strategic Equity Fund to support the closing of the poverty related attainment gap within Fife's educational settings within session 2025/26.

Decision

The committee agreed with the proposed planned key projects and the Strategic Equity Fund workstreams for session 2025/26 along with the proposed associated budget spend.

Mr. Crockett left the meeting during consideration of the above item and Mr. Macaulay left following consideration of the above item.

381. PROVISION OF 7-BED ADULT RESPITE FACILITY AT BEAUFORT DRIVE, GLENROTHES

The committee considered a report by the Director of Health and Social Care presenting a Business Case for a new seven bed adult respite facility at Beaufort Drive, Glenrothes to replace existing respite provision in Broad Street, Cowdenbeath.

Decision

The committee:-

- (1) noted the contents of the report; and
- (2) agreed the Business Case for the new seven bed adult respite facility at Beaufort Drive, Glenrothes.

The meeting adjourned at 11.45 am and reconvened at 12.10 pm.

382. PROPOSED DISPOSAL AND CHANGE OF USE OF COMMON GOOD LAND AT EAST BENTS, ST ANDREWS

The committee considered a report by the Head of Communities and Neighbourhoods Service seeking a decision on a change of use and disposal, by way of lease, of land at East Bents, St. Andrew's held on the St. Andrew's Common Good Account.

Decision

The committee:-

- (1) noted that the North East Fife Area Committee were recommended that the proposal be refused considering the objections received;
- (2) noted that the North East Fife Area Committee, at its meeting on 26 February 2025, unanimously agreed to not proceed with the Common Good land disposal;
- (3) agreed with the recommendation of the North East Fife Area Committee not to proceed with the Common Good land disposal; and
- (4) agreed that a report be brought to the council this year to consider an option to amend Committee Powers, para 5.1.15, to devolve the power to determine disposals from Cabinet Committee to Area Committees in relation to Common Good leases and disposals (of a value not exceeding the capitalised value of the rent over the term of the lease, or over ten years, whichever is the longer, or for disposals where the asset value is more than £750,000; to reflect Officer Powers).

383. DUNFERMLINE STRATEGIC GROWTH AREA: PHASE 2 - HOUSING INFRASTRUCTURE FUND APPLICATION

The committee considered a report by the Head of Planning Services seeking approval to progress the submission of 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 application would be submitted to the Edinburgh and South East Scotland City Region Deal Joint Committee for approval.

Decision

The committee:-

- (1) approved the submission of a second application to the Scottish Government's Housing Infrastructure Fund as per the terms of the approved Business Case noting that the submission of a second application was subject of the agreement of the Edinburgh and South East Scotland City Region Deal Joint Committee;
- (2) delegated authority to the Executive Director (Place), Head of Legal and Democratic Services and the Head of Finance to accept the terms of the grant award subject to securing final approval from the Edinburgh and South East Scotland City Region Deal Joint Committee; and
- (3) noted the progress made relative to the delivery of the Strategic Transport Intervention Measures supported by the first grant award from the Housing Infrastructure Fund.

**384. TEMPORARY AND SUPPORTED ACCOMMODATION STRATEGY -
REDUCING RELIANCE ON HOTELS**

The committee considered a report by the Head of Housing Services setting out proposals to support the housing emergency with a focus on emergency temporary and supported housing.

Decision

The committee:-

- (1) noted that strategic work had reduced reliance on Bed and Breakfast (B&B) accommodation and the service would continue to work towards eliminating the use of unsuitable accommodation;
- (2) agreed the development of a hostel re-provision programme to reduce use of unsuitable accommodation with a focus on dispersed accommodation within communities;
- (3) agreed the development of a new Temporary and Supported Accommodation Strategy to better meet the needs of households where temporary accommodation could not be avoided; and
- (4) agreed that a report be submitted to the People and Communities Scrutiny Committee in due course providing an update on progress of the Strategy.

**385. FIFE FEDERATION OF TENANTS AND RESIDENTS ASSOCIATION (FFOTRA)
SUPPLEMENTARY GRANT APPLICATION**

The committee considered a report by the Head of Housing Services presenting details of a supplementary grant application received from Fife Federation of Tenants and Residents Association (FFOTRA) to allow them to expand their geographical boundaries to include the Glenrothes Area.

Decision

The committee:-

- (1) approved the supplementary grant application for the sum of £12,198 to cover the additional costs FFOTRA would incur by expanding their boundaries into the Glenrothes Area; and
- (2) noted that Fife Council's Monitoring and Evaluation Framework would continue to be followed for the duration of the award.

Having declared an interest in the following item, Councillor James Calder left the meeting at this stage.

**386. SCOTTISH GOVERNMENT CONSULTATION ON INTRODUCTION OF A
CRUISE LEVY**

The committee considered a report by the Executive Director (Place) providing an overview of the current Scottish Government consultation on the potential introduction of a cruise levy, summarising the impact of the cruise market in Fife and proposed Fife Council's response to the consultation.

Decision

The committee:-

- (1) noted the background to the cruise levy consultation, how a cruise levy could be applied in Fife and any implications arising therefrom; and
- (2) approved Fife Council's consultation response as set out in Appendix 1 to the report.

Councillor James Calder rejoined the meeting following consideration of the above item.

387. CABINET COMMITTEE - OUTSTANDING REMITS FROM COMMITTEES

The committee noted the list of outstanding remits from committees.

The committee resolved, under Section 50A(4) of the Local Government (Scotland) Act 1973, as amended, to exclude the public and press from the meeting for the following items of business on the grounds that they involved the disclosure of exempt information as defined in paragraphs 8 and 9 of Part 1 of Schedule 7A of the Act.

388. PROPOSED DEMOLITION OF THISTLE STREET AND ESPLANADE MULTI STOREY CAR PARKS, KIRKCALDY (PRIVATE REPORT)

The committee considered a report by the Head of Property Services setting out a proposal to undertake the demolition of Thistle Street and Esplanade Multi Storey car parks.

Decision

The committee agreed to the demolition of Thistle Street and Esplanade, Kirkcaldy Multi Storey car parks.

Councillor Fiona Corps left the meeting during consideration of the above item and Councillor Peter Gulline left the meeting following consideration of the above item.

389. AFFORDABLE HOUSING PROGRAMME: LOCHGELLY ROAD, LUMPHINNANS; NEW FLOCKHOUSE, LOCHORE; AND BELLYEOMAN, DUNFERMLINE (PRIVATE REPORT)

The committee considered a report by the Head of Housing Services providing an update on proposals to deliver 193 homes following the termination of a contract during March 2024. Following a procurement exercise, it was proposed to award contracts which should deliver the affordable homes during 2027/28.

Decision

The committee:-

- (1) noted the content of the report providing an update on the current position and improvements to reduce the likelihood of a similar situation happening again; and
- (2) authorised the Head of Legal and Democratic Services to enter into legally binding agreements on terms to their satisfaction:-

- to enter into a Design and Build Contract to complete the affordable housing development of 97 new homes at Lochgelly Road, Lumphinnans and approved an indicative price recognising that the figure may be adjusted as details were finalised;
- to enter into a Design and Build Contract to complete the affordable housing development of 51 new homes at New Flockhouse, Lochore and approve an indicative price recognising that the figure may be adjusted as details were finalised; and
- to enter into a Design and Build Contract to complete the affordable housing development of 45 new homes at Bellyeoman, Dunfermline and approved an indicative price recognising that the figure may be adjusted as details were finalised.

390. AFFORDABLE HOUSING PROGRAMME - EVERSLED DRIVE, DUNFERMLINE (PRIVATE REPORT)

The committee considered a report by the Head of Housing Services seeking authority to conclude legally binding agreements for the acquisition of land and the delivery of 40 affordable homes for social rent which had been identified within the 2025/26 Strategic Housing Investment Plan (SHIP) at the site known as Evershed Drive, Dunfermline.

Decision

The committee authorised the Head of Legal and Democratic Services to enter into legally binding agreements on terms to their satisfaction:-

- (1) for the acquisition of the site extending at Evershed Drive, Dunfermline; and
- (2) to enter into a Design and Build Contract for the development of 40 new build affordable homes at the site at Evershed Drive, Dunfermline for a total indicative price, recognising that the figure may be adjusted as detail of the proposal was finalised.

26 June 2025.
Agenda Item No. 4

Revenue Monitoring – Provisional Outturn 2024-25

Report by: Eileen Rowand, Executive Director (Finance and Corporate Services)

Wards Affected: All

Purpose

The purpose of this report is to provide members with a strategic overview of Fife Council's finances and to report the provisional outturn for 2024-25.

Recommendations

It is recommended that members:-

- (i) note the high-level outturn position as detailed in this report;
- (ii) note that there are ongoing financial impacts and pressures which continue to be managed by Services with an element of protection from financial risk being accounted for centrally;
- (iii) approve the suspension of the carry forward scheme (with the exception of Devolved School Management and Local Community Planning budgets);
- (iv) note that detailed monitoring reports will be submitted to the relevant Scrutiny Committees; and
- (v) request that Scrutiny Committees ensure appropriate level of support and challenge in relation to financial reports.

Resource Implications

The provisional outturn presents an underspend of £3.153m in the current year, a favourable movement of £7.213m since the last report. Some specific service underspends of £10.070m will immediately be committed to ensure certain conditions of funding are met next year. To account for the ring-fenced nature of the variances, commitments against balances have been updated accordingly. A new commitment has been added, following approval at May Cabinet, for the demolition of Kirkcaldy Car Parks, £2.500m. These updates result in the level of uncommitted balances being £23.479m which is above the policy minimum of 2% over a three-year rolling period. The service position excluding the commitments of £10.070m is an overspend of £6.285m, mainly relating to H&SC (£13.470m) and Education (£4.310m). There is a high risk that these areas will continue to overspend in 2025-26.

Legal & Risk Implications

There are no direct legal implications arising from this report.

Impact Assessment

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

None.

1.0 Background

- 1.1 This report reflects the decisions taken in respect of the Revenue Budget 2024-25 and the Capital Plan Review 2023-33. The report focuses on the overall financial position of the council commenting on significant financial issues which impact on the overall financial position of the council in the current year ending March 2025. Detailed explanations of provisional outturn variances and analysis by Service is detailed in Appendices 1 to 4 of this report.
- 1.2 In previous reports presented to this committee, a significant overspend was forecast for 2024-25. Directorates were instructed to take action to reduce the levels of overspends and there has been significant movement since the last reported position with many Directorates now reporting an underspend position. The service position has also improved by the allocation of funding provided to areas where overspend had emerged following previous budget realignment and the risk was being carried corporately. However, the Health and Social Care Partnership position is a significant overspend and a substantial overspend on Education (Non devolved) are both impacting adversely on the council's overall financial position. The prolonged impact of higher inflation on all supply chains (notably energy, fuel, construction costs and other commodities) and employee costs continues to be a challenge.
- 1.3 More detailed financial reports will be presented to the relevant Scrutiny Committees as part of the council's wider scrutiny and performance management reporting arrangements. It is the role of the Scrutiny Committees to carry out in-depth scrutiny of the financial performance of functions within their remit.

2.0 Financial Overview – General Fund

- 2.1 The provisional outturn position for 2024-25 is an overall underspend of £3.153m. This is from a combination of factors including General Fund services which have overspent by £1.321m, Loan charges are underspent by £0.411m and Obligations/Contingencies are underspent by £4.695m. Non-Domestic Rates income is higher than expected by £0.956m and council tax income is lower than expected by £1.588m. Excluding funding commitments earmarked in balances, the underlying recurring position is an overspend of £6.917m, with the services' position being an overspend of £11.391m, mainly due to H&SC (£13.470m) and Education Non-Devolved (£4.310m). There is a risk that these areas of significant overspend will continue into 2025-26. Clear plans need to be in place to ensure this risk is minimised. Regular meetings are taking place with the Chief Financial Officer from H&SC Partnership and the two partner organisations to ensure that the budget is delivered.
- 2.2 The council has continued to operate in turbulent times and deal with complex and challenging financial issues in 2024-25 which impact on the overall position and are explained in more detail in the following paragraphs.

Economic/Cost of Living Crisis

- 2.3 The economic situation continues to cause concern in terms of the financial repercussions of previous high inflation and continuing high interest rates. These pressures mean the council has continued to experience increased costs, most notably, energy costs along with others such as food, fuel, other commodities and large contracts.
- 2.4 The cost-of-living crisis continues to affect households and, as such, additional funding was set aside as a reserve to meet excess demand in any of the welfare funds administered by the council.

2024-25 Revenue Budget

- 2.5 The current revenue budget of £1.131bn is shown in Appendix 1. This is a reduction of £1.919m since the last report mainly reflecting allocation of commitments of general fund balances to Services plus a small addition relating to a redetermination from Scottish Government. The table below details these changes:

Table 1 – General Fund – Revenue Budget Movement

	Total Expenditure £m
2024-25 Budget (December 2024)	1,132.614
- Redeterminations from SG - LGFC 01/2025	0.038
- Budgets Funded from/(to) Balances	(1.957)
Current 2024-25 Budget (March 2025)	1,130.695

2024-25 Provisional Outturn

- 2.6 In Table 2 below, the variance column presents a favourable underspend in the current year of £3.153m. This is a combined result of service overspends of £1.321m (0.13% of budgeted expenditure) and an underspend of £5.106m in Additional Items and lower than planned income of £0.632m.
- 2.7 Whilst the provisional outturn for the year is an underspend of £3.153m, there are some items that skew the reported position as they are ringfenced and funding must be made available in the next financial year for a specific purpose. Pupil Equity Fund (PEF) is the most significant example. To assist understanding of the underlying position, a column has been added to Appendix 1 which aims to highlight the position after the year end and the impact on uncommitted general fund balances. As can be seen from both Table 2 below and Appendix 1, after excluding carry forward commitments, there is an overspend position of £6.917m. The difference of £10.070m from the reported underspend of £3.153m will be committed in balances to ensure the conditions of funding are met and these will not increase uncommitted balances. Section 4 of the report provides more information on the balances position.

Table 2 – General Fund – 2024-25 Summarised Provisional Outturn Statement

	Annual Budget	Provisional Outturn	Variance	Variance excluding cfwd commitments
	£m	£m	£m	£m
Service Totals	1,056.281	1,057.602	1.321	11.391
Additional Items	74.414	69.308	(5.106)	(5.106)
Total Expenditure	1,130.695	1,126.910	(3.785)	6.285
Financing	(1,130.695)	(1,130.063)	0.632	0.632
CONTRIBUTION (TO) / FROM BALANCES	0.000	(3.153)	(3.153)	6.917

2.8 The service level variances and movement that exceed +/- £0.500m are set out and explained in more detail at Appendices 1 and 2 with higher level explanation as follows:

2.8.1 **Education** position is an overall underspend of £0.419m, with devolved showing an underspend of £4.420m. Over half of the underspend in devolved is relating to Pupil Equity Funding, £2.747m, with the remainder relating to Devolved School Management, £1.244m. This funding is ring-fenced and has therefore been committed in balances for the coming year. The overspend in non-devolved of £4.001m relates to teachers' maternity and long-term absence cover, £4.178m, Nursery Education, £1.227m and Special Education, £1.824m. Within these areas, the service is developing a process of enhanced scrutiny in relation to the absence costs charged to non-devolved staffing and reviews are being undertaken, or are planned, within Special Education and Nursery Education to address the level of overspend going forward. There is also an overspend of £1.721m relating to premises related expenditure. An underspend of £4.375m in General Education is also reported, which is due to the budgets being adjusted for the new teaching complement, actioned in October.

2.8.2 **Health and Social Care** are reporting a net projected overspend of £13.470m. Adult Placements are reporting an overspend of £9.236m due to increasing demand. Other significant areas of overspend are Care at Home, £4.878m, mainly due an increase in older people care packages, £3.345m which is mainly due to an increase in demand for Long Term Care and Assessment beds. There is a positive movement of £2.201m since the last reported position, which mainly relates to an increase in income for Older People Nursing & Residential. There will be continued close monitoring and robust scrutiny of spend in 2025/26 with delivery of savings being a key priority. Weekly progress review update meetings will continue to take place to ensure savings are being progressed and a weekly recruitment panel will continue to scrutinise vacant posts. Volatile budgets at risk of over-spending will be closely monitored and eight weekly meetings will take place with partners.

2.8.3 **Place Directorate** is reporting an underspend of £2.412m. This is mainly due to an underspend of £1.919m within Property Services relating to the Energy Management Revolving Fund, which is partially offsetting some of the overspends. An underspend of £0.832m is reported within Property Repairs and Maintenance relating to funding for maintenance costs at Dunfermline Learning Campus as a result of the phasing of the funding for the Campus. There is movement of £3.645m since the last reported position, which is due to increased funding for catering, as well as various over-recoveries in income within Environment & Building Services.

- 2.8.4 **Communities Directorate** is reporting an underspend of £5.079m. This position is a direct result of underspend on specific and ring-fenced funding which will be committed in balances for use in 2025-26, the underlying Directorate position is an underspend of £1.347m. General Fund Housing is reporting an underspend of £0.715m which is mainly relating to Rapid Rehousing Transition Plan (RRTP) funding underspend. Communities and Neighbourhoods are reporting an overall underspend of £1.019m. The service has three main areas of overspend totalling £1.513m, an under-recovery of income and an overspend in premises and supplies and services, both within Community Use and Halls and Centres and some unachieved savings. These are offset by underspends in Area Budgets and Fairer Fife funding, both totalling £2.150m. Although Children and Families are reporting a net underspend of £1.736m, within this, Purchase Placements is projecting an overspend of £3.208m plus there is an overspend relating to Children Affected by Disability of £0.734m. These overspends are offset by a number of underspends, relating to staffing, £3.042m, overachievement of income, £1.239m, family placements, £1.053m, and Whole Family Wellbeing funding, £1.506m.
- 2.8.5 **Finance and Corporate Services** is reporting an underspend of £4.212m. A significant element of the underspend relates to staff turnover/non-filling of vacancies, £2.924m. The directorate has faced significant recruitment challenges which is contributing to the level of vacancies. Another factor includes Benefits and Taxation which is reporting an underspend of £0.867m due to changes in the criteria for awarding non-domestic rates relief on empty properties and the level of funding received. It is anticipated that this is a short-term benefit and that it will reduce in coming years, due to changes in the rate poundage and potential changes in owner behaviour.
- 2.8.6 Within **Additional Items**, contingencies provisional outturn is an underspend of £4.695m, which is relating to funding received either not yet allocated or no longer required, for example, funding related to Children's Social Care Pay Uplift (this was already built into the service budget) and Kinship Care (spend was lower than anticipated). Loan Charges are also showing an underspend of £0.411m which is relating to both a reduction in the borrowing requirement plus a change in timing of anticipated borrowing.
- 2.8.7 There is an overspend of £1.588m for Council Tax income which is related to an issue with the contribution for 2nd homes council tax. This was an error that affected a number of Scottish councils and is a one-off pressure in 2024-25. Non-Domestic Rates income is reporting an underspend of £0.956m which is related to the Non-Domestic Rates Incentivisation Scheme (NDRIS), where local authorities are allowed to retain benefits from growing the non-domestic rates tax base in excess of government target. The council was informed during March that it was permitted to retain £0.956m from NDRIS.

3.0 Financial Overview – Housing Revenue Account

Housing Revenue Account (HRA)

- 3.1 The provisional outturn position for the Council Housing Revenue Account (HRA) in 2024-25 is a nil variance as shown in Appendix 3.
- 3.2 Significant pressures across the HRA include £0.717m relating to an increase in the level of bad debt provision required due to historic outstanding rent arrears. There is an overspend of £1.396m relating to Other Expenditure which is mainly due to increased costs for Hostels. This continues to be a pressure for the HRA due to a sustained increase in demand for temporary accommodation. The main areas of underspend were within Repairs and Maintenance, £1.737m which was mainly as a result of a larger than

anticipated refund from Building Services and the Cost of Borrowing, £1.330m due to interest rates being lower than anticipated. The CFCR was increased by £0.989m to as a result of the net underspends across the HRA

- 3.3 Appendices 3 and 4 provide further detailed variance analysis and commentaries on all variances that exceed +/- £0.500m.

4.0 Balances

General Fund Balances

- 4.1 Appendix 5 details the provisional outturn General Fund balances position which are held to fund specific one-off expenditure, provide funding to contribute to change initiatives, accumulate funds for a specific or “earmarked” purposes and to mitigate against risk by providing a level of uncommitted reserves which can be drawn on to respond to “shocks” such as unforeseen cost increases. It is important to note balances are split into two categories – committed and uncommitted and the breakdown is detailed in the Appendix.
- 4.1.1 Over recent years, balances have been high, with a large proportion being a direct result of grant funding received and not used in year as well as benefits arising from the application of service concessions. The opening balance for 2024-25 was £157.282m. To honour past commitments, budgets of £41.663m have been transferred to Services for planned one off purposes during the year and to Capital, as planned, to support the Capital Plan. In the main, these transfers have been in accordance with planned one-off commitments and have not been used to fund the day to day recurring revenue costs of the council. The current provisional underspend of £3.153m detailed in Section 2 will increase the level of balances, bringing the estimated level of balances before commitments being £115.111m.
- 4.1.2 Some provisional underspends must be immediately committed to honour carry forward arrangements such as Devolved School Management (DSM) and Pupil Equity Funding (PEF). The underspend of £3.153m will increase balances however, the carry forward of specific underspends far exceeds the underspend and will reduce uncommitted balances available in future years by £10.070m.
- 4.1.3 Planned commitments against balances are added to Service budgets on the basis of need as it arises. Commitments and the use of these are kept under continual review to ensure balances are being used wisely and in line with existing plans where possible.
- 4.1.4 An additional commitment of £2.500m has been added to balances, in relation to the demolition of Kirkcaldy Car Parks as approved at Cabinet on 29 May 2025.

Earmarked and Commitments against Balances

- 4.1.5 The earmarked balances reflect unused grants and ring-fenced income which will fund specific expenditure. Balances are also earmarked for dealing with the costs associated with the cost of living and planned funding to support the approved capital investment plan.
- 4.1.6 Commitments represent items for which provision has been made but the costs are yet to be incurred. During 2024-25, £11.474m was de-committed to bring the level of un-committed balances closer to the policy minimum. A recommendation to decommit £6.214m was agreed on 9 January 2025 and a further £5.260m was decommitted following approval of a recommendation in the Budget Planning Update report to Cabinet on 6 February 2025.

- 4.1.7 After taking account of all current earmarked balances and commitments, the forecast level of balances as at 31 March 2027 is expected to be £23.479m, which equates to approximately 2.08% of the revenue budget. The policy minimum is to maintain a level of 2% of uncommitted balances, or £22.614m over a rolling three year period which means that the level can dip below 2% level provided it returns to the policy minimum within three years.

HRA Balances

- 4.2 The opening HRA balance was £5.315m. There has been a planned use of balances totalling £2.722m, which is mainly to support the delivery of the Transitional Affordable Housing Programme, reducing the level of uncommitted balances to £2.593m (1.92%) which is marginally below the policy minimum of 2%.

5.0 Conclusions

- 5.1 The overall provisional outturn is an underspend of £3.153m. However, there are some Service budgets linked which will need to be carried forward and used next year, meaning the impact on balances is not favourable. There is a risk that areas of overspend will continue into 2025-26. Areas of particular concern are Education non devolved (£4.001m) and H&SC (£13.470m). Executive Directors were asked to plan and implement corrective/mitigating actions to bring costs down to a more sustainable level. This has been successful across most Directorates with the exception of Health & Social Care where the level of demand on services continues to be significant.
- 5.2 Given the concerns outlined above in relation to Service overspends, it would be prudent to suspend the budget carry forward policy. This will provide a level of protection for next year's budgets in areas where Services have overspent in 2024/25.
- 5.3 The positive balances position is providing the council with an immediate level of protection from significant cost increases and other financial risks but, given balances is one off in nature, will only assist the council's financial sustainability in the immediate term, leaving challenges ahead for the medium and longer term. Allowing for all commitments, the uncommitted level of balances is estimated as £23.479m in future years which is above the policy minimum of 2%.
- 5.4 The provisional outturn position for the council's Housing Revenue Account in 2024-25 is a nil variance. The level of HRA balances, allowing for all commitments, is £2.593m which is in line with the policy minimum.

List of Appendices

1. General Fund Revenue Summary 2024-25
2. General Fund Variance Analysis
3. Housing Revenue Account Summary 2024-25
4. Housing Revenue Account Variance Analysis
5. Summary of Balances

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FIFE COUNCIL
GENERAL FUND REVENUE SUMMARY 2024-25

	Annual Budget £m	Provisional Outturn £m	Variance £m	Movement £m	Variance excluding funding commitments £m
EDUCATION					
Education (Devolved)	257.786	253.366	(4.420)	(0.681)	0.000
Education (Non Devolved)	188.356	192.357	4.001	2.398	4.310
	446.142	445.723	(0.419)	1.717	4.310
HEALTH & SOCIAL CARE					
Health & Social Care	234.638	252.836	18.198	(2.201)	18.198
H&SC Payment from Health per Risk Share		(4.728)	(4.728)	0.592	(4.728)
	234.638	248.108	13.470	(1.609)	13.470
PLACE					
Assets, Transportation and Environment	119.367	118.253	(1.114)	(3.645)	(0.219)
Planning	2.232	1.918	(0.314)	(0.253)	(0.290)
Protective Services	3.341	3.537	0.196	0.107	0.213
Business & Employability Service	6.389	6.041	(0.348)	0.192	(0.219)
Property Repairs and Maintenance	13.961	13.129	(0.832)	(0.832)	(0.832)
	145.290	142.878	(2.412)	(4.431)	(1.347)
COMMUNITIES					
Housing & Neighbourhood Services	15.630	14.915	(0.715)	(0.827)	(0.683)
Communities & Neighbourhood	59.235	58.216	(1.019)	(0.374)	0.943
Customer & Online Services	16.619	15.805	(0.814)	(0.757)	(0.467)
Children and Families	72.517	70.781	(1.736)	(0.178)	(0.230)
Criminal Justice Service	0.961	0.166	(0.795)	0.157	(0.795)
	164.962	159.883	(5.079)	(1.979)	(1.232)
FINANCE & CORPORATE SERVICES					
Assessors	2.037	1.998	(0.039)	0.152	0.126
Finance	5.834	5.588	(0.246)	0.106	(0.246)
Revenue & Commercial Services	17.336	16.132	(1.204)	0.223	(1.204)
Human Resources	8.812	7.352	(1.460)	(0.287)	(1.454)
Business Technology Solutions	21.567	21.354	(0.213)	(0.653)	(0.213)
Legal & Democratic Services	4.585	4.533	(0.052)	(0.068)	0.206
	60.171	56.957	(3.214)	(0.527)	(2.785)
Miscellaneous	(3.884)	(3.896)	(0.012)	(0.012)	(0.012)
Benefits and Taxation	5.107	4.240	(0.867)	0.133	(0.867)
Corporate and Democratic Core	3.527	3.408	(0.119)	0.053	(0.119)
	64.921	60.709	(4.212)	(0.353)	(3.783)
CHIEF EXECUTIVE					
Chief Executive	0.328	0.301	(0.027)	0.000	(0.027)
	0.328	0.301	(0.027)	0.000	(0.027)
SERVICE TOTALS	1,056.281	1,057.602	1.321	(6.655)	11.391
ADDITIONAL ITEMS					
Loan Charges (including interest on revenue balances)	58.342	57.931	(0.411)	1.198	(0.411)
Capital Expenditure Financed from Current Revenue	11.377	11.377	0.000	0.000	0.000
Obligations / Contingencies	4.695	0.000	(4.695)	(2.388)	(4.695)
	74.414	69.308	(5.106)	(1.190)	(5.106)
TOTAL EXPENDITURE	1,130.695	1,126.910	(3.785)	(7.845)	6.285
FINANCED BY:					
General Revenue Grant	(749.610)	(749.610)	0.000	0.000	0.000
Non Domestic Rates	(143.486)	(144.442)	(0.956)	(0.956)	(0.956)
Council Tax Income	(195.936)	(194.348)	1.588	1.588	1.588
Budgets transferred to/(from) Balances (previous years carry forwards etc)	(41.663)	(41.663)	0.000	0.000	0.000
TOTAL INCOME	(1,130.695)	(1,130.063)	0.632	0.632	0.632
CONTRIBUTION (TO)/FROM BALANCES	0.000	(3.153)	(3.153)	(7.213)	6.917

**FIFE COUNCIL
VARIANCE ANALYSIS**

GENERAL FUND				
Area	Provisional Outturn £m	Previous variance £m	Movement in variance £m	Commentary
EDUCATION				
Education (Devolved)	(4.420)	(3.739)	(0.681)	<ul style="list-style-type: none"> Schools' devolved budgets (DSM) - (£1.244m) underspend is against schools' adjusted budgets which reflect rolls from August 2024. Pupil Equity Funding (PEF) budgets - an underspend of (£2.747m) on schools' PEF budgets for 2024-25 - will be carried forward to 2025-26. Pupil Support Service (£0.429m) underspend around staffing. This underspend is in relation to the achievement of a previous saving, and will be offset against a similar overspend under Special Education Non-Devolved where the saving is posted. Saving is implemented from August 2024 and budgets have been realigned for next financial year. Majority of the movement relates to minor movements in schools' positions for their DSM/PEF budgets since the last monitoring report at December.
Education (Non Devolved)	4.001	1.603	2.398	<ul style="list-style-type: none"> Maternity and long term absence cover costs across schools +£4.178m overspend. Overspends in premises related expenditure of +£1.721m from the following areas - Utilities +£0.232m, Grounds maintenance +£0.387m, waste collection +£0.442m, property related recharges +£0.679m. Nursery Education projected overspend of +£1.227m due to long term absence / maternity cover costs which is offset against minor underspends on employee costs across central Early Years Team, underspend on Scottish Meals & Healthy Snacks Scheme (SMHSS) specific funding and Partner Provider budget. Special Education - projected overspend of +£1.824m mainly due to employee costs overspend of +£1.487m, transport costs overspend of +£1.303m in relation to transport of pupils, offset against underspend of (£0.929m) over-recovery of income for an increased number of children from outside Fife being educated in Fife schools. General Education - projected underspend of (£4.375m) after adjusting schools' budgets for the new teaching complement, including probationers, which was actioned in October. Budgets were updated as required per the DSM Scheme (mainly in relation to school rolls). This underspend includes unachieved savings of +£0.756m mainly in relation to historic income generation savings. Childcare underspend of (£0.478m) due to an over recovery of income being achieved. Movement +£1.201m from increase in LTA/maternity provisional outturn against the 3 year average previously used. This is due to an increase in number of teachers on maternity leave and increasing costs due to pay awards. Movement of +£0.438m from Premises related expenditure is already highlighted above. Movement of +£0.847m in grant income to fund Dunfermline Learning Campus lifecycle maintenance, with the other side of this movement against corporate Property subjectives. The underspend on this income is being carried forward to ensure the maintenance programme can be funded over time.

**FIFE COUNCIL
VARIANCE ANALYSIS**

GENERAL FUND				
Area	Provisional Outturn £m	Previous variance £m	Movement in variance £m	Commentary
HEALTH & SOCIAL CARE				
Health & Social Care	18.198	20.399	(2.201)	<ul style="list-style-type: none"> • Adult Placements overspend £9.236m, due to a greater volume of adult packaged being commissioned, an increase in demand for taxis transporting service users to college or day care provision and non achievement of savings - Commissioning and Transforming Overnight Care. This is partly offset by an underspend on named individuals that are delayed in hospital out with Fife; • Adults Supported Living underspend (£1.637m) due to vacancies across the service which will not be filled until the future design of the service is established; • Fieldwork Teams underspend (£1.038m), on older people packages for Respite / Daycare and staff vacancies; • Care at Home (CAH) overspend £4.878m primarily due to an increase in the commissioning of older people care packages, Fleet charges and the non achievement of the Single Handed Care (SHC) saving; • Older People Residential & Daycare overspend £1.688m due to increased agency costs which is partly offset by vacancies, and catering and cleaning recharge; • Older People Nursing & Residential overspend £3.345m, mainly due to increased demand for LTC and Assessment beds, as well as in increase in NCHC and non achievement of the Reprovision of Care saving, this is partially offset by an over-recovery on Income; • Integrated Community Care overspend £0.730m mainly due to purchase of equipment for the Fife Equipment Loan store; • Finance & Transformational change overspend £0.453m mainly due to the shortfall in the pay award. <p>The movement of (£2.201m) is mainly due to an increase in income for Older People Nursing & Residential.</p>
H&SC Payment from Health per Risk Share	(4.728)	(5.320)	0.592	Reduction in risk share payment to be received from NHS per the risk share agreement.

PLACE				
Assets, Transportation and Environment	(1.114)	2.531	(3.645)	<ul style="list-style-type: none"> • Facilities Management (Catering) overspend of £0.213m relates to School Catering and Commercial Catering for FSLT primarily related to reduced income and increased food and equipment costs. • Sustainability overspend of £0.599m relates primarily to an additional management fee paid from Fife Council (FC) to Fife Resource Solutions (FRS) due to arising and unavoidable cost pressures for FRS; • Property Services underspend of (£1.919m) relates primarily to an underspend on the Energy Management Revolving Fund as a result of a number of projects where commitments has been made and spend is now expected to take place in 25/26. <p>Movement is primarily related to increased funding for catering, along with various over-recoveries in Environment & Building Services and increased slippage in Energy Management Revolving Fund related projects within Property Services.</p>
Property Repairs and Maintenance	(0.832)	0.000	(0.832)	Property Repairs and Maintenance underspend (£0.832m) and movement relates to Dunfermline Learning Campus underspending on their ringfenced funding for maintenance. The annual £1m ringfenced budget is required in accordance with the build funding conditions, however larger maintenance obligations will in reality not be required for a few years. The underspent budget will be carried forward and utilised in future years when required.

**FIFE COUNCIL
VARIANCE ANALYSIS**

GENERAL FUND				
Area	Provisional Outturn £m	Previous variance £m	Movement in variance £m	Commentary
COMMUNITIES				
Housing & Neighbourhood Services	(0.715)	0.112	(0.827)	Underspend and movement mainly due to unspent Rapid Rehousing Transition Plan (RRTP) project funding (£0.497m) and cessation of Wheatley Group grant (£0.298m).
Communities & Neighbourhood	(1.019)	(0.645)	(0.374)	<ul style="list-style-type: none"> • Within Community Use and Halls and Centres there is under-recovery of income of £0.674m. As part of the Community Use Plan, work continues to develop and implement a more targeted approach to marketing and consultation with communities to ensure they are offering what communities want and that there are no barriers preventing the community from accessing these services. • Unachieved savings of £0.339m offset by an (£0.748m) underspend in Fairer Fife budget due to a reduction in the level of funding required by EPES. • Area Budget underspend of (£1.402m) due to lower than anticipated funding being required. • (£0.271m) external income received for expenditure incurred in 23/24 • The remaining underspend is offset by an overspend of £0.500m in premises and supplies and services costs within Halls & Centres across Fife, <p>The movement of (£0.373m) relates to the increase in Area Budget underspends and a reduction in the level of Fairer Fife Funding required by EPES, offset by an increase in the under recovery of income in Halls & Centres and Community Use of Schools and overspends of £0.500m on premises and supplies services costs within Halls & Centres.</p>
Customer & Online Services	(0.814)	(0.057)	(0.757)	There is a variance and movement of (£0.934m) relating to income from the Housing Revenue Account (HRA). The income received from the HRA relates to services carried out across the Contact Centre, Local Offices and Revenues and Welfare teams on behalf of the HRA.
Children and Families	(1.736)	(1.558)	(0.178)	<ul style="list-style-type: none"> • Overspend of £3.208m on Purchased placements due to full year effect of placements made during the previous year. • Overspend of £0.648m on continuing care, £0.457m on Direct Payments, and £0.226m on throughcare rents, all in line with last year's spend. Overspend of £0.734m on Children Affected by Disability (CABD) respite due to a new ongoing high cost package and £0.390m on supported lodgings payments. • Overspends are offset with underspends of (£3.042m) in pay costs due to staff turnover/reduction in residential staffing absences, and budget for permanent posts/staff who are currently undertaking other work, (£1.239m) overachievement of income for Unaccompanied Asylum Seeking Children as no longer forecasting spend against here as no requirement to record this, (£1.053m) on family placements (foster care & kinship) & (£1.506m) Whole Family Wellbeing funding which will be carried forward into 2025/26 to support the planned spend for next year. <p>The movement of £0.178m is mainly due to an increased underspend on Whole Family Wellbeing due to delays in planned spend, with the underspend being carried forward into 25/26 for future spend.</p>
Criminal Justice Service	(0.795)	(0.952)	0.157	<ul style="list-style-type: none"> • Underspend on the permanent flexible element of CJS funding due to staff turnover creating vacant substantive posts as staff have been redeployed to undertake Covid and Bail Funded work. Due to the nature of the funding being temporary, a number of the substantive vacancies were held vacant due to issues recruiting to temporary posts. • Underspend also due to the fact that central support services are allowable within the grant funding, but are not charged out to services within this report.

**FIFE COUNCIL
VARIANCE ANALYSIS**

GENERAL FUND				
Area	Provisional Outturn £m	Previous variance £m	Movement in variance £m	Commentary
FINANCE & CORPORATE SERVICES				
Revenue & Commercial Services	(1.204)	(1.427)	0.223	• Underspend mainly relates to higher than anticipated staff turnover/non filling of posts (£1.100m) and income from HRA and Other Funds (£0.130m). The main areas of underspend on pay costs are Business Support (£0.840m) and the Shared Service Centre (£0.204m). The movement mainly relates to a decrease from the previous forecast for income from HRA and Other Funds.
Human Resources	(1.460)	(1.173)	(0.287)	• Underspend mainly relates to higher than anticipated staff turnover (£0.392m), the Youth Investment Fund (WYI) (£0.800m), income from HRA (£0.098m) and SCAVC NI savings (£0.138m). The movement mainly relates to WYI and increased income from HRA.
Business Technology Solutions	(0.213)	0.440	(0.653)	• Underspend mainly relates to staff costs (£0.632m), wide area network (WAN) (£0.115m), partly offset by overspends on telephony £0.054m, IT costs £0.084m and a decrease in income from HRA £0.382m. The movement mainly relates to a reduction in IT and WAN costs.
Benefits and Taxation	(0.867)	(1.000)	0.133	• In January 2024, the Cabinet committee approved a new policy which changed the criteria for awarding non-domestic rates relief on empty properties. The policy came into effect on 1 April 2024 and this has resulted in a reduction in relief given in the 2024-25.
ADDITIONAL ITEMS				
Loan Charges (including interest on revenue balances)	(0.411)	(1.609)	1.198	Variance is due in the main to changes in borrowing. The value of loans during 2024-25 was less than anticipated and were taken at a later date than previously anticipated. The movement is due to the charge in interest on revenue balances which is a year end entry which was not included in the previous projections.
Obligations / Contingencies	(4.695)	(2.307)	(2.388)	

**FIFE COUNCIL
VARIANCE ANALYSIS**

GENERAL FUND				
Area	Provisional Outturn £m	Previous variance £m	Movement in variance £m	Commentary
INCOME				
Non Domestic Rates	(0.956)	0.000	(0.956)	The Scottish Government Non-Domestic Rates Incentivisation Scheme (NDRIS) allows local authorities to retain benefits from growing the non-domestic rates tax base in excess of Government targets. The Council was informed in March 2025 that it was permitted to retain £0.956m from NDRIS.. No income had been projected for this year due to this being the first year of the re-introduction of the scheme since 2020.
Council Tax Income	1.588	0.000	1.588	The main variance relates to an increase in the anticipated contribution of £1.097m to the Council's Earmarked Balance for Registered Social Landlords. This was an issue which affected a number of Scottish Councils late in the financial year and resulted in a one-off correction of prior year amounts.

FIFE COUNCIL
HOUSING REVENUE ACCOUNT SUMMARY 2024-25

	Annual Budget £m	Provisional Outturn £m	Variance £m	Movement £m
BUDGETED EXPENDITURE				
Repairs and Maintenance	47.298	45.561	(1.737)	(1.285)
Supervision and Management	21.728	22.390	0.662	0.631
Funding Investment:-				
Cost of Borrowing	39.153	37.823	(1.330)	(0.366)
Revenue Contribution (incl CFCR)	23.409	24.398	0.989	1.864
	131.588	130.172	(1.416)	0.844
 Voids	2.571	2.286	(0.285)	0.005
Housing Support costs	(0.467)	(0.446)	0.021	0.028
Garden Care Scheme	0.446	0.475	0.029	(0.012)
Bad or Doubtful Debts	2.907	3.624	0.717	(0.174)
Other Expenditure	12.312	13.708	1.396	(0.636)
	149.357	149.819	0.462	0.055
FINANCED BY				
Dwelling Rents (Gross)	(139.112)	(139.395)	(0.283)	(0.091)
Non Dwelling Rents (Gross)	(3.774)	(3.701)	0.073	0.018
Hostels - Accommodation charges	(2.257)	(2.439)	(0.182)	0.001
Other Income	(1.492)	(1.562)	(0.070)	0.017
Budgets transferred to/(from) Balances (previous years carry forwards etc)	(2.722)	(2.722)	0.000	0.000
	(149.357)	(149.819)	(0.462)	(0.055)
 CONTRIBUTION (TO) / FROM BALANCES	0.000	0.000	0.000	0.000

FIFE COUNCIL
VARIANCE ANALYSIS

HOUSING REVENUE ACCOUNT				
Area	Variance £m	Previous variance £m	Movement in variance £m	Commentary
Repairs and Maintenance	(1.737)	(0.452)	(1.285)	The underspend and movement is mainly due to a larger than anticipated year end refund from Building Services for work billed during the year.
Supervision and Management	0.662	0.031	0.631	The overspend and movement is mainly due to a higher Central Support Services (CSS) charge from General Fund services +£0.896m . This was partially offset by underspends on employee costs (£0.104m) and training costs (£0.196m) due to vacancies.
Cost of Borrowing	(1.330)	(0.964)	(0.366)	The underspend is due to interest costs being lower than anticipated.
Revenue Contribution (incl CFCR)	0.989	(0.875)	1.864	The higher level of CFCR is a result of in year underspends across the HRA. The increased level of CFCR reduces the borrowing requirement for the HRA capital plan.
Bad or Doubtful Debts	0.717	0.891	(0.174)	Overspend due to increasing levels of arrears for both former and current tenants increasing in year write offs and bad debt provisions.
Other Expenditure	1.396	2.032	(0.636)	<ul style="list-style-type: none"> • +£0.959m overspend relates to Hostel Expenditure. Each hostel has high operating costs which have continued to represent a pressure for the HRA. Due to a sustained increase in demand for Temporary Accommodation, Hostels continue to be a required form of accommodation. To mitigate this cost, the service need to seek ways to reduce Hostel operating costs through alternative delivery models. • +£0.218m overspend relates to Property Insurance premiums which cost 20% more than the previous financial year. • +£0.243m overspend on Grounds Maintenance costs.

FIFE COUNCIL
BALANCE - GENERAL FUND SERVICES

	2024-25 £m	2025-26 £m	2026-27 onwards £m
Balance at 1 April	(157.282)	(115.111)	(50.660)
Budgets transferred (to)/from balances	41.663		
Transfers from Other Statutory Reserves	3.661		
Add Overall budget variance (Appendix 1)	(3.153)		
Estimated General Fund Balance at 31 March	(115.111)	(115.111)	(50.660)
Earmarked Balance			
Council Tax - Second Homes		8.503	
Specific Carry Forwards			
DSM		1.670	
Pupil Equity Fund		2.750	(2.663)
Whole Family Wellbeing Fund		1.506	
Temp Investment c/f		1.129	
LCP c/f		1.403	
Other Carry Forwards		1.612	
Funding held in Balances until Required		1.008	0.103
Corporate Funding Carry Forward		4.644	
Cost of Living Crisis Commitments:			
Business Support & Low Income Household		0.420	
Community Recovery Fund		3.451	0.000
COMIS/SWIFT delay		0.064	
Capital Investment Plan:			
CFCR		12.495	
Service Concessions		10.000	14.539
Capital Plan Review – Additional Funding		2.615	
Revenue Budget 2024-25 - Welfare Funding		0.300	
Total Earmarked	0.000	53.570	11.979
	(115.111)	(61.541)	(38.681)
Commitments against balance			
Budget Carry Forward Scheme			
Change Programme		4.694	5.000
Demographics/Pay/Pensions		3.266	5.860
Levelling Up Funding		0.207	
Barclay Funding - Assessors		0.064	
Workforce Change			4.000
Kirkcaldy Car Parks		2.500	
Lease Surrender - The Kirkcaldy Centre		0.150	
Election			0.342
Total Commitments	0.000	10.881	15.202
Estimated uncommitted balance at 31 March	(115.111)	(50.660)	(23.479)

FIFE COUNCIL

Budgets transferred to/(from) Balances (previous years carry forwards etc)

	2024-25 £M	2025-26 £M	2026-27 onwards £M
Balance at 1 April	(5.315)	(2.593)	(2.593)
Budgets transferred (to)/from balances	2.722		
Add Overall budget variance 2024-25 (Appendix 3)	0.000		
Estimated uncommitted balance at 31 March	<u>(2.593)</u>	<u>(2.593)</u>	<u>(2.593)</u>

26 June 2025
Agenda Item No. 5

Capital Investment Plan - Provisional Outturn 2024-25

Report by: Eileen Rowand, Executive Director (Finance and Corporate Services)

Wards Affected: All

Purpose

The purpose of this report is to provide a strategic financial overview of the Capital Investment Plan and to advise on the provisional outturn for the 2024-25 financial year.

Recommendations

The Cabinet Committee is asked to:-

- i) note the provisional outturn position and that the level of financial risk continues to be heightened due the impact of inflation and supply chain challenges;
- ii) instruct Services to plan projects within the approved resource within the Capital Investment Plan;
- iii) note that more detailed capital outturn reports for 2024-25 will be submitted to relevant Scrutiny Committees of the council;
- iv) note that budget variances will be managed by the appropriate Directorate in conjunction with the Investment Strategy Group; and
- v) note the updated prudential indicators provided.

Resource Implications

The overall provisional outturn position for 2024-25 is £258.096m and represents a record level of capital investment compared to previous financial years. This reflects delivery of 79% of expenditure planned. There is slippage of £67.850m across the plan, however, this is as a result of timing of projects straddling the end of the financial year and projects continue to be delivered into the new year.

Interest rates remain at a 16 year high which has begun to have an impact on the cost of borrowing and the affordability impact has been felt in the recent capital plan review.

Legal & Risk Implications

Current risks include continuing difficulties across supply chains, the impact of inflation on costs of construction and availability of funding streams for larger capital projects, e.g. Developers' Contributions and estimated future funding levels from Scottish Government. Further detail relating to the current risks is contained in section 2.2.

There is also increased risk relating to the current level of interest meaning that the costs of borrowing to finance the capital investment in the plan will be higher than anticipated.

Impact Assessment

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

Consultation

The forecast positions are agreed in consultation with each Directorate and are based around the expected progress and delivery of individual projects over the lifetime of the plan.

1.0 Background

- 1.1 The purpose of this report is to advise members of the high-level provisional outturn position for the council's Capital Investment Plan (the Plan) for the financial year 2024-25. The report also highlights the forecast over the life of major projects over £5.000m along with any potential risks associated with these projects. Section 2.1 highlights areas where there is deemed to be a greater level of financial risk linked to major projects. The Plan covers capital expenditure across all council Services including the Housing Revenue Account which is managed and accounted for separately from the General Fund.
- 1.2 Funding strategies including the use of CFCR from general fund balances, service concession arrangements, capital grant, receipts, developers' contributions and borrowing, all identified during the capital plan review process are being utilised to support the level of capital investment included in the plan.
- 1.3 It should be noted that this report contains information relevant to the Capital Investment Plan that was approved in June 2023 and is still relevant to the current financial year, 2024-25. The position for the Capital budgets for some projects will change as a result of the updated Capital Investment Plan that was agreed by the Council on 20th February 2025. Future reports in the new financial year, 2025-26 will reflect the budgets contained in the newly approved investment plan as well as any slippage carried forward from the current year.

2.0 Issues

Major Projects

- 2.1 Appendix 1 provides a summary of the major projects within the Plan. There are 32 projects/programmes in this category with an overall budget of £801.883m.
- 2.1.1 At this stage, cost estimates suggest that these will come in on budget.

Potential Risks and Issues

- 2.2 Across the Capital Investment Plan, budgets were increased to reflect estimated inflationary pressures. However, the timing and the costs of projects continue to be adversely affected by the current economic climate. This is creating increased risk for the sustainability of the Capital Investment Plan. The Capital Investment Plan was recently reviewed, and a revised plan was approved in February 2025. Affordability was one of the key considerations during the review, and as a result additional budget was approved as part of the revenue budget process for higher loan charges to support the Plan. Monitoring of the impact of additional costs on projects continues and any significant impact on timescales and associated risks will be reported to this committee.

- 2.2.1 The council's approved Capital Plan included £213.000m investment in respect of Secondary Schools in West Fife, which includes Dunfermline Learning Campus (DLC) and the Inverkeithing High School (South and West Fife) replacement. The budgets for the projects reflect the funding arrangements of the Scottish Government's Learning Estate Investment Programme (LEIP) which requires the council to fund the up-front cost of construction, with government support coming in the form of a revenue contribution based on the achievement of outcomes. The DLC project (LEIP Phase 1) has concluded and the schools opened and have been operating since in August 2024. The replacement for Inverkeithing High School (LEIP Phase 2) is due to open in August 2026 and work is progressing well on site. However, the council's LEIP Phase 3 project bid relating to the Glenrothes secondary schools was not successful and consequently there was a requirement to consider alternative options in relation to the Glenrothes secondary schools alongside the wider school estate as part of the recent Capital Plan Review.

Financial Performance – 2024-25 Total Expenditure - Provisional Outturn

- 2.3 Appendix 2 provides a summary by capital theme of provisional expenditure and income for 2024-25 showing the total reprofiled expenditure budget of £325.946m and a record high provisional spend of £258.096m (79%) in the 2024-25 financial year, £67.850m slippage across the plan. The term slippage relates to budgets that remain available and are carried forward into the new financial year to ensure all planned projects remain funded as they are delivered. Comparable expenditure for the previous three years was £242.073m (2023-24) £189.362m (2022-23) and £163.805m (2021-22).
- 2.3.1 This level of expenditure is significant in comparison to previous years with an increase of 7% on expenditure compared to last year's outturn position.

3.0 Budgets and Funding

Budget

- 3.1 The Capital Investment Plan 2023-33 was approved by Fife Council in June 2023. At the end of each financial year, any budget which has not been spent is rolled forward into the next financial year as slippage. Services are asked to re-profile their project budgets considering this slippage and the result of this can be seen in the movement from the approved budget to the current budget as detailed in Appendix 2.
- 3.1.1 Since the last report, there have been further changes to the budget, these are summarised in the table below. The changes have followed the agreed governance processes and have been endorsed by the Investment Strategy Group, chaired by the Head of Finance.

	Total Expenditure £m
Current Capital Investment Plan as at December 2024	323.773
CFCR/CFCR Swap	0.295
Increased Grant and Contribution Income	1.878
Current Capital Investment Plan as at March 2025	325.946

- 3.1.2 The increased level of grant and contributions income, in the main, relates to £2.002m Salix Funding from Scotland's Public Sector Heat Decarbonisation Fund.

Expenditure

- 3.2 Variances are projected across all themes within the plan, the most significant being:

3.2.1 Opportunities for All

Children– (£0.604m)

This is slippage due to delays in the detailed design stage of Glenmar House as design and procurement has taken longer than expected. Review of design and cost is ongoing.

Education– (£10.093m)

Main reasons for the variance within Education include slippage of (£9.501m) under Free School Meals Expansion. Scottish Government are currently expanding the delivery of free school meals to P6 and P7 pupils whose families are in receipt of the Scottish Child Payment (SCP), however, funding for this financial year was not awarded until September 2024. There is an agreed programme of works that will start to be delivered over the coming financial years across the school estate, prioritising work in the schools with capacity issues in their existing kitchen and dining facilities.

Slippage of (£1.181m) on the Inverkeithing High School (South West Fife) replacement project to reflect a change in the planned timing for the construction programme for the offsite roadworks on Admiralty Road, which had originally been planned for this year. However, there is no impact on the overall programme and the project overall remains on target. This is offset against an in year overspend of £1.300m in relation to the Dunfermline Learning campus project covering the replacement of Woodmill High School and St Columba's RC High School. It is intended that this overspend is funded from remaining insurance monies from Woodmill HS fire. The final amounts in relation to the claim are still to be agreed and will fall into next financial year.

Advancement of £1.319m under Major Secondary Schools is a result of bringing forward the start of programmed works for Balwearie High School. The works to date have concentrated on bringing the temporary modular accommodation previously at Woodmill HS to Balwearie HS. This will enable the decant of pupils from areas of the school to allow for capital works to be undertaken over future financial years in line with the newly approved the Capital Plan in February 2025.

Slippage of (£1.582m) under Major Primary Schools relates to Freuchie Primary School upgrades with a change in financial profile of the project to meet the overall onsite delivery programme. The project is still anticipated to be completed on time next financial year.

Slippage of (£0.414m) under Nursery Refurbishment where projects that had been planned this financial year but, due to resources being prioritised in other areas, have been reprogrammed into next financial year.

Health and Social Care – (£5.536m)

Slippage is mainly due to the reprofiling of the construction spend on Cupar Care Home which reflects the delayed commencement of the on-site works due to the requirement for a value engineering exercise. The main spend will now be in the early part of 2025-26 rather than late 2024-25.

3.2.2 Thriving Places

Business & Employability – (£2.627m)

Regeneration of Town Centres has slippage of (£0.843m) mainly due to the Inverkeithing Heritage project which was delayed due to scheduling of start date and mobilisation process.

There was also slippage of (£0.872m) on the Riverside Park, Levelling Up Funded project. The Riverside Park was opened, as planned, on 1st April 2025, slippage relates to works to be finalised and potential underspend on additional contingency funds awarded to the project.

Slippage has continued on the Place Based Investment funded programme and the main reasons are as previously reported: Dunfermline City Square (Gap Site) has experienced a design delay to incorporate reduced maintenance costs (£0.274m), Leven Bus Station link has slipped to 2025-26 (£0.397m) after a delay in completion of the train station car park. There is also a projected underspend of (£0.103m) at Leven High Street.

Asset, Transportation and Environment – (£9.837m)

Leven Connectivity slippage of (£5.876m) relates to the River Park Routes Project due to delays in securing land from various landowners, however, it is anticipated that the project will deliver in full in the new financial year.

Sustainable transport slippage of (£3.093m) relates to slower take up of grant applications from the £10.000m Levenmouth Reconnected Programme (LRP) fund and slippage in Path & Cycleway Upgrades due to prioritising spend on the SG Active Travel Investment Fund (ATIF) Tier 1 grant allocation.

Strategic Transport Intervention Programme slippage of (£0.867m) relates to delays concluding negotiations with Scottish Power regarding diversionary works and appointment of consultant.

Area Community & Corporate Dev – (£6.617m)

Sport & Leisure Facilities has slippage of (£3.456m), (£2.054m) is relating to enabling works issues causing a delay to starting on site for Cowdenbeath Leisure centre. Budget of (£0.565m) remains unallocated. The remaining slippage is due to Synthetic Turf Pitch costs being less than anticipated alongside securing external funding.

Countryside has slippage of (£1.191m) the majority of which relates to using inhouse services rather than sourcing these externally. Sports and Golf Programme has slippage of (£0.786m) due to the Golf Depot being delayed. Area Community Facilities has an advancement of £0.709m due to the advancement of enabling works on site for Templehall Integrated Community Hub.

Improving Health Through Leisure and Sport has slippage of (£0.804m) within approved projects and Area Capital Investment has slippage of (£0.404m) relating to several playpark projects across Fife. These projects are delayed aligning with the outcome of the play space strategy which is to be agreed by each area committee and the desire to involve communities to seek match funding against council and Scottish Government funding for play parks.

Fife Tourism infrastructure has slippage of (£0.469m), projects have now been identified to utilise this funding.

3.2.3 Maintaining Our Assets – Rolling Programmes

Education – (£1.110m)

Slippage of (£0.470m) on the Lochgelly South/St Kenneths project due to delays in the upgrades at the nursery as part of the wider project at these schools during the year.

Slippage of (£0.640m) relating to Rolling Programme that had been planned for this financial year but, due to resources being prioritised in other areas, will now not happen until next financial year.

Asset & Transportation & Environment – (£6.986m)

Roads Infrastructure slippage of (£0.706m) is due to delays in delivering several footway projects as a result of network access issues and staff shortages along with a high-value carriageway scheme impacted by emergency utility works.

Purchase of Vehicles & Equipment slippage of (3.167m) is due to delays with procurement lead in times and deliveries, vehicles will be arriving early 2025/26 financial year.

Climate Change Adaptation slippage of (£1.942m) is partly due to staff shortages and difficulties recruiting specialist staff. In addition, the spend profile has been pushed back due to a later detailed design of Den Bridge, lower tender returns for North Queensferry Pier design, Kinnessburn and Lady Burn flood and feasibility studies.

Property Maintenance Slippage of (£1.122m) relates primarily to delayed scheduling of key projects. These delays were due to a variety of factors including contractor availability and weather; however, some high value projects had been added into the programme late in the year. Whilst early delivery was desirable, these were delayed to minimise impact to service delivery and projects are now planned to be delivered in School Holiday periods.

Recycling Centres Plant and Equipment advancement of £0.527m relates to advanced investment required in new containers for regulatory compliance for Persistent Organic Pollutants (POPS) and Waste Upholstered Domestic Seating (WUDS).

Area Community & Corporate Dev – (£2.488m)

Plant & Machinery Replacement programme has slippage of (£0.466m), this is a result of a delay to the replacement of machinery with Fife Golf Trust. Parks development projects have slippage of (£1.874m) due to the utilisation of the Play Park Renewal funding over core budget.

Finance & Corporate – (£1.660m)

The delivery of IT kit for the ICT Rolling programme was later than anticipated, resulting in the spend slipping to 2025-26 (1.427m).

3.2.4 Maintaining Our Assets – Specific Programmes

Asset & Transportation & Environment – (£7.866m)

Structures Infrastructure slippage of (£2.323m) relates to a delay in design of Broad Street Railway Bridge of (£1.023m) which is now progressing and will continue in 2025-26 as well as a reduced spend on constructing Leven Rail Bridge, with remaining works progressing into 2025-26.

Landfill Sites Slippage of (£0.589m) is partly due to operational efficiencies on site resulting in the life of the existing cell being extended, while new cell work will slip into 2025-26. In addition, the final stages of the Reception Hall Anaerobic Digestion Plant work was delayed due to further site investigation works and will take place in 2025-26.

Pathway to Net Zero Slippage of (£3.687m) relates primarily to a delay in the progress of Air Source Heat Pump (ASHP) at Primary Schools across Fife. This is due to a continued shortage of specialist contractors available to conduct the required ASHP works.

3.2.5 Housing Revenue Account – (£4.391m)

Wider Works programme advancement £2.792m is mainly due to acceleration of the projects at Tarvit Mill and Heatherywood travelling people sites and Swan and Memorial Court.

There is slippage within the affordable housing programme (£3.235m) against a budget of £73.624m. This is partly due to delays at some sites with spend slipping into future years. Due to the high level of spend per site, a delay in project start dates can cause a material level of slippage.

There is also slippage of (£3.784m) on the Property Acquisition Programme. Spend is prioritised to maximise the subsidy available and 37 properties were purchased this financial year using the available subsidy. A further three properties were purchased this financial year utilising resettlement funds. The slippage will be used to fund the acquisition of more properties in 2025-26, again, maximising the use of available subsidy and ensuring best value for tenants.

3.2.6 Other Items – (£6.737m)

This slippage mainly represents budget of £4.640m which was included in the Capital Investment Plan in 2023 and remained unallocated this year. The remainder, £2.097m, is a provision for inflation.

Total Income

3.3 Capital expenditure is funded from several income sources, some of which contribute specifically to individual projects in the plan. These income sources are Capital Financed from Current Revenue (CFCR), Scottish Government Specific Capital Grant and other grants and contributions (e.g. lottery funding).

3.3.1 Appendix 2 shows that there is a total income budget of £101.738m against a forecast of £84.504m giving a variance of £17.234m, which mainly relates to slippage in grant income in relation to the Leven Connectivity and Back Burn Restoration projects which reflects the slippage in expenditure noted in para 3.2.2 above. The income will be received next financial year, when the expenditure is incurred.

3.3.2 The CFCR variance includes a higher than planned contribution from the HRA of £0.922m. The remainder of the variance relates to a number of projects within the General Fund that will continue being delivered into next year and the funding will be available to match this expenditure.

Total Funding

3.4 Within the total funding section of Appendix 2, there is an underspend on borrowing of £52.270m. The other income such as General Capital Grant and Capital Receipts are not specifically related to any capital project but provide funding for the plan overall. The underspend on borrowing reflects the slippage in the overall capital plan.

4.0 Prudential Indicators

4.1 The council operates within the CIPFA Prudential Code framework. The Prudential Code is designed to support local authorities in taking their decisions in capital finance and expenditure. There is a statutory requirement to operate within the code.

4.2 As outlined in the previous Capital Investment Plan report presented to this committee, the Prudential Code requires the monitoring and reporting of performance against prudential indicators to be reported quarterly. The introduction of quarterly monitoring facilitates increased reporting to ensure that the council continues to operate within the indicators and boundaries approved.

4.3 Appendix 3 provides details of Fife Council's Prudential Indicators based on the Provisional Outturn figures. The information includes the outturn position for the previous two years, the indicators approved within the Treasury Strategy 2023-26 and the estimates for the current and following two years based on most recent estimated expenditure and income profiles.

4.4 A detailed description of each indicator is included in the Appendix. Commentary on movements is provided below:

Capital Expenditure

4.4.1 This reflects the capital expenditure for 2024-25 along with the estimates for the next two financial years. The total expenditure has reduced by £4.244m from that reported to last committee.

Financing Costs

4.4.2 These are the costs to the council of borrowing money to pay for capital projects and include principal repayment and interest charges, known as Loan Charges. The council has two types of borrowing, short term for cash flow purposes and long term for capital purposes. The council also uses its own internal balances to meet cash flow demands and interest is paid to the General Fund and the HRA from the Loans Fund for the use of this cash.

External Debt

4.4.3 The external debt remains the same to that previously reported. Long term borrowing should only be undertaken for capital purposes. The cash position of the council is continually changing and, as a result, short term borrowing may be required to ensure that the council has sufficient funds to meet its ongoing obligations. The total debt position, for both short and long term borrowing is within the operational boundary and the authorised limits approved in the Treasury Strategy for 2024-27.

5.0 Conclusions

5.1 The current total expenditure budget for the financial year 2024-25 is £325.946m and the council is estimated to deliver £258.096m (79%) investment in the year, with slippage of £67.850m.

5.2 This level of expenditure represents continued progress on the delivery of a wide range of capital projects. Major capital investment by Fife Council continues, however, there is a level of uncertainty associated with speed of delivery and future costs.

5.3 There are 32 projects/programmes within the Plan which have a value of £5.000m or greater. The overall budget for these projects is £801.883m, with anticipated expenditure of £801.883m.

5.4 Where significant variances arise, these are reviewed by the appropriate Directorate in conjunction with the Investment Strategy Group and would be reflected in future capital plan reports to committee.

5.5 There is a requirement to report quarterly on the council's Prudential Indicators and to monitor these over the course of the year. These can be seen in Appendix 3.

List of Appendices

1. Major Capital Projects total Cost Monitor
2. Monitoring Report by Capital Theme
3. Prudential Indicators

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FIFE COUNCIL
CAPITAL INVESTMENT PLAN 2024-35
TOTAL COST MONITOR - MAJOR CAPITAL PROJECTS

Appendix 1

	Service	Original Approved Budget £m	Current Project Budget £m	Total Projected Outturn £m	Variance £m	Variance %	Current Project Status	Expected Project Completion Date
Opportunities for All								
Madras College Extension	E&CS		5.713	5.713	0.000	0.00	Future Project	2027-28
Dunfermline Learning Campus	E&CS		121.261	121.261	0.000	0.00	Completed Project	2024-25
Extension Secondary School - Viewforth	E&CS	5.989	6.335	6.335	0.000	0.00	Future Project	2030-31
New Secondary School - Glenrothes /Glenwood	E&CS	27.532	16.000	16.000	0.000	0.00	Future Project	2029-30
Queen Anne High School Extension	E&CS		6.626	6.626	0.000	0.00	Future Project	2030-31
Inverkeithing High School	E&CS		88.000	88.000	0.000	0.00	Current Project	2026-27
Primary School Development Future Projects	E&CS		114.340	114.340	0.000	0.00	Future Project	2032-33
Methil Care Home	H&SC	6.620	8.876	8.876	0.000	0.00	Current Project	2024-25
Cupar Care Home	H&SC	5.580	10.254	10.254	0.000	0.00	Current Project	2025-26
Anstruther Care Home	H&SC	6.145	13.006	13.006	0.000	0.00	Feasibility	2026-27
		51.866	390.411	390.411	0.000	0.00		
Thriving Places								
Northern Road Link East End	ATE		14.845	14.845	0.000	0.00	Preparatory Works	2026-27
Western Distributer Road	ATE		9.299	9.299	0.000	0.00	Future Project	2030-31
Northern Road A823	ATE		14.596	14.596	0.000	0.00	Preparatory Works	2029-30
Levenmouth Reconnected	ATE	2.000	7.363	7.363	0.000	0.00	Current Project	2027-28
Mountfleurie Bridge	ATE		5.830	5.830	0.000	0.00	Preparatory Works	2025-26
River Park Routes	ATE		5.566	5.566	0.000	0.00	Preparatory Works	2025-26
Glenrothes - Riverside Park	Bus & Employ	4.980	5.258	5.258	0.000	0.00	Current Project	2024-25
Abbeyview Integrated Hub	Communities	1.500	8.006	8.006	0.000	0.00	Current Project	2024-25
Templehall Community Hub	Communities	1.500	15.304	15.304	0.000	0.00	Current Project	2026-27
Cowdenbeath LC Phase 2	Communities	1.600	7.767	7.767	0.000	0.00	Current Project	2025-26
East Sands LC Redevelopment Project	Communities	6.000	6.000	6.000	0.000	0.00	Future Project	2029-30
		17.580	99.835	99.835	0.000	0.00		
Inclusive Growth and Jobs								
Fife Interchange Business Units - Phase 1 & 2	Bus & Employ	8.130	11.519	11.519	0.000	0.00	Current Project	2024-25
John Smith Business Park Business Units	Bus & Employ	3.644	5.517	5.517	0.000	0.00	Current Project	2025-26
		11.774	17.036	17.036	0.000	0.00		
Housing Revenue Account								
Affordable Housing over £5m			219.853	219.853	0.000	0.00	Future Project	2027-28
Swan and Memorial High Rise			7.002	7.002	0.000	0.00	Current Project	2025-26
		0.000	226.855	226.855	0.000	0.00		
Maintaining Our Assets								
Lochgelly Primary School	E&CS	9.000	8.984	8.984	0.000	0.00	Completed Project	2024-25
Leven Railway Bridge & Bawbee Bridge	ATE	2.279	10.110	10.110	0.000	0.00	Current Project	2025-26
Den Burn Bridge	ATE	2.120	10.710	10.710	0.000	0.00	Preparatory Work	2028-29
Broad Street Bridge Cowdenbeath	ATE	3.678	13.619	13.619	0.000	0.00	Preparatory Work	2028-29
Lyne Burn	ATE	1.217	0.000	0.000	0.000	0.00	Future Project	2030-31
Local Area Network	BTS	7.200	7.314	7.314	0.000	0.00	Current Project	2029-30
Balwearie High School	E&CS	8.300	17.008	17.008	0.000	0.00	Future Project	2027-28
		33.794	67.746	67.746	0.000	0.00		
Grand Total		115.014	801.883	801.883	0.000	0.00		

FIFE COUNCIL
CAPITAL INVESTMENT PLAN 2024-33
MONITORING REPORT

Appendix 2

Capital Theme	Approved Budget £m	Current Budget £m	Actual to Date £m	Projected Outturn £m	Projected Variance £m	Projected Outturn as % of Plan
Opportunities for All	85.528	57.018	40.785	40.785	(16.233)	72%
Thriving Places	17.896	46.746	27.665	27.665	(19.081)	59%
Inclusive Growth and Jobs	11.116	7.090	7.400	7.400	0.310	104%
Maintaining Our Assets - Rolling Programmes	45.657	63.215	49.771	49.771	(13.445)	79%
Maintaining Our Assets - Specific Programmes	13.387	18.455	10.181	10.181	(8.274)	55%
Housing Revenue Account	100.315	126.686	122.294	122.294	(4.391)	97%
Corporate Items	14.597	6.737	0.000	0.000	(6.737)	0%
TOTAL EXPENDITURE	288.496	325.946	258.096	258.096	(67.850)	79%
Scottish Government Specific Capital Grants	(3.856)	(6.799)	(5.840)	(5.840)	0.959	86%
Other Grants and Contributions	(46.863)	(55.382)	(43.867)	(43.867)	11.515	79%
Capital Financed from Current Revenue (CFCR)	(61.426)	(39.557)	(34.797)	(34.797)	4.760	88%
TOTAL INCOME	(112.144)	(101.738)	(84.504)	(84.504)	17.234	83%
TOTAL NET EXPENDITURE	176.352	224.209	173.592	173.592	(50.616)	77%
Scottish Government General Capital Grant	(40.776)	(48.422)	(48.422)	(48.422)	0.000	100%
Capital Receipts	(5.024)	(1.954)	(3.607)	(3.607)	(1.653)	185%
NHT Loan Repayments	0.000	0.000	0.000	0.000	0.000	0%
Borrowing from Loans Fund - General Fund	(96.140)	(95.179)	(50.421)	(50.421)	44.758	53%
Borrowing from Loans Fund - HRA	(34.412)	(78.654)	(71.142)	(71.142)	7.512	90%
TOTAL FUNDING	(176.352)	(224.209)	(173.592)	(173.592)	50.616	77%



FIFE COUNCIL PRUDENTIAL INDICATORS 2024 27

ACTUAL 2022 23	ACTUAL 2023 24
£m	£m
103.964	153.167
85.399	88.906
189.362	242.073
£m	£m
11.996	49.791
30.519	32.665
42.515	82.455
£m	£m
942.946	968.749
128.401	135.327
1,071.347	1,104.077
£m	£m
1.27%	5.14%
23.77%	24.14%
£m	£m
785.892	831.339
414.161	437.174
1,200.053	1,268.513
£m	£m
995.595	1,173.131
1,489.036	1,528.856
1,418.129	1,456.053
£m	£m
995.595	1,173.131
1,200.053	1,268.513
(204.458)	(95.383)
£m	£m
100%	100%
75%	75%
0%	0%

Affordability Indicators

Capital Expenditure

General Fund
Housing Revenue Account

Financing Costs

General Fund
Housing Revenue Account

Net Revenue Stream

General Fund
Housing Revenue Account

Ratio of Financing Costs to Net Revenue Stream

General Fund
Housing Revenue Account

The Capital Financing Requirement

General Fund
Housing Revenue Account

External Debt

Authorised Limit for Total External Debt
Operational Boundary for Total External Debt

Prudence Indicators

External Debt and the Capital Financing Requirement

Forecast External Debt
Forecast Capital Financing Requirement

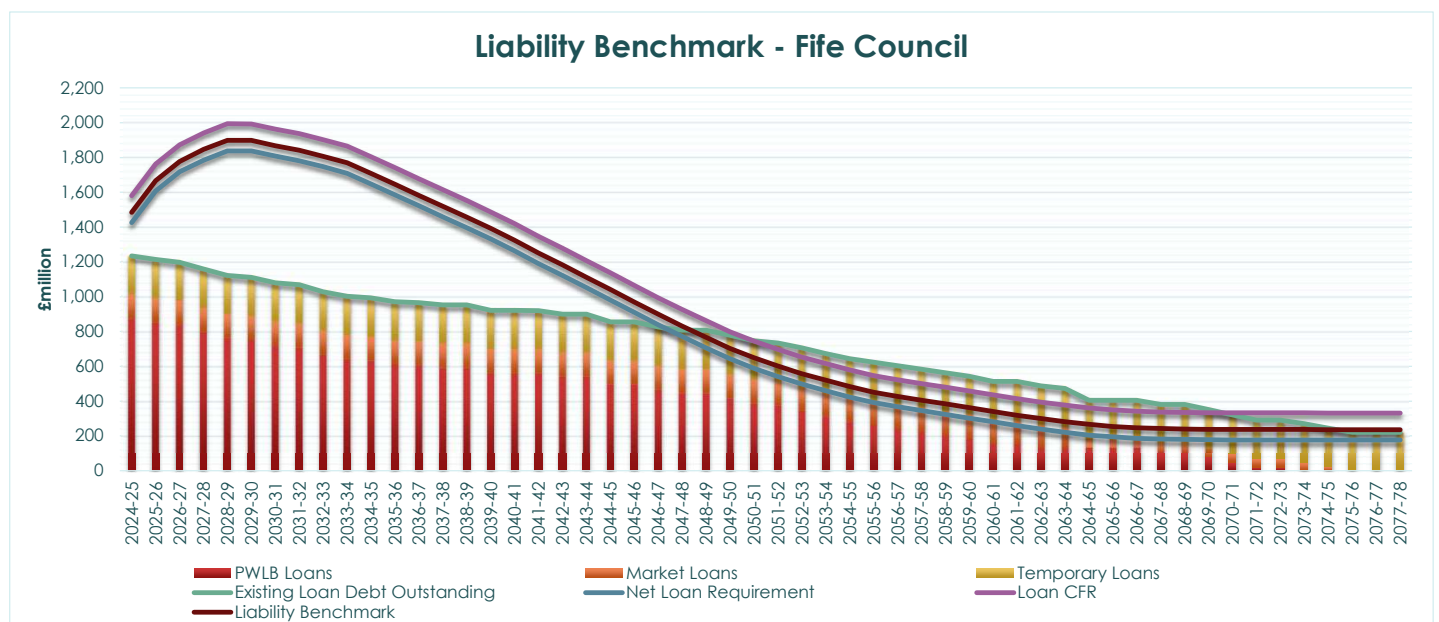
Adoption of the CIPFA Code on Treasury Management

Code adopted in 1996 and compliance maintained through the Treasury Management Strategy

Fixed Interest Rate Exposure Upper Limit
Variable Interest Rate Exposure Upper Limit
Total Principal Sums Invested Beyond 364 days Upper Limit

ACTUAL 2024 25	ESTIMATE 2025 26	ESTIMATE 2026 27
£m	£m	£m
135.802	179.306	127.137
122.294	156.300	119.025
258.097	335.606	246.161
£m	£m	£m
56.685	59.198	63.493
38.991	45.011	51.327
95.677	104.209	114.820
£m	£m	£m
1,087.429	1,038.338	1,038.338
143.014	148.828	156.200
1,230.443	1,187.166	1,194.538
£m	£m	£m
5.21%	5.70%	6.11%
27.26%	30.24%	32.86%
£m	£m	£m
858.255	945.466	992.954
487.757	582.221	639.893
1,346.012	1,527.688	1,632.847
£m	£m	£m
1,315.515	1,510.897	1,633.325
1,691.865	1,754.843	1,796.440
1,611.300	1,671.279	1,710.895
£m	£m	£m
1,315.515	1,510.897	1,633.325
1,346.012	1,527.688	1,632.847
(30.497)	(16.790)	0.479
£m	£m	£m
100%	100%	100%
75%	75%	75%
0%	0%	0%

Debt Liability Benchmark



FIFE COUNCIL

PRUDENTIAL INDICATORS 2024-27 - EXPLANATORY NOTE

CAPITAL EXPENDITURE

This reflects the budgeted capital expenditure for the next 3 financial years.

FINANCING COSTS

These are the costs to the Council of borrowing money to pay for capital projects and include principal repayments and interest charges which are charged against the relevant revenue budgets, known as Loan Charges. These costs will vary over time as capital expenditure estimates and interest rates change.

NET REVENUE STREAM

This provides details of the income anticipated from General Government Grant, Council Tax, Non-Domestic Rates and Housing Rents. The estimates used are consistent with the assumptions in medium term finance strategy.

RATIO OF FINANCING COSTS TO NET REVENUE STREAM

This is a key indicator and highlights how much of the Council's annual income is used to meet the costs of the Council borrowing to fund Capital Expenditure Plans. The cost of borrowing becomes a fixed cost, which is increasing over time as revenue streams decrease and capital expenditure increases.

THE CAPITAL FINANCING REQUIREMENT

This indicator quantifies the Council's need to borrow to fund Capital Projects. It takes account of capital expenditure and income estimates along with the estimates for the repayment of loan charges in each of the financial years.

EXTERNAL DEBT

This is the amount the Council borrows externally to fund Capital Projects. Council's can only borrow on a long term basis to meet the cost of new capital expenditure.

AUTHORISED LIMIT / OPERATIONAL BOUNDARY FOR EXTERNAL DEBT

These are approved limits which are used to monitor the total borrowings of the Council on a day-to-day basis. The Operational Boundary is set to reflect the estimated need to borrow for a capital purpose in the current and two following financial years as permitted by the CIPFA code on Treasury Management. It is not normally expected to be exceeded. The Authorised Limit is the upper limit of gross external debt which should not be exceeded. It reflects the level of external debt which could be afforded in the short term but is not necessarily sustainable in the longer term. If any breach of either of these limits were to occur, members should be formally advised of the occasions and reason for the breach. These limits are contained in the Treasury Strategy 2023-26 and approved by Cabinet Committee in August 2023 and will not change until new limits are approved in 2024-25.

EXTERNAL DEBT AND THE CAPITAL FINANCING REQUIREMENT

This is another key indicator which highlights whether the Council has borrowed to meet its needs or not. If the limit has been exceeded, it may indicate that the Council has borrowed in advance of its needs. This indicator requires to be closely monitored to ensure premature borrowing does not happen.

DEBT LIABILITY BENCHMARK

This is a new indicator which was introduced for 2023-24. It is important that the Council understands the relationship between the gross loan debt and its loan debt less investments made for treasury purposes. The Council is required to estimate and measure the Liability Benchmark for future years. The Liability Benchmark is not a single measure and therefore presented as a chart detailing four components:

Existing Loan Debt Outstanding – Council's existing loans still to be repaid.

Loan CFR – this is calculated in accordance with the Prudential Code guidance and projected into the future. It represents future estimated borrowing requirements.

Net Loans Requirement – this shows the Council's gross loan debt less treasury management investments at the end of each financial year based on the approved prudential borrowing, estimated loan fund principal repayments and any other major cash flow forecasts.

Liability Benchmark – this equals the net loan requirement plus short-term liquidity allowance for day-to-day cash flow purposes

The graph is intended to illustrate the gap between the current level of outstanding debt and the liability benchmark. Where the debt outstanding or actual loans are below the benchmark, this indicates a future borrowing requirement. This is shown between 2023-24 and 2049-50. In any year where the loans are greater than the benchmark demonstrates an overborrowed position which will mean there is a requirement for cash investment.

The graph depicts the borrowing requirement in the earlier years because of the planned levels of capital expenditure in those years based on the 10 year Capital Investment Plan.

26 June 2025
Agenda Item No. 6

Budget 2026-29 Update

Report by: Eileen Rowand, Executive Director (Finance and Corporate Services)

Wards Affected: All

Purpose

The purpose of this report is to provide Cabinet Committee with an update on the General Fund Revenue Budget for 2026-29 following a review of our financial planning assumptions and our planned approach to achieve a sustainable and balanced budget.

Recommendation(s)

Cabinet Committee are asked to note:-

- (1) the updated financial planning assumptions;
- (2) the continuing uncertainty around these planning assumptions; and
- (3) the planned approach to achieve a sustainable and balanced budget for 2026-27 onwards.

Resource Implications

The report highlights the financial benefit to taking a medium-term approach for the 2025-26 budget process and identifies significant resource implications that must be considered in the planning of the budget for 2026-27 and future years.

Legal & Risk Implications

It is a statutory requirement for the Council to set a balanced budget.

Impact Assessment

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

Consultation

None in relation to this report.

1.0 Background

- 1.1 Following the Council setting its budget on 20 February 2025, there remained an indicative budget gap of £5.116m for 2026-27, rising to £16.233m for 2027-28. Using the same assumptions, the budget gap would rise further to £35.697m for 2028-29. These assumptions have now been reviewed and baseline figures revised.
- 1.2 While reviewing the budget planning assumptions, we have considered information from a variety of sources including the Office for Budget Responsibility's Economic and Fiscal Outlook from March 2025, the Scottish Fiscal Commission's Fiscal Sustainability Report from April 2025, the Accounts Commission's Local Government Budgets 2025/26 report and the Public Sector Pay Policy 2025-26, published in December 2025. All point toward a great deal of uncertainty in the domestic and global economy, cost pressures, rising demand and major challenges to financial sustainability.
- 1.3 In their Local Government Budgets 2025/26 report, the Accounts Commission highlighted their key messages of recurring pressures, local action required to close budget gaps, more need for transformation and more engagement with communities on decision-making.
- 1.4 The Scottish Fiscal Commission (SFC) said in its recent Fiscal Sustainability Report that "projected Scottish devolved public spending is unsustainable" with significant funding challenges over the next 25 years. In main, they see this as a result of an ageing population and Scotland's ageing happening earlier than in the rest of the UK. The UK Government's Spending Review was published on 11 June 2025 and their figures for the Scottish Government's block grant were slightly lower than the SFC's forecasts, reinforcing the SFC's view.
- 1.5 The Scottish Government's Public Sector Pay Policy 2025-26, published in December 2024, sets out a pay policy framework of a 9% pay envelope covering the three years from 2025-26 to 2027-28 with the proviso that any employer that does not agree a three-year pay deal is restricted to a 3% pay uplift for 2025-26. However, the recently agreed public sector pay deals for NHS Agenda for Change workers and ScotRail are above those limits. The two-year pay deal for NHS Agenda for Change staff is 4.25% in 2025-26 and 3.75% in 2026-27 with an inflation guarantee while for Scotrail the agreed deal is 3.6% in 2025-26 and the higher of 3.0% or RPI at January 2026 for 2026-27. Although not covered by this Pay Policy, Local Government can use it as a guide for consideration.
- 1.6 There is a great deal of uncertainty for Local Government funding given the wider economic situation, the continuing effect of inflation, and the unknown scale of future UK and Scottish Government budget decisions. Between this report being published and the committee date, we are expecting the Scottish Government's Medium-Term Financial Strategy (MTFS) to be published. It will be too early at this stage to know the impact on the local government settlement and members will be kept apprised as there will be ongoing engagement between COSLA and the Scottish Government.

2.0 Impact on Fife Council's Financial Planning

Review of General Fund Revenue Budget Gap

- 2.1 The council has its own MTFS that is reviewed regularly and relied upon when planning for the future. The council has taken the opportunity to review the principles and assumptions contained in its MTFS and determined that no changes are required at this time except for a temporary change in assumption relating to council tax as explained in paragraph 2.3. The MTFS is attached as Appendix 1 to this report.

- 2.2 The SFC's most recent Economic and Fiscal Forecasts report expecting a 5% real terms increase in resource funding excluding social security over the next five years. However, with pressures in key policy areas like Health & Social Care and net zero, there is likely to be less for other areas such as local government. The SFC's report is planned to be updated following the release of the Scottish Government's MTFS. Without updated figures from the Scottish Government, it is difficult to forecast with any confidence what the level of government grant will be in future years. Recognising this difficulty, three scenarios are shown in Table 1 below. The most positive scenario assumes a 1% increase in government grant, the central scenario assumes flat cash and the least positive scenario a 1% decrease.
- 2.3 In line with the decision made by the council in February, an annual increase of 5% for council tax has been assumed in the budget model for financial years 2026-27 and 2027-28. For 2028-29, the assumption reverts to the default 3% shown in the MTFS. Each 1% increase in council tax would generate approximately £2.1m additional income for the council.
- 2.4 Pay awards for 2025-26 have not yet been agreed. Provision been made in the council's budget model for a 3.0% increase which aligns with the current pay offer. There is a risk that any settlement greater than the budgeted 3.0% would increase the budget gap if no additional funding is provided. Ongoing discussions on pay awards reflect that there may be some flexibility in the use of capital resources could increase the available resources for pay within 2025-26. For 2026-27 and 2027-28, allowance has been made in the budget model for 3.0% pay awards for all employee groups in line with the Scottish Government's public sector pay policy. For 2028-29, the assumption is 2.5%.
- 2.5 Inflation (CPI) is currently 3.5% at April 2025 which is the highest it has been in over a year. The Bank of England, in their May monetary policy report, expect that to rise this year to around 3.7% by September before falling back towards their 2% target over the following year. There continues to be a lot of uncertainty created by global developments that make forecasting inflation difficult. Given the uncertainty and risk surrounding that forecast, it is considered prudent to continue to allow for 2.5% inflation in Fife's budget model.
- 2.6 Although the council has significant reserves as detailed in the revenue monitoring report elsewhere on this agenda, only 2% of these are uncommitted and cannot be used as a sustainable solution to close the budget gap as they are one-off in nature. In addition, the council's forecast position is considerably worse than it has been in recent years with costs associated with Health and Social Care increasing sharply. As a result, it would not be prudent to plan to use reserves to balance the revenue budget and should only be used to fund one-off cost pressures.
- 2.7 The current policy is to maintain a minimum of uncommitted General Fund balances of 2% of budgeted expenditure over a three-year period. General Fund balances are currently forecast to be slightly above this level and this continues to be monitored closely.
- 2.8 Shown below is a summary of the updated budget gap.

Table 1	2026-27	2027-28	2028-29
Budget Gap (before Council Tax increase)	£m	£m	£m
Most Positive Scenario	6.347	19.415	36.424
Central Scenario	15.833	38.483	65.169
Least Positive Scenario	25.319	57.361	93.344

For planning purposes, we will work with the central scenario.

Table 2	2026-27	2027-28	2028-29
Revised Budget Gap (including Council Tax increase)	£m	£m	£m
Net Expenditure	1,176.048	1,200.181	1,228.423
Net Funding	(1,160.215)	(1,161.698)	(1,163.254)
Central Scenario	15.833	38.483	65.169
5%/5%/3% Council Tax Increases	-10.579	-21.761	-28.852
Revised Central Scenario	5.254	16.722	36.317

Strategy to Close the Budget Gap

- 2.9 In the previous few years, Fife Council has managed its budget by taking a corporate approach and avoiding significant reductions in service delivery. In February 2025, the council set the 2025-28 budget and an extensive package of change and transformation was approved, resulting in savings, as shown in Appendix 2, that fully closed the budget gap for 2025-26 but also went a significant way towards closing the budget gap for 2026-27 onwards.
- 2.10 The extent of change agreed in February means that the current budget gap for 2026-27 is already £10.887m lower than it might have been had a medium-term approach to change not been taken. This significant programme of change is already contained within Service Change Plans with the aim of delivering £10.887m reduction in cost on a recurring basis by the end of 2025-26. Change Programmes continue to be advanced and are the subject of another report on this agenda.
- 2.11 However, for 2026-27 onwards, a budget gap remains and new and additional change proposals will be required in addition to those already agreed. It would be prudent to continue with a medium-term planning approach to ensure that the financial sustainability of the council is protected and being cognisant of the fact the planning cycle can be resource intensive while the organisation is also delivering a number of programmes of change at the same time.
- 2.12 In view of the position, the intention is to take a strategic approach to look at further options for change and cost reduction. The ambition is to identify larger strategic choices rather than asking all services to identify change proposals at a more granular level. However, the financial position is very uncertain and this approach may need to flex and adapt depending on what happens at a national level and as and when there is more certainty in the financial landscape. This may not be until December this year.
- 2.13 As the budget process continues throughout the year, further detail will be provided and shared with political groups. Consideration will also be given to the approach to consultation surrounding the financial planning process and how we may improve processes in this area.
- 2.14 Work is also under way to improve the approach to impact assessments in the council and it is anticipated that this work will further assist in the decision making process in advance of agreeing the budget in future.

3.0 Financial Sustainability

- 3.1 The Accounts Commission have recommended that councils have a focus on financial sustainability in reporting and increase use of indicators in all financial reporting. Within the Local Government Benchmarking Framework (LGBF) data there are five financial sustainability indicators and the Fife indicators are provided in the table below:

LGBF Financial Sustainability Indicators	2020-21	2021-22	2022-23	2023-24	2024-25 estimate	2025-26 estimate
Total Useable Reserves as a % of annual budgeted revenue	19.9%	22.5%	24.8%	17.1%	11.8%	6.2%
Uncommitted Total General Fund Balance as a % of annual budgeted net revenue	5.4%	3.3%	3.8%	1.3%	2.1%	2.1%
Ratio of Financing Costs to Net Revenue Stream - General Fund	6.1%	6.4%	1.3%	5.1%	5.2%	5.7%
Ratio of Financing Costs to Net Revenue Stream - Housing Revenue Account	22.0%	22.0%	23.8%	24.1%	27.3%	30.2%
Actual outturn as a percentage of budgeted expenditure	92.0%	93.6%	92.5%	99.1%	99.7%	n/a

- **Total Useable Reserves as a % of annual budgeted revenue** – useable reserves grew significantly due to Covid funding and additional ringfenced or specific funding but have started to fall again as they have been used. This shows specific commitments against balances are being used as planned but means that the scope to cope with unforeseen costs is becoming more limited.
- **Uncommitted Total General Fund Balance as a % of annual budgeted net revenue** – This indicator has fallen to around Fife's target of 2%. The risk if this falls below that level is there would be insufficient balances to fund unforeseen cost increases. The level of uncommitted balances dipped under the policy minimum in 2023, however, action was taken to de-commit a number of items in order to ensure the policy minimum was achieved. Balances are continually kept under review in line with the balances policy.
- **Ratio of Financing Costs to Net Revenue Stream - General Fund** - This ratio gives an indication of the scale of financing costs (costs associated with the level of debt held) compared with the level of funding available. Given the nature of debt repayment, this is an important indicator as it assesses the level of long-term fixed costs that the council has committed to in order to cover the cost of its Capital Investment Plan. There was a dip in this indicator in 2022-23 that reflected an immediate gain from application of revised accounting guidance for Service Concessions. However, financing costs as a proportion of the revenue budget are now rising and will continue to rise as long as the commitments in the Capital Investment Plan continue to rise. The costs are a long-term commitment and that leaves less of a proportion of the revenue budget available for day-to-day operating costs.

- **Ratio of Financing Costs to Net Revenue Stream - Housing Revenue Account -**
Again, this ratio gives an indication of the scale of financing costs compared with the level of funding available to the HRA. Financing costs as a proportion of the revenue budget are now rising. The longer term outlook is that costs will continue to rise in the coming three to five years as the borrowing associated with the HRA Capital Plan continue to rise. The HRA uses a 30 year business planning model to continually assess the financial sustainability of the HRA and supports decision making in this area. These costs are a long-term commitment and the indicator measure the proportion of the available income stream that is being used to service debt.
- **Actual outturn as a percentage of budgeted expenditure** – following the Covid years which created greater underspends, expenditure is returning to around 100% of budget. That level can indicate near optimal use of resources or be indicative of a system under strain. The current risk is that costs associated with Health and Social care and Education non-devolved activities are significantly overspending but have been offset temporarily by corporate underspends. Plans to mitigate these areas of underspend will need to be agreed to ensure the financial sustainability of the council in the future.

3.2 In the Accounts Commission's report on Local Government Budgets 2025/26 (link in the background papers below), Fife are shown in Exhibit 5 to have one of the lowest budget gaps for 2025/26 as a percentage of total revenue budget and also in Exhibit 6 to have one of the lowest projected budget gaps for 2026/27 and 2027/28 as a percentage of total revenue budget. The combination of those show that Fife is in a more positive budgetary position when compared with other councils in Scotland. This reflects the decisions the council took in February 2025 regarding the level of savings agreed for three years along with indicative increases to council tax and other income.

4.0 Capital Strategy and Investment Plan

- 4.1 The council reviews the Capital Investment Plan biannually on alternating years. The latest Capital Investment Plan was approved in February 2025 and the next step will be reviewing the Capital Strategy with a view to agreeing the updated strategy in February 2026. Initial work has begun on the review to ensure that the strategy is in line with the refreshed Plan for Fife.
- 4.2 The current economic conditions bring significant financial uncertainty and there is significant pressure on projects and resources contained within the current Capital Investment Plan. The Capital Strategy will be reviewed with these risks in mind.

5.0 Housing Revenue Account (HRA)

- 5.1 Planning for the Housing Revenue Account will take cognisance of the financial planning assumptions being used for the General Fund. Reporting on the HRA budget gap will take place later in the year once there are established forecasts available to help inform the planning assumption.
- 5.2 The HRA Capital Investment Plan covers a relatively short duration but the HRA has also has a 30 year business plan model. This model helps assess the affordability of the HRA over the longer term and helps assess the level of financial risk inherent within future plans. It is useful tool when considering the Capital Investment Plan for the HRA and will assist with future assessment as to factors which might impact or influence the plan and whether any update is required.
- 5.3 Reports will be brought back to this committee outlining the future financial position for the HRA in due course as the work progresses.

6.0 Conclusions

- 6.1 The previously published indicative budget gap has been updated following a review of the underlying assumptions. The resultant budget gap has not changed significantly since that reported in February 2025, however, the Scottish Government's MTFS is still awaited and may influence the underlying assumptions to some degree.
- 6.2 The financial outlook continues to be extremely challenging and uncertain. Significant change will be needed to safeguard the financial sustainability of the council.
- 6.3 Planning for the HRA revenue and capital expenditure budgets will begin later in the financial year and reports will be brought back to this committee as part of that process. The level of General Fund reserves are currently at the 2% policy level, however, the council is carrying significant risk around health and social care spend.

List of Appendices

- 1. Fife Council Medium Term Financial Strategy
- 2. General Fund Revenue Budget Savings 2025-28

Background Papers

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

[UK Spring Statement 2025](#)

[Office for Budget Responsibility Economic and Fiscal Outlook March 2025](#)

[UK Spending Review June 2025](#)

[Scottish Budget 2025-26](#)

[Scottish Fiscal Commission – Fiscal Sustainability Report – April 2025](#)

[Scottish Fiscal Commission – Scotland's Economic and Fiscal Forecasts May 2025](#)

[Local Government Finance Circular 1/2025: settlement for 2025 to 2026](#)

[Office of National Statistics – Consumer Price Inflation \(April 2025\)](#)

[Bank of England Monetary Policy Report – May 2025](#)

[LGIU – 2024 State of Local Government Finance in Scotland](#)

[Scottish Government's Public Sector Pay Policy 2025 to 2026](#)

[LGBF Benchmarking Data](#)

[Accounts Commission – Local Government Budgets 2025/26](#)

[Accounts Commission – Financial Bulletin 2023/24](#)

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Fife Council Medium Term Finance Strategy – 2026-29

Introduction

The Medium-Term Finance Strategy (MTFS) has been developed against a backdrop of an increasingly complex and uncertain environment. The principles contained within this strategy provide a basis for modelling and estimating the future budget gap. Members take the actual decisions that will close the budget gap and the MTFS is designed to support them in their decision making and to capture the scale of the future financial challenge.

Principles of Medium-Term Financial Strategy

The Council will adopt the following principles as the foundation for the revenue budget strategy:

Financial Planning Assumptions

- Make provision for pay inflation in the budget gap calculations based on assumptions of inflationary increase.
- Make provision for non-pay inflation in budget gap calculations for contracts and legislative requirements only (e.g. PPP). Additional inflation may be provided for in exceptional circumstances such as Energy Costs.
- Demographic cost pressures will be considered following the development of relevant strategies and evidenced based modelling. It should be recognised that any net growth will result in an increase to the budget gap and will require cost reductions elsewhere to fund.
- It's assumed all Scottish Government priorities (New Burdens) will be fully funded.
- Service pressures will be monitored both by Directorates and corporately. A small level of contingencies will be retained to provide a modest level of cover to deal with unmanageable pressures.
- Business Cases for capital expenditure should demonstrate revenue costs and financial affordability and sustainability. No corporate funding to be assumed in business cases.
- The level of funding provided to the H&SC partnership will be based on the requirements of the finance circular and will factor in the level of grant that is received.
- Council Tax will be increased by a minimum of 3% per annum and will be reviewed annually. An allowance for buoyancy will also be made.
- Income from Fees and Charges will be factored into the budget process and partially offset any corporate increase provided for inflation.
- Changes in capital financing costs resulting from revisions to the Capital Investment Plan will be incorporated.

Budgeting

- Passporting of Scottish Government funding will be based on need rather than grant received.
- Inflation provisions will be added to Service budgets.

Change Programme

- A corporate change programme will support Directorates to redesign their services with the aim to drive out savings and efficiencies.

Risks and Reserves

- The main purpose for holding balances is to manage risk, smooth uneven cashflow and provide flexibility for unforeseen circumstances. The strategy is based on holding a level of balances to mitigate against risk rather than providing for this elsewhere in the revenue budget.
- A financial risk register is used to record risk and the action being taken to mitigate against that risk. The risk register is presented to Fife Council as part of budget strategy reporting.
- The Council will not provide for the financial risks in full, however, will hold sufficient balances to provide a level of coverage, with the policy being to hold uncommitted balances of a minimum of 2% of general fund budget over a rolling 3-year period. This means that balances can be greater or less than 2% in any one financial year.
- Commitments against Balances are regularly reviewed and reported to Committee.
- The Section 95 Officer will determine if and when to restore balances as part of the financial planning process.

General Principles

- The Council will balance its budget.
- A 3-year planning horizon is used for the Medium Term.
- Movement in budget assumptions will be reviewed during the year and updated when required.
- The budget strategy will be agreed by Elected Members. The strategy will be reviewed on annual basis and key factors such as level of grant and new burdens and the priorities of the Council will influence any refinement.

Revenue Budget 2026-29 Assumptions

When calculating the Estimated Budget Requirement (EBR), anticipated funding levels and subsequent gap several assumptions are used. These are summarised in the following table:

Budget Assumption for MTFS	Assumption Applied
Council Tax	Council Tax increase of a minimum of 3% and will be reviewed annually with Council Tax Buoyancy included
Government Grant	In line with grant levels provided in the Local Government Finance Settlement
Pay Awards	In line with agreed pay settlements for all bargaining groups
Pension Contributions	Per the Actuarial Valuation
National Insurance	Agreed rates
Non-Pay Inflation	Reflecting significant contracts
Discretionary Fees and Charges	The lower of Charges policy CPI +1% or in line with the Council Tax assumption detailed above (minimum 3%).
Health and Social Care Grant Reduction	As per the requirements of finance circular taking recognition of grant received.

Fife Council General Fund Revenue Budget Savings 2025-28

General Fund Revenue Budget Savings 2025-28

(all figures are cumulative)

	2025-26 £m	2026-27 £m	2027-28 £m
<u>Directorate:</u>			
Place	1.252	1.378	1.424
Communities	1.483	4.007	5.970
Finance & Corporate Services	0.402	1.502	2.402
Corporate	4.000	4.000	4.000
Total Budget Savings	<u>7.137</u>	<u>10.887</u>	<u>13.796</u>

Workforce Strategy and Workforce Planning

Report by: Sharon McKenzie, Head of Human Resources

Wards Affected: N/A

Purpose

To report on the delivery of our workforce strategy Our People Matter (OPM) 2022-2025 and its position at the close of its third and final year. To present the OPM 2025-2028 and place it within the context of a wider corporate approach to workforce planning.

Recommendations

The Cabinet Committee is asked to:

- (1) note the work progressed at the close of the OPM 2022-2025 as set out within Appendix 1; and
- (2) agree Fife Council's People Plan and Workforce Strategy 2025-2028 (OPM) (Appendix 2).

Resource Implications

The work undertaken and planned has been carried out by existing resources both within Services and HR. With the support of HR, there is also work required from Services to further develop the maturity of their People Plans.

Legal & Risk Implications

Improving organisational effectiveness through our people is the key aim of our workforce strategy activities. Effective workforce planning work is essential to ensure our workforce can deliver services/priorities both now and in the future. If this work is not undertaken, there is a risk that our workforce aspirations won't be realised and the workforce needed to support delivery of services/priorities will not have the required capacity or capability. Workforce challenges are a strategic risk and the actions within the OPM mitigate against this risk.

Wider external scrutiny will be undertaken by the Accounts Commission and there will be a continued audit focus on our workforce planning/strategy approach. There is a need to maintain the positive journey which began with the OPM in 2022.

Impact Assessment

An EqIA and summary form have been completed – the summary form is attached to the report (Appendix 3).

Consultation

Engagement sessions have been held with the Directorate Leadership Teams and the Trade Unions in the development of the OPM. The CLT OD Group continue to be a key stakeholder consultation group in relation to the ongoing development and implementation of OD activity across the council.

1.0 Background

- 1.1 Since 2022, Our People Matter, the council's Workforce Strategy has provided a coherent, planned framework for employees to be hired, managed and developed in ways which support an organisation's long-term goals. The OPM is a key strategic driver for organisational development work in the Council.
- 1.2 Work has been ongoing to ensure alignment between the workforce strategy and our workforce planning approach. Key outputs include:
- Services identifying their people priorities and any required actions.
 - The identification of workforce planning priorities at a council-wide level.
 - The corporate OPM actions for 24/25 being responsive to the council-wide workforce planning priorities.
 - The workforce planning priorities at a council-wide level underpinning our People Plan and Workforce Strategy 2025-2028.
- 1.3 Our approach to workforce planning was assessed as part of the BV audit on Workforce Innovation (September 2024) and the auditors assessed that effective and appropriate arrangements are in place. It was stated *"Fife Council has a clear and comprehensive workforce strategy, Our People Matter (OPM), which is integrated with the Reform Agenda and the Digital Strategy, to deliver the Plan for Fife. There has been positive uptake and engagement with the current iteration of the OPM throughout the Council and with trade union representatives. The Council is looking ahead towards preparations for development of the OPM 2025-2028"*. The Controller of Audit Report in February 2025, commended Fife Council for the innovative work in relation to our workforce, much of which is driven by recruitment, retention and capacity challenges.
- 1.4 This report sets out the position at the end of the first three-year term of our workforce strategy and the introduction of a more closely combined approach to corporate workforce planning and workforce strategy over the period 2025-2028.

2.0 Our People Matter (OPM) – Fife Council's Workforce Strategy 2022- 2025

Our Workforce, Our Future

- 2.1 The OPM describes our strategic workforce agenda and sets out the framework for how we recruit, manage, develop and support our workforce. The OPM was implemented in April 2022 and this is the annual report on the progress towards meeting the aims of our workforce strategy. We are reporting at the end of the three-year term of the strategy.
- 2.2 The OPM sets out delivery actions corporately and for Directorates. Progress is measured against five levels of maturity levels:
1. Starting Out
 2. Learning
 3. Developing
 4. Engaging, and
 5. Optimised
- 2.2.1 OPM sets out a journey of improvement and this is set out in Appendix 1. This journey is considered by self-assessment against several actions set out at both corporate and Directorate level.

Our Actions

- 2.3 The current assessed position sets out the improvement journey and reflects the work that has been done to date. Appendix 1 (page 2) sets out the movement in maturity levels across all the Directorates over the lifetime of the OPM 2022-2025.
- 2.4 Our corporate OPM assessment and the associated workstreams, are delivered by HR. The maturity assessment and narrative of our improvement journey over the lifetime of the 2022-2025 OPM is provided from pages 3-8 in Appendix 1.

Our Success Measures

- 2.5 Within the OPM, we have set out several success measures to help us assess progress against our key outcomes. A summary of movement against our success measures over the three years of the strategy is provided at page 9 in Appendix 1.

Workforce Strategy 2022-2025 – Closing Summary

- 2.6 The story of the OPM is one of an improvement journey – bringing together all areas of the council in working to support delivery of the five key themes. We have seen improvement in the averaged maturity levels across all areas and themes over the lifetime of the strategy. Our average maturity is now assessed as developing for all five themes at both corporate and Directorate level.
- 2.7 Work has been undertaken across all Directorates and each year has seen an increase in maturity for each of the five themes within the strategy (page 2, Appendix 1). The same yearly increase can be seen in the Corporate picture (page 3, Appendix 1).

Success Measures

- 2.8 Over the duration of the OPM we have moved beyond baseline for every measure. Our development of employee engagement approaches is ongoing with a particular focus on maximising participation. As part of this work, we will also be reviewing our approach to pulse surveys which have not gained the traction we had hoped.

Our success measure headings remain unchanged going forward to allow us to continue this journey. The measures under these headings have been reviewed and updated based on our experience over the last three years. Undoubtedly work remains to be done to meet our shared aspirations and this will be ongoing with the support of the refreshed actions in the revised workforce strategy. We have set a high bar and are committed to continuing in the right direction.

- 2.9 A key benefit of the OPM is that it has started conversations across the organisation about the workforce and the aims set out within the strategy. All are working towards the same clearly identified goals. A report is submitted annually to the Reform Board. Directorates discuss and review the strategy annually, as a minimum, in order to carry out their self-assessment. Going forward, a more streamlined approach based on self-assessment against each of the five themes, as opposed to each individual action within the themes, should encourage more regular assessment, discussion and action planning. As such, this will form part of the self-assessment process for the OPM 2025-2028 which will seek to join up the workforce people planning and strategy actions.

OPM Review

- 2.10 A mid-term review of the OPM was carried out in October/November 2023 with further engagement and review undertaken from June 2024 to support the development of a revised OPM document for the period April 2025-March 2028. Several key review principles emerged:

- Only make changes where necessary
 - Allowing Directorates to continue to build on the good work so far (or sustain it where they are optimal)
 - To allow for ongoing monitoring and mapping (continuing a body of comparative data that maps their journey)
- Support corporate priorities
- Ensure actions support our staff to deliver

2.11 These have led the review work towards the generation of the updated workforce strategy for 2025-2028 (Appendix 2). This has been updated to reflect current change priorities including the preventative, place and digital agendas; ensuring alignment with our workforce planning priorities; and to refresh actions or remove those no longer fit for purpose.

3.0 Workforce (People) Planning

- 3.1 In September 2024, Cabinet Committee agreed the following objective for our workforce planning activity: *Through our workforce planning activity, we aim to create a workforce that has the capacity and capability to deliver sustainable high-quality services, the Plan for Fife and other agreed priorities.*
- 3.2 At its simplest workforce, or people, planning is identifying the number of employees and types of employee skill sets required to best deliver our services and the Plan for Fife. We do this by identifying the workforce needed now and in the future; identifying any gaps; and planning what actions we will take to address them.
- 3.3 Our people planning and our workforce strategy are two key workforce tools. They work together to ensure we have the right people in the right place at the right time to deliver the Plan for Fife, sustainable services and agreed priorities. They work together to help us deliver our workforce vision. We have brought these together in one document – OPM, Fife Council’s People Planning and Workforce Strategy 2025-2028 (Appendix 2).
- 3.4 Services continue to review and update their Service People Plans which set out the workforce planning people priorities for Services, the actions they plan to take to address their priorities and the anticipated outcome of their actions. Other internal drivers include the transformation agenda as well as our financial and change planning.
- 3.5 Workforce planning recommendations are contained within The Accounts Commission Local Government in Scotland Overview Report 2023, Scotland’s Local Government Workforce Report 2024 and Audit Scotland good practice workplan. Combined with our internal drivers, these external recommendations and the analysis of our current workforce, have informed the development of council wide workforce planning priorities. These priorities direct corporate actions to ensure our workforce has the capacity and capability to meet the organisation’s current and evolving needs. The themes are:-
- Succession planning
 - Recruitment and retention
 - Leadership/manager development
 - Employee learning and development
 - Managing change
 - Absence management
 - Workload, manager capacity and workforce flexibility

- 3.6 Over the last year there has been no significant change to the size of the workforce with an overall increase in headcount of 35. The shape of the workforce has changed slightly due to the movement of Children and Families and Criminal Justice Services from Education into Communities. In accordance with the agreed budget, it is anticipated over the next three years that there will be a reduction of 88 FTE (full time equivalent). We will manage this in a targeted and consensual way.

People Plan and Workforce Strategy 2025-2028 (OPM)

- 3.7 The wider corporate approach to workforce planning is set out in the new People Planning and Workforce Strategy 2025-2028 (Appendix 2). This brings together our corporate workforce planning and workforce strategy into one document for the first time. It is built on the key themes identified at 3.5 and tables:

- What we need to address
- What we will do, and
- What this will look like

Work to deliver these aims will be undertaken at the appropriate level – corporate or Directorate. The specific actions to support these are set out within the workforce strategy.

- 3.8 Within an environment of reducing budgets, we need to direct our people resources to those areas which will have the greatest positive, long-term impact for the residents of Fife. We have workforce challenges and a significant reform agenda to deliver. We are confident that our collective efforts framed by the OPM will create a strong and capable workforce who are ready to embrace change, take on new opportunities and make a real difference.
- 3.9 The OPM is aligned with our financial and change strategies and it is recognised that our workforce is key to ensuring successful and sustainable change. To support transformational change, cultural shifts are required which include empowering employees, a community focussed approach, agile, innovative and adaptive mindsets, collaborative leadership, data driven decision making with a focus on resilience and people centred change management.
- 3.10 As we work to embed the People Planning and Workforce Strategy, we will continue to engage with stakeholders including Services, elected members and the trade unions; and work with colleagues regionally and nationally to progress opportunities to make improvements.

4.0 Future Reporting

- 4.1 Workforce strategy and planning is being integrated into the revised approach to service planning and performance management. Workforce data is included in the Annual Service Review Reports. Service performance information, including workforce metrics as appropriate, are available online through the planning and performance pages on fife.gov.uk.
- 4.2 More widely, council workforce developments and organisational plans will feed into the work of the Fife Partnership Leadership Board through two subgroups: one looking at leadership and workforce development to support the delivery of the plan and another considering the design and development of the Plan for Fife from 2027 onwards.

- 4.3 We will report annually to both the Reform Board (May) and to the Cabinet Committee (June) on progress on delivering of the People Planning & Workforce Strategy. It is recognised that other mechanisms exist for workforce planning in schools and the Health and Social Care Partnership and there are established planning processes in place.

5.0 Conclusions

- 5.1 All Directorates have now completed the self-assessment for the third and final year of the OPM 2022-2025. A corporate OPM assessment has also been completed.
- 5.2 The OPM has brought together all areas of the council in working to support delivery of five key themes. We have seen improvement in the averaged maturity levels across all Directorates and the corporate whole across these themes over the lifetime of the strategy. Our maturity is now assessed as beyond developing for all five themes at both corporate and Directorate level.
- 5.3 The wider corporate approach to workforce planning is set out in the new People Planning and Workforce Strategy 2025-2028 (OPM). This brings together our corporate workforce planning and workforce strategy into one document for the first time and will build on the improvement progress made over the last 3 years.

List of Appendices

1. OPM 2022/5 (analysis at close of the strategy's term)
2. Fife Council's People Planning and Workforce Strategy 2025-2028 (OPM)
3. EqIA Summary Form

Background Papers

OPM 22-2025
OPM Directorate Maturity Model
OPM Corporate Maturity Model

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Maturity Levels – Corporate

Corporate Assessment

Our Success Measures



Maturity Levels - Directorates

The tables illustrate the movement in maturity levels over the 3 years of the OPM (averaged within theme) across all Directorates.

All Directorates	
Culture & behaviours	↑
Leadership & management	↑
Employee experience	↑
Employee development	↑
Safety & wellbeing	↑

↑

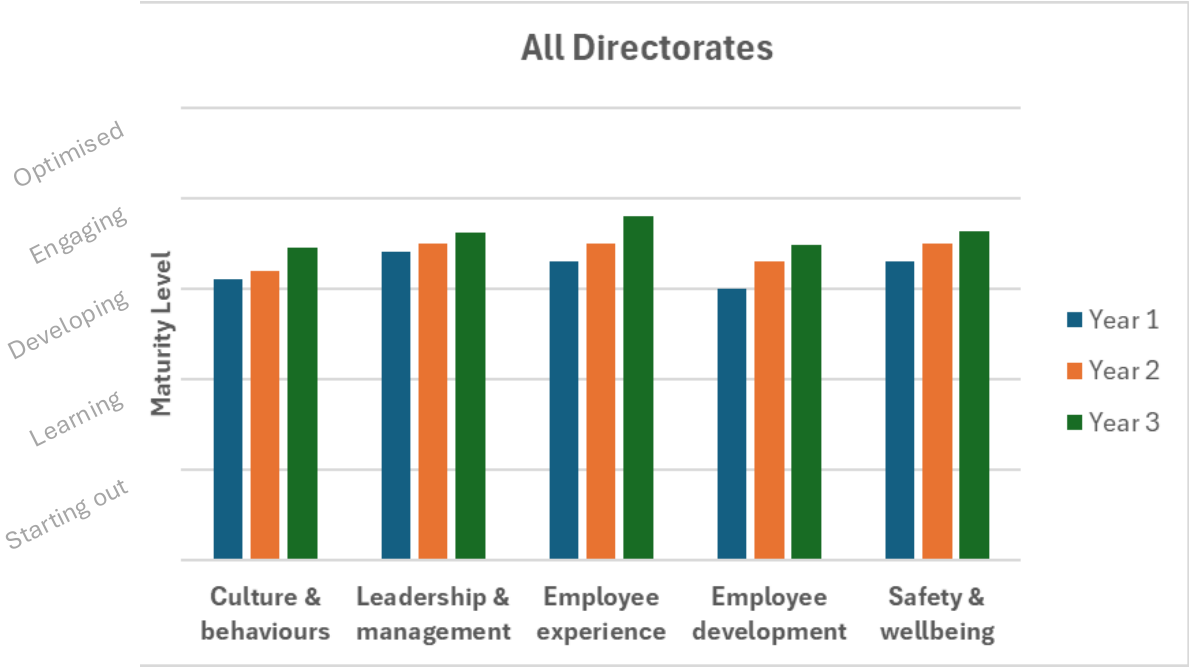
 Increase in maturity level

—

 Same level of maturity

↓

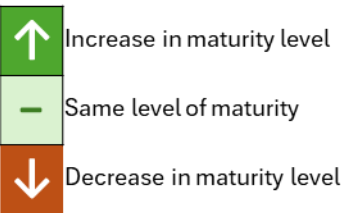
 Decrease in maturity level



Maturity Levels - Corporate

The graphs illustrate the movement in maturity levels across the 3 years of the OPM (averaged within theme).

Corporate 2022-2025



Corporate Assessment

Against each action within the OPM , the table below sets out the level of Corporate maturity, change over the period of the OPM, and shares our improvement journey.

Culture and Behaviours

OPM Action	Comments on our improvement journey
Culture & Behaviours	
Clearly communicate our cultural aspirations	Our behavioural framework How We Work Matters (HWWM) is a key part of our recruitment and selection approach. We have a holistic focus on our improving culture work and there is strong alignment with HWWM and the OPM activities being undertaken at Directorate level and corporately.
Set out mutual expectations of the council and our workforce in joint commitment to make a difference for the people of Fife	We have continued to promote Fife as an employer of choice; this includes the development of a new job/careers site. We have expanded our Life Chances progressive recruitment approach fully across Fife Council to offer more opportunities. Achieved Equally Safe at Work accreditation which is due for renewal in 2025
Embed the How We Work Matters (HWWM) framework which describes how we are all expected to work	Through work with Services, communications and other OD activities such as coach approach, the First Line Managers (FLM) Development Programme the framework continues to be embedded.
Demonstrate how we treat people around here by putting in place people policies in line with our cultural expectations	We continuously review policy, taking account of legislative changes. Accessibility of employee information improved through intranet and recognition that other means of communication are also required.



OPM Action	Comments on our improvement journey
Leadership & Management	
Create a shared understanding of self-leadership and support its practice at all levels	Core messages of self-leadership have been threaded through communications and our work, including our OD activities, including the FLM, wellbeing support.
Deliver a community-led approach to leadership to ensure our Fife communities are at the heart of what we do	CLT and ECLT sessions see leaders collaborating and contributing to wider organisational priorities. This approach also features in leadership development work.
Create a shared understanding of what it means to have good conversations and provide support to develop individuals' skills	Increasing numbers of employees practice and promote good conversations and learning and development opportunities continue to be available along with specialist sessions around topics such as wellbeing and performance management.
Make easily available, specific leadership learning and development opportunities	The First Line Managers Development Programme was launched in 2024 and a further two cohorts of 60 managers will participate in the Programme during 2025. Leadership development opportunities for Service Manager level and above are planned.



Employee Experience

OPM Action	Comments on our improvement journey
Employee Experience	
Regularly review pay & conditions strategies to ensure we are fair and fit for the future	Work well advanced on harmonisation of terms and conditions as well as significant investment in job evaluation training to ensure robust assessments. Influence on national groups considering e.g. reduced working week, £15 per hour.
Attract a broad range of applicants to help diversify our workforce and create an organisation whose diversity reflects our Fife communities	Continue to explore a range of different mediums for recruitment to promote applicants to Fife. Joint recruitment events with the DWP and continue to engage with managers and seek their feedback via the hiring managers survey. WYI to consider new strategies to ensure maximum use of funding stream.
Create conditions which support a flexible workforce	We have updated our Flexible Working Policy through extensive consultation with Services and TUs and introduced reporting on flexible working requests. Our move from learning to engaged shows the focus on the continued development of flexible working opportunities which have been commended in the recent Best Value Audit.
Deploy employee feedback tools to capture the employee voice	There has been good progress with improved response rates to the Heartbeat survey, the merging of Heartbeat and Staffwise surveys for Education employees and the development of a Council specific iMatters report. We continue to explore engagement with front line employees.
Maintain a positive relationship with our recognised trades unions through direct engagement	Continued improvement in our relationships with TUs despite challenging employment relations landscape. We have worked consistently to ensure Services and Change Programmes engage with TUs at an early stage which has built trust. TU Secretaries (SJC and Teaching) agree with optimised level assessment.



Employee Development

OPM Action	Comments on our improvement journey
Employee Development	
Deploy a consolidated performance management model based on the approach of 'having good conversations'	Performance tools based on having good conversations are available and are in use across parts of the Council.
Deliver an accessible learning and development framework in support of How We Work Matters (HWWM)	HWWM learning resources are signposted at induction and available via Oracle Learning which hosts HWWM mandatory learning for all employees and a range of courses which support HWWM.
Deploy succession planning and talent management tools to enable Services to grow talent and fill future business critical roles	Succession planning and talent management tools are available to support workforce planning and Services are using different approaches to support their needs. Succession planning is a key workforce planning theme and further work is planned to support Services
Develop essential digital skills for all - no employee left behind	Good progress continues to be made with increasing numbers of employees who are part of the Digital Champion Network. Digital Leaders are in place to support our Champions and there are a range of increasing resources and events to support skills development including our Dive into Digital annual event.



Safety and Wellbeing

OPM Action	Comments on our improvement journey
Safety and Wellbeing	
Health & Safety (H&S) governed through a single council wide governance structure backed by open, 2-way communications with directorates	Remains at developing primarily due to limited level of participation in activities associated with progressing Corporate Health & Safety Strategy Group actions and H&S priorities. Revised structure and focus will hopefully improve maturity level in the coming year.
Manage risk by working to have processes and information available and accessible to meet legal requirements and management responsibilities understood and deployed.	Progress made by Directorates and Services implementing the Health and Safety Management Framework (HSMF) which sets out employee engagement and consultation. Working with Directorates and Services to progress HSMF with support from Health & Safety.
Engage with Directorates, employees and partners to create a culture of safety compliance and care for others (including wellbeing)	Remains at developing at present however work is planned to promote positive H&S Culture, review e-learning and training combined with the implementation of the Directorate and Service HSMF prioritised by Corporate Health & Safety Strategy Group and this should see progress.
Aid employee wellbeing through the provision of work-life guidance and policies, information sign-posting and practical mental health support	A range of resources and tools are available to managers and employees to support wellbeing along with counselling, physio and occupational health support. Mentally health training is mandatory for managers and Mental Health First Aiders are in place. Further work is being done in Services around all employees having regular supervision meetings where wellbeing is discussed.



Our Success Measures

	Yr1	Yr2	Yr3
Employee voice			
Increasing uptake of pulse and heartbeat surveys		—	✓
Improved scores in repeated Pulses		—	—
Improved engagement index.		—	—
Personal performance			
All employees understand what they need to achieve in their job.		—	—
All employees have access to development opportunities which help them to do their job better.		—	—
Learning and development			
Increasing completion of all personal mandatory learning.	✓	✓	✓
Increasing use of Council online learning opportunities.	✓	✓	—
Health and safety			
Regular performance reporting to Corporate H&S Strategy Group by all Directorates.	✓	✓	✓
Annual H&S reporting to Scrutiny Committee undertaken by HR.	✓	✓	✓

Movement of performance against success measure by year over the 3 years of the workforce strategy 2022-2025.

	Yr1	Yr2	Yr3
Recruitment and retention			
Reduced employee turnover for those Services with >15% turnover.		✓	✓
Increasing recruiting manager satisfaction.		—	—
Attendance and wellbeing			
Improved attendance.	✗	✗	✓
Increasing employee awareness of available wellbeing supports.	✓	✓	—
Equalities			
Improved employee diversity that better reflects that of our Fife communities.		✓	—
Increased workforce representation of young people (age 16–24).	✓	✓	✓
Workforce flexibility			
Flexible workstyles accessible to employees in increasing numbers of roles.		✓	—
Increasing use of new approaches to recruitment.		✓	✓



Find out more and access the support materials on the Our People Matter pages on the intranet or at www.fife.gov.uk

our
people
matter





Fife Council's
**PEOPLE PLAN
AND WORKFORCE STRATEGY**

2025-2028

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WELCOME TO

OUR PLAN AND STRATEGY

“Our workforce is key to our success. Our people plan and workforce strategy considers our current and future workforce needs, identifies key areas of people planning and sets out how we will work to meet our ambitions. The next three years will see challenges of increasing demand on services, increasing pressures on capacity and reducing budgets. The reform work planned will require us to change our organisational systems and work in different ways. I am proud of Team Fife, and I am confident that our collective efforts will create a strong and capable workforce, ready to embrace change, take on new opportunities and make a real difference.”



KEN GOURLAY

Chief Executive, Fife Council



Our People Matter

We recognise that the skills, knowledge, enthusiasm and dedication of our workforce are what enable us to deliver our services. Our people planning and workforce strategy considers our current and future workforce needs, identifies key areas of people planning and sets out how we will work to meet our ambitions.

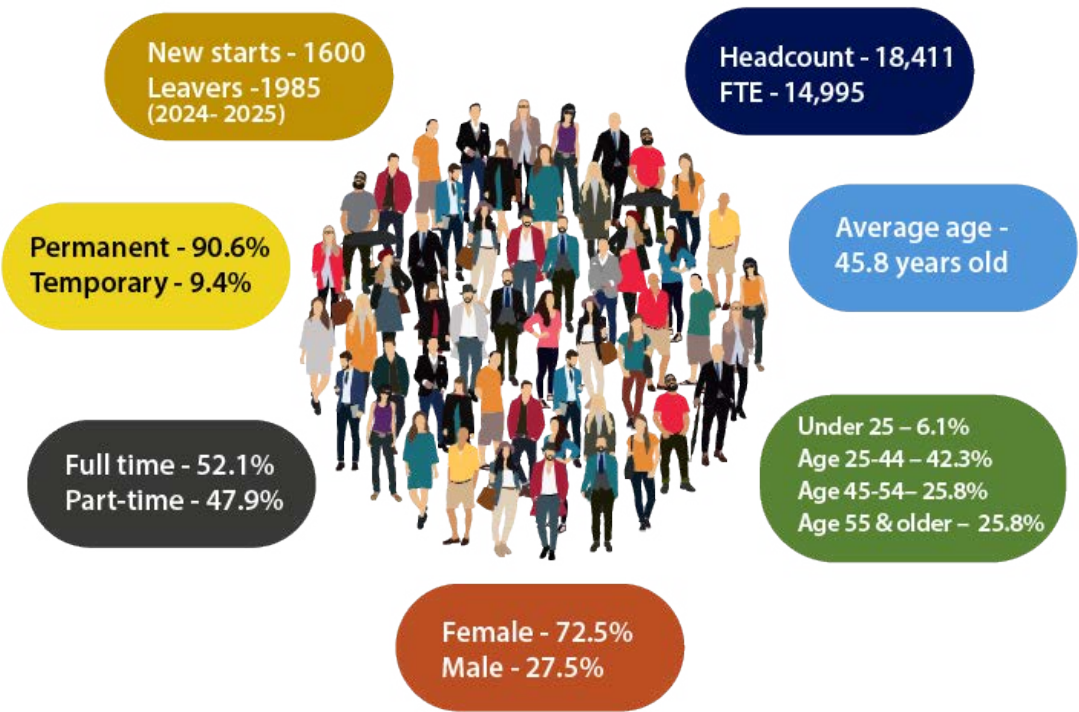
We are ambitious for Fife, both for our communities and our workforce. Our people have pride in their work, the council and the communities of Fife. We are focussed on reducing inequalities and increasing opportunities within an environment of decreasing resources. Our vision is for a **confident, successful and fairer Fife and this is a shared purpose for our workforce**. An engaged and empowered workforce who embrace new ways of working and are committed to making a difference, will help to achieve this vision.

The Council is responsible for delivering a diverse range of services to the communities of Fife and we aim through our workforce planning activities to create a workforce with the knowledge, skills, confidence and capacity to deliver sustainable services and the Plan for Fife. Our People Matter (OPM) sets out our People Plan and Workforce Strategy for the period 2025 - 2028.

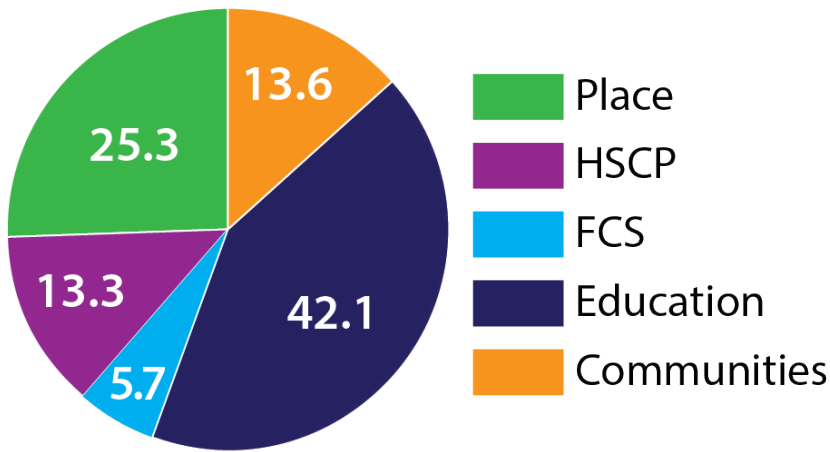


Our Current Workforce

Figures as at 1 April 2025



Percentage of employees (headcount)



Our Current Workforce

Our Workstyles

We all work in different patterns, environments and to various schedules as we support our customers and communities. All Fife Council jobs are assigned to one of 5 workstyles:



Customer Contact and Telephony



Face to Face Customer Contact or Facility Based



Direct Service



Case and Fieldwork



Support Roles

Blended working is a formal flexible working option which is available to some employees whose jobs aren't tied to specific locations and times, predominantly those within E – Support Roles.

Change will happen at different rates across council services and groups of staff as we continue to adapt to changes in our communities and the world at large. A package of tools and support relevant to our differing roles continue to be developed - exploring what's possible and fair for everyone in terms of flexibility, choice and access to technology.



Our Current Workforce

Workforce Challenges

All Councils in Scotland are facing significant challenges in maintaining and developing workforce capacity caused by a range of factors including financial pressures; an ageing workforce; increased service demand; recruitment difficulties; absence management; differing population changes across the country; skills gaps and pay competition from other sectors. Despite these challenges we are fully committed to continue building a strong future workforce to support the delivery of services to our communities who need them most.

Workforce data provides insight to help direct our workforce activities. This ensures we have a workforce with the right skills, in the right place, at the right time to deliver on our ambitions and sustainable services for the people of Fife:

A skilled workforce

Our employees demonstrate a hugely varied range of skills across a broad range of roles. We continue to build on existing skills and to create new ones through mandatory and developmental learning. Along with other local authorities, however, there are certain skills currently scarce in the labour market and certain high-volume roles we struggle to fill. We must ensure a pipeline of suitably skilled and qualified individuals to deliver our services and address barriers to recruitment.



Our Current Workforce

A flexible working workforce

We all work in different patterns, environments and to various schedules as we support our customers and communities. This is reflected in our workstyles and employees' access to flexible working - such as blended working, part-time, compressed hours, and term-time working - wherever possible.

A supported workforce

Practical supports are available to all staff to support physical, mental, financial and social wellbeing. However, reducing high absence rates remains an ongoing challenge. Significant ongoing focus must remain in this area to have an increasingly positive impact for individuals and services.

A workforce that is heard

Our employee voice is strong through the feedback we receive from a range of surveys, both all-council and those with specific focus. We will continue to develop ways to maximise the reach of our surveys and continue to maintain our positive relationship with the recognised trade unions through direct engagement and being clear in how we use feedback to strengthen continuous improvement.



Our Future Workforce

Within an environment of reducing budgets, we need to direct our people resources to those areas which will have the greatest positive, long-term impact for the residents of Fife - creating a workforce supportive of, and supported by, the transformation agenda.

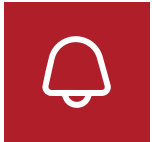


Our ageing workforce represents a clear challenge to recruit and retain increasing numbers of younger people through direct recruitment, entry level schemes and supported entry such as apprenticeships. We continue to work in partnership with local schools and further education partners across Fife to find innovative approaches to development, involvement and marketing.

Working with our employability partners we support those further from the job market to secure job experience and/or employment whilst helping to meet our workforce resource challenges. We will continue to be creative and diversify our recruitment approaches to secure skills in short supply and high demand, working with other local authorities and professional bodies wherever it is appropriate to do so.



Continuous learning is integral to our approach to employee development. Our skills programme will continue to deliver development in 3 key areas:



Mandatory

core for all including data protection, health & safety and security.



Professional

to meet requirements of specific professions, roles & skills gaps.

Developmental

from apprenticeship opportunities to on-the-job learning.



Key aspects identified for the future workforce development are:

	Leadership Self aware, confident and collaborative leadership	Adaptability Agile, creative and ready for change
	Digital and Data 6 capability areas (including using technology, handling data), digital leadership	Relationships Building trust, person centred and coaching style



Over the next three years the Council is facing significant transformation, and our workforce is key to ensuring successful and sustainable change. To enable transformational change a cultural shift is required that fosters adaptability, collaboration, and community focussed service delivery. The key cultural shifts that will drive our success are:

- **Empowering Employees** – Enabling autonomy, decision-making and accountability at all levels to improve responsiveness and innovation.
- **Community focussed Approach** – Shifting the focus from bureaucratic processes to delivering services that are preventative and meet community needs effectively.
- **Agile and Adaptive Mindset** – Embracing flexibility and continuous improvement to respond to evolving challenges.
- **Collaborative Leadership** – Moving away from hierarchical structures to a more inclusive leadership style that values input from staff and stakeholders and is focussed on the importance of relationships.
- **Data-Driven Decision Making** – Embedding a culture of using evidence and analytics to inform policies and service improvements.
- **Resilience and Change Management** – Supporting employees through change with clear communication, training, engagement and support.





To manage change in the most effective way, we will adopt a people centred approach to change which will focus on engagement, transparent communications, skills development, leadership support and employee well-being. This approach provides a supportive environment which will build trust and confidence, increase engagement and foster a sense of ownership and where employees feel supported and heard. This approach will also support the attraction and retention of talent in the organisation.

Digital and data are fundamental in both leading and enabling the continuing transformation of the organisation. As technologies, infrastructures and systems are developed to underpin service design and transformations, digital, data and digital leadership skills will be crucial to our success. Going forward, jobs will change as a result of technology, existing roles will be enriched and new roles will also be created. There will be a focus on upskilling to ensure our workforce has the required digital capabilities and reskilling in respect of new roles.

We will continue to modernise our organisation and create an environment where employees understand their roles and how they connect to our purpose. Employees will be empowered to deliver what is needed for our communities and have the skills and confidence to work effectively. This will be achieved by increasing accountability, empowerment, and improving leadership and management capability, supported by modern employment policies and a focus on employee wellbeing. We will explore the updated 21st Century Public Servant research and the characteristics required for public servants to thrive in a changing environment.

Together we have pride in our place, and in supporting the people of Fife in theirs.

Together we have pride in our place, and in supporting the people of Fife in theirs.



Our People Planning

At its simplest people, or workforce, planning is identifying the number of employees and types of employee skill sets required to best deliver our services. We do this by identifying the workforce needed now and in the future; identifying any gaps; and planning what actions we will take to address them. Our people planning approach is influenced by a range of factors:



Workforce Planning Priorities

Our internal and external drivers, together with analysis of our current workforce, have informed the development of council wide workforce planning priorities.



These priorities direct corporate actions to ensure our workforce has the capacity and capability to meet the organisation's current and evolving needs. The themes are:

Succession planning	Identifying, resourcing and growing to fill leadership and business-critical positions in the future
Recruitment & retention	Ensuring we have the right number of the right people in the right places at the right time
Leadership / manager development	Creating confident and resilient leaders and managers equipped to lead, empower and support the workforce
Employee learning & development	Enabling employees with the right skills and opportunities - now and for the future
Managing change	Implementing strategies for effecting and managing change and helping employees adapt
Absence management	Prioritising resources to reduce workforce absence through intervention strategies, policies and health & wellbeing supports
Workload, manager capacity, & workforce flexibility	Maximising manager capacity, monitoring workloads and creating flexible work opportunities wherever practicable



Our People Planning Approach

The following table sets out what we need to do and how we will do it, against each of our workforce planning themes:

- **What do we need to address?**
- **What will we do?**
- **What will this look like?**

Work to deliver these aims will be undertaken at the appropriate level – corporate or Directorate. Specific actions to support these are set out within the workforce strategy actions.

Priority	What do we need to address?	What will we do?	What will this look like?
Corporate Overview of People Planning Approach	The breadth and maturity of our workforce planning at corporate, Directorate and Service levels.	<ul style="list-style-type: none"> • Increase the maturity of our workforce planning approach with the support of a new Talent Management Team. • Continue to work with representative bodies such as SOLACE, the SPDS and with other councils to address issues collectively. 	<ul style="list-style-type: none"> • Undertaking workforce and market analysis. • Scenario planning of future models of service delivery and demands.
Succession planning	Our ageing workforce. The need to ensure employee availability for critical roles and with hard-to-source skills.	<ul style="list-style-type: none"> • Deploy succession planning and consider different talent management approaches to enable Services to grow talent and meet future skills needs. • Resource and recruit with the future in mind and try innovative approaches when jobs are hard to fill. • Set, action and review Service People Plans which ensure future workforce needs are met. 	<ul style="list-style-type: none"> • Profiling and monitoring of the age of the workforce, identifying critical positions, conducting skills analysis. • Creating career pathways, implementing shadowing and mentoring programs. • Increasing workforce representation of young people (age 16–24).



Priority	What do we need to address?	What will we do?	What will this look like?
Recruitment & retention	The continual challenges in ensuring we have the right number of the right people in the right places at the right time.	<ul style="list-style-type: none"> • Work to attract a broad range of applicants • Recruit, resource and promote those who enable us to achieve our vision and deliver on our goals. • Try innovative approaches when jobs are hard to fill. 	<ul style="list-style-type: none"> • Visible 'Fife Council Jobs' branding through traditional media, online and social media, and in person events. • Continuing and expanding "grow your own" schemes, offering apprenticeships and traineeships, implement alternative recruitment approaches e.g. Life Chances • Seeking and reviewing data, including with our partners, to assess impact of activities and inform future direction. • Reducing employee turnover for those Services where it is highest.
Leadership / manager development	The need for resilient leaders and managers who empower and support the workforce and role-model positive behaviours.	<ul style="list-style-type: none"> • Provide appropriate leadership learning and development opportunities which help build the skills and confidence of managers • Support effective performance management • Enable positive relationship skills with a focus on having effective conversations. 	<ul style="list-style-type: none"> • Upskilling current line managers e.g. First Line Manager Programme. • Delivering leadership and wellbeing support for managers. • Developing coaching skills among leaders.
Employee learning & development	How we ensure all employees have the knowledge, skills and confidence to fulfil their role, and have opportunities to develop.	<ul style="list-style-type: none"> • Support a learning culture - where learning and development is actively encouraged, and learning is accessible. • Increase opportunities for employees to take part in learning. • Support all employees to complete mandatory learning 	<ul style="list-style-type: none"> • Conducting skills analysis to identify learning gaps and development needs • Suitable development activities identified to meet needs and facilitate access within working time wherever appropriate • Enabling of ongoing digital upskilling

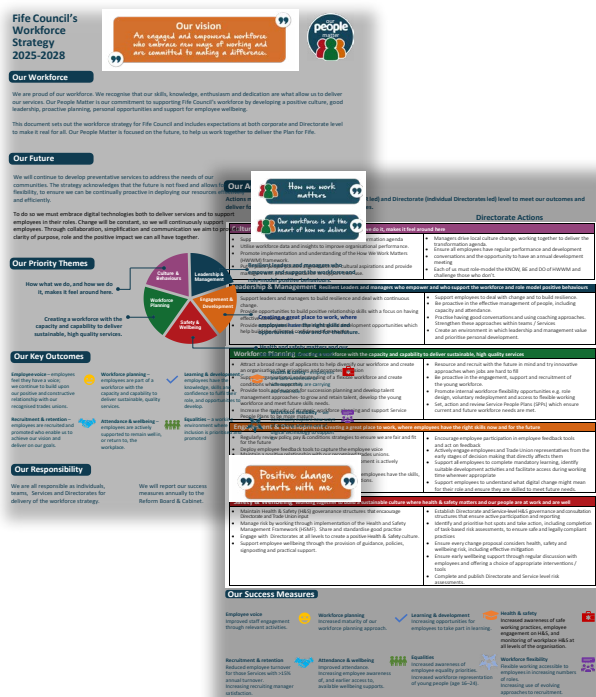


Priority	What do we need to address?	What will we do?	What will this look like?
Managing change	The constant need to change and adapt, and to best support our employees through change.	<ul style="list-style-type: none"> • Undertake workforce planning activity in support of the transformation agenda. • Support service change planning and ensure alignment with workforce planning. • Work effectively with employee representatives and implement change procedures so the workforce is informed all stages of change processes which affect them, and we minimise the impact, where possible. 	<ul style="list-style-type: none"> • Efforts focused on supporting services with change plans and adaptations to workforce needs or business delivery methods. • Continued work with Services to develop the maturity of their People Plans. Using this insight as part of our review of People Planning and Workforce Strategy. • A people-centred approach to change – working effectively with our recognised trade unions. Applying our Managing Change Procedure where there is proposed reductions, structural change or changes to terms and conditions of employment.
Absence management	High absence levels and the resulting impact on individuals, budget and resourcing which adversely affects our ability to deliver effective services.	<ul style="list-style-type: none"> • Improve attendance. • Provide dedicated resources to tackle increased absence levels. • Work to ensure employees are actively supported to remain well in, or return to, the workplace. 	<ul style="list-style-type: none"> • A dedicated team providing targeted support to Services to help increase attendance. • Identifying trends and hot spots, ensuring consistent policy application, providing manager training and support, and promoting early intervention strategies • Increasing employee awareness of, and earlier access to, available wellbeing supports.
Workload, manager capacity, & workforce flexibility	Issues of increasing workload and reduced manager capacity highlighted within employee surveys. The need to create workforce flexibility wherever practicable to best support how, where and when we deliver services.	<ul style="list-style-type: none"> • Explore how we work, new ways of working and implement technology which creates capacity. • Support organisational understanding of a flexible workforce and create conditions which support it. • Promotion of internal workforce flexibility opportunities e.g. role design, voluntary redeployment and access to flexible working. 	<ul style="list-style-type: none"> • New ways of working in place with the use of technology being maximised. • Communications around ‘a flexible workforce’. • Facilitating redeployment and flexibility across services and supporting employees on different work arrangements. • Flexible working accessible to employees in increasing numbers of roles.



Our Workforce Strategy

Our people planning and our workforce strategy are two key workforce tools. They work together to ensure we have the right people in the right place at the right time to deliver the Plan for Fife, sustainable services and agreed priorities. They work together to help us deliver our workforce vision.



The Workforce Strategy describes our strategic workforce agenda and sets out the framework for how we recruit, manage, develop and support our workforce. It sets out actions to be delivered at both corporate and Directorate level.

Our Workforce Strategy is a three-year strategy which does not set defined delivery dates for individual actions. With this flexible approach, Directorates are encouraged to prioritise their actions allowing focus on key areas, whilst ensuring full delivery within the overall timescale.

Focus on delivery is supported by a maturity self-assessment process. The Directorate maturity model aids understanding of what good looks like and ensures all areas are self-assessing progress on the same basis annually. A similar self-assessment process and maturity model is in place for the corporate actions. Corporate self-assessment is undertaken by HR and the actions and associated next steps are also delivered by HR.

Within the Strategy, we have set out success measures to help assess progress against our key outcomes. The strategy in full is set out over the coming pages.



Fife Council's Workforce Strategy 2025-2028

Our vision

An engaged and empowered workforce who embrace new ways of working and are committed to making a difference.



Our Workforce

We are proud of our workforce. We recognise that our skills, knowledge, enthusiasm and dedication are what allow us to deliver our services. Our People Matter is our commitment to supporting Fife Council's workforce by developing a positive culture, good leadership, proactive planning, personal opportunities and support for employee wellbeing.

This document sets out the workforce strategy for Fife Council and includes expectations at both corporate and Directorate level to make it real for all. Our People Matter is focused on the future, to help us work together to deliver the Plan for Fife

Our Future

We will continue to develop preventative services to address the needs of our communities. The strategy acknowledges that the future is not fixed and allows for flexibility, to ensure we can be continually proactive in deploying our resources effectively and efficiently.

To do so we must embrace digital technologies both to deliver services and to support employees in their roles. Change will be constant, so we will continuously support employees. Through collaboration, simplification and communication we aim to provide clarity of purpose, role and the positive impact we can all have together.

How we work
matters



Our workforce is at the
heart of how we deliver



Our Priority Themes

How what we do, and how we do it, makes it feel around here.

Creating a workforce with the capacity and capability to deliver sustainable, high quality services.



Resilient leaders and managers who empower and support the workforce and role-model positive behaviours.

Creating a great place to work, where employees have the right skills and opportunities - now and for the future.

Health and safety matters and our people are at work and well.

Our Key Outcomes

Employee voice – employees feel they have a voice; we continue to build upon our positive and constructive relationship with our recognised trades unions.



Workforce planning – employees are part of a workforce with the capacity and capability to deliver sustainable, quality services.



Learning & development – employees have the knowledge, skills and confidence to fulfil their role, and opportunities to develop.



Health & safety – employees are safe whenever or wherever they are carrying out their role.



Recruitment & retention – employees are recruited and promoted who enable us to achieve our vision and deliver on our goals



Attendance & wellbeing – employees are actively supported to remain well in, or return to, the workplace



Equalities – a working environment where inclusion is prioritised and promoted



Workforce flexibility – we continually explore new ways of working and the use of digital technology to support it.



Our Responsibility

We are all responsible as individuals, teams, Services and Directorates for delivery of the workforce strategy. We will report our success measures annually to Reform Board and Cabinet Committee.



Our Actions Matter

Actions must be undertaken at both a Corporate (HR led) and Directorate (individual Directorates led) level to meet our outcomes and deliver for our workforce across the 5 priority themes.

Corporate Actions

Directorate Actions

Culture & Behaviours How what we do, and how we do it, makes it feel around here

- | | |
|---|--|
| <ul style="list-style-type: none">• Support culture change to enable delivery of the transformation agenda• Utilise workforce data and insights to improve organisational performance.• Promote implementation and understanding of the How We Work Matters (HWWM) framework.• Put in place people policies aligned with our cultural aspirations and provide managers with practical guidance to support their use. | <ul style="list-style-type: none">• Managers drive local culture change, working together to deliver the transformation agenda.• Ensure all employees have regular performance and development conversations and the opportunity to have an annual development meeting.• Each of us must role-model the KNOW, BE and DO of HWWM and challenge those who don't. |
|---|--|



Leadership & Management Resilient Leaders and managers who empower and who support the workforce and role model positive behaviours

- | | |
|---|--|
| <ul style="list-style-type: none"> • Support leaders and managers to build resilience and deal with continuous change. • Provide opportunities to build positive relationship skills with a focus on having effective conversations. • Provide appropriate leadership learning and development opportunities which help build the skills and confidence of managers. | <ul style="list-style-type: none"> • Support employees to deal with change and to build resilience. • Be proactive in the effective management of people, including capacity and attendance. • Practise having good conversations and using coaching approaches. Strengthen these approaches within teams / Services • Create an environment in which leadership and management value and prioritise personal development. |
|---|--|

Workforce Planning Creating a workforce with the capacity and capability to deliver sustainable, high quality services

- | | |
|---|---|
| <ul style="list-style-type: none"> • Attract a broad range of applicants to help diversify our workforce and create an organisation that prioritises and promotes inclusion • Support organisational understanding of a flexible workforce and create conditions which support it. • Provide tools and support for succession planning and develop talent management approaches- to grow and retain talent, develop the young workforce and meet future skills needs. • Increase the maturity of strategic workforce planning and support Service People Plans to be more mature. | <ul style="list-style-type: none"> • Resource and recruit with the future in mind and try innovative approaches when jobs are hard to fill • Be proactive in the engagement, support and recruitment of the young workforce. • Promote internal workforce flexibility opportunities e.g. role design, voluntary redeployment and access to flexible working • Set, action and review Service People Plans (SPPs) which ensure current and future workforce needs are met. |
|---|---|

Engagement & Development Creating a great place to work, where employees have the right skills now and for the future

- | | |
|--|--|
| <ul style="list-style-type: none"> • Regularly review policy, pay & conditions strategies to ensure we are fair and fit for the future • Deploy employee feedback tools to capture the employee voice • Maintain a positive relationship with our recognised trades unions. • Create a learning culture- where learning and development is actively encouraged and learning is accessible. • Facilitate digital upskilling in the workplace to ensure employees have the skills, knowledge, and confidence to meet our digital aspirations. | <ul style="list-style-type: none"> • Encourage employee participation in employee feedback tools and act on feedback • Actively engage employees and Trade Union representatives from the early stages of decision making that directly affects them • Support all employees to complete mandatory learning, identify suitable development activities and facilitate access during working time wherever appropriate • Support employees to understand what digital change might mean for their role and ensure they are skilled to meet future needs. |
|--|--|



Safety & Wellbeing Working together to build a sustainable culture where health & safety matters and our people are at work and are well

- | | |
|--|--|
| <ul style="list-style-type: none"> • Maintain Health & Safety (H&S) governance structures that encourage Directorate and Trade Union input • Manage risk by working through implementation of the Health and Safety Management Framework (HSMF). Share and standardise good practice • Engage with Directorates at all levels to create a positive Health & Safety culture. • Support employee wellbeing through the provision of guidance, policies, signposting and practical support. | <ul style="list-style-type: none"> • Establish Directorate and Service-level H&S governance and consultation structures that ensure active participation and reporting • Identify and prioritise hot spots and take action, including completion of task-based risk assessments, to ensure safe and legally compliant practices • Ensure every change proposal considers health, safety and wellbeing risk, including effective mitigation • Ensure early wellbeing support through regular discussion with employees and offering a choice of appropriate interventions / tools • Complete and publish Directorate and Service level risk assessments. |
|--|--|

Our Success Measures

Employee voice

Improved staff engagement through relevant activities.



Workforce planning

Increased maturity of our workforce planning approach.



Learning & development

Increasing opportunities for employees to take part in learning.



Health & safety

Increased awareness of safe working practices, employee engagement on H&S, and monitoring of workplace H&S at all levels of the organisation.



Recruitment & retention

Reduced employee turnover for those Services with >15% annual turnover.
Increasing recruiting manager satisfaction.



Attendance & wellbeing

Improved attendance.
Increasing employee awareness of, and earlier access to, available wellbeing supports.



Equalities

Increased awareness of employee equality priorities.
Increased workforce representation of young people (age 16–24).



Workforce flexibility

Flexible working accessible to employees in increasing numbers of roles.
Increasing use of evolving approaches to recruitment.



Find out more and access the support materials on the
Our People Matter pages on the intranet or at: www.fife.gov.uk



**People Planning & Workforce Strategy 2025-2028
Equality Impact Assessment Summary Report**

<p>Which Committee report does this IA relate to (specify meeting date)?</p> <p>Reform Board meeting – 21st May 2025 Cabinet Committee meeting – 26th June 2025</p>
<p>What are the main impacts on equality?</p> <p>There are no anticipated negative impacts resulting from the adoption of the People Planning & Workforce Strategy 2025-2028. Any impacts resulting are anticipated to be positive, if minor, in nature. These include:</p> <ul style="list-style-type: none"> • Potential for positive impact in relation to young people e.g. workforce youth investment (WYI) and Life Chances approaches to recruitment. • Potential for positive impact for looked after children and care leavers in relation to the actions set out around recruitment e.g. workforce youth investment (WYI) and Life Chances.
<p>In relation to a strategic decision, how will inequalities of outcome caused by economic disadvantage be reduced?</p> <p>It is noted that, except for those strategy actions related to recruitment, the document relates to our workforce. Direct gains from recruitment, development, and safety & wellbeing approaches are possible but anticipated to be minimal to the wider Fife economy.</p>
<p>What are the main recommendations to enhance or mitigate the impacts identified?</p> <p>It is recommended that positive outcomes of the People Planning & Workforce Strategy will be maximised by:</p> <ul style="list-style-type: none"> • Regular discussion and action planning aligned to the requirements of the People Planning & Workforce Development at corporate, Service and Directorate level • OD and HR Leads utilised to support Directorates and Services identify opportunities to deliver aims and actions within the document.
<p>If there are no equality impacts on any of the protected characteristics, please explain.</p>
<p>Further information is available from: Name / position / contact details:</p> <p>Fiona Allan, Service Manager, HR Fiona.Allan@fife.gov.uk</p>

Change Planning

Report by: Ken Gourlay, Chief Executive

Wards Affected: All Wards

Purpose

This report provides a further progress update on change planning and builds 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.

Recommendation(s)

Cabinet is asked to:

1. confirm the direction of travel for ongoing reform and the ambitions articulated in section 2;
2. note the contribution of the three-year directorate change plans to those reform ambitions as outlined in section 3 and Appendix 1;
3. agree the shape and focus of enabling programme work designed to enhance digital, data and workforce skills capabilities as described in section 4; and
4. agree the proposals for future reporting and oversight detailed in section 5.

Resource Implications

The change is largely being delivered from existing resources. External support through the Fairer Scotland pathfinder work with the Scottish Government is redesigning how services and partners work around place to tackle child poverty. Further external support may be required in relation to digital delivery and will be explored as the Digital Programme is refined. Investment requirements will be captured by business cases and funded from the change fund as appropriate.

Legal & Risk Implications

There are no specific legal and risk implications.

Impact Assessment

Impact assessments will be undertaken as specific proposals are developed.

Consultation

This work is grounded in the Plan for Fife Recovery and Renewal Plan which was put in place to support recovery from the pandemic. Work has been shaped through service and partner discussions, feedback from voluntary and community groups and staff and through direct experience. Discussions are also held on a continuing basis with the trade unions.

1.0 Background

- 1.1 The current approach to change was agreed by Cabinet in June 2023. This led to agreement in November 2023 to advance the “No Wrong Door” programme; proposals to improve decentralisation; and develop three-year service change plans aligned to the council’s policy and reform ambitions as well as medium-term budget assumptions.
- 1.2 The update in November 2024 summarised progress and outlined work to make better use of digital and data capabilities to support organisation and service improvement. The cross-cutting change streams set out in that report have been described as No Wrong Door, Place and Digital.
- 1.3 Three-year service change plans are now in place and these informed the setting of the revenue budget in February which included £13.796m of savings over the period to 2027/28. Further savings will be required over the next three years and the change planned will support agreed savings and enable further savings.
- 1.4 There is considerable interplay across services and the cross-cutting change streams referred to in previous Cabinet reports. These have been woven through service change planning to ensure alignment and avoid potential double counting. Directorate specific priorities have been added to the cross-cutting changes creating an overall portfolio of transformational change. Appendix 1 contains Directorate level improvement priorities from these plans.
- 1.5 Work has reached a point where this forward portfolio of planned change articulates how the council will deliver both the next phase of public service reform in Fife and the cost savings and efficiencies required to meet the challenging revenue budget position.

2.0 Reform Ambition

- 2.1 The current phase of public service reform in Fife has roots in the response to the pandemic and the collective desire to improve outcomes and put people and communities at the heart of wealth creation and opportunity. In 2020, the council, together with partners, proposed a Recovery and Renewal Plan to help communities recover from the pandemic whilst laying the foundation for further reform of public service provision.
- 2.2 The Recovery and Renewal Plan drew on experience through Covid, the views of a range of organisations and groups, elected member policy working groups and a series of leadership conversations with managers from across the community planning partners. Fife Partnership concluded from all this work that services in Fife need to work differently to address long-standing social challenges and a public service landscape which can have:
 - Multiple contact and referral routes
 - A cluttered landscape of support
 - A tendency to address problems in isolation
 - Challenges where the problem cuts across (or falls between) responsibilities
 - Customer frustration with having to tell their story repeatedly
 - Multiple or unclear decision points
 - Different policies and practices or differing interpretations of the one policy
 - Gaps in information and data, systems not talking to each other and assumptions made about need
 - Inconsistent approach to working with communities

- 2.3 Agreed in 2021, the Recovery and Renewal Plan places emphasis on community wealth building through economic, tackling poverty and climate strategies. The plan set the tone for reform, envisaging a shift from crisis support to prevention, better joint working and problem solving through a focus on place and reinforcement of the culture experienced during the pandemic of flexibility, getting things done quickly and working alongside people and communities. Reviewing the plan in 2024, the Partnership and council agreed these tenets should still guide the work.
- 2.4 In May 2023, Fife Partnership agreed four leadership commitments to shape reform. These were previously reported to Cabinet and are attached as Appendix 2. Again, they are based on the partners' advancing work around community wealth building, delivering around place, joining up services around supporting people and families and focusing on improving health equity and wellbeing.
- 2.5 The Fife Partnership Board recently agreed that the next Plan for Fife, for 2027 onwards, should be constructed around the social determinants of health, drawing on the work of Sir Michael Marmot and the Institute of Health Equity. This would create a stronger, system-wide focus on prevention and require a reformed approach to community planning. The aim is to elevate the importance of population health and its link to economic success and more strongly co-ordinate and target interventions across policy themes in line with Marmot principles.
- 2.6 In this context, the council is progressing a range of transformational work to ensure it can deliver high quality sustainable council services. The organisation's reform ambition goes beyond the specific cross-cutting programmes of work reported previously and the breadth of this ambition can be seen in service change plans as outlined in this report. The council's change agenda can be summarised as:
- shifting focus to prevent crisis, act earlier and invest in local, personal support for people and families
 - joining things up to work as one team around the needs of communities and the places where people live, work and play
 - simplifying things, making it easier for customers and staff to get things done, increasing efficiency and effectiveness
- 2.7 Fife Health & Social Care Partnership (HSCP) has committed to the same reform agenda and is aligning its transformation ambitions to the leadership commitments set out by Fife Partnership. The HSCP is a key stakeholder in the design and delivery of the No Wrong Door strategy, the design of the revised Plan for Fife and the Economy and Community Wealth Building Board, all of which align to the HSCP's Home First and Prevention & Early Intervention Strategies. The HSCP will deliver a new Strategic Plan from 2026-29 which will encompass these key ambitions and set out the HSCP's vision for a more localised structure to enable more locality-based service delivery, using improved data and performance measures. Further detail on the links with HSCP are included within section 3 below.

3.0 Three Year Change Plans

- 3.1 Service change plans were produced for April 2025 and cover the three-year period to 2027/28. A 5% saving requirement was used as a planning assumption for the context of the plans. Developing plans informed the 2025/26 budget process. As referenced in section 1 above, the change planning approach built upon and wove in the cross-cutting changes previously identified as No Wrong Door, Place and Digital and these areas of work are included within directorate and service change priorities. A summary page for each directorate is attached as Appendix 1 and the key areas of change aligned to the reform ambitions is set out below.

Communities Directorate:

- 3.2 The Communities Directorate service change plan has an emphasis on early intervention and prevention of crisis, joining up referral and support processes and improving community team working. It also has a focus on assets in terms of the quality and breadth of facilities, the role of local community facilities and offices and the need to continue enhancing the supply and quality of affordable housing.
- 3.3 The vision of a No Wrong Door approach to supporting individuals and families will start to be delivered from this July, with a move to an Integrated Community Team working together in the Cowdenbeath area, providing co-ordinated household support to prevent duplication and over servicing of households, ensuring households become self-sufficient and less reliant on repeated interventions. The demand for repeated financial assistance is a symptom of poverty and hardship and, if not explored and addressed, re-emerges. The experience will feed the development of implementation plans for the rest of Fife and the realisation of already agreed benefits. Fife is now part of the Fairer Scotland Pathfinder work with the Scottish Government supporting work to redesign how services and partners work locally to tackle child poverty. The Fife pathfinder is also focussed currently on Cowdenbeath complementing the No Wrong Door work.
- 3.4 Responding to the challenges evident in the declaration of Housing Emergency is the second main change priority. This includes reforms to the approach to homelessness building on recent changes through the Rapid Rehousing programme and work with Turning Point Scotland to adopt a wider system approach. The availability of affordable housing options remains the key challenge and will see work taken forward looking at different investment models, partnering opportunities and short-term measures such as acquisitions.
- 3.5 Fife has been very successful in recent years in reducing out of Fife placement numbers and developing kinship care. These measures have had a transformative impact on young people and families and on cost, allowing investment to take place elsewhere in the system. Children and Families is also implementing a new operating model in support of No Wrong Door which will see early intervention teams in every area. A new Children and Families Strategy will be brought to Cabinet this year setting out the next stages of development.
- 3.6 The final key area of change is around the cost, breadth and relevance of a diverse estate and set of operating arrangements for community and leisure facilities. The aim in this work is to achieve agreed savings of £2m through greater harmonisation and joint work with the leisure trusts, consolidation of operating arrangements in localities and more support to enable community and voluntary groups to use and run community facilities. This is likely to require additional spend to save type investment.

Health & Social Care Partnership

- 3.7 The HSCP ensures robust governance through the Integration Joint Board (IJB), alongside council colleagues through Cabinet. As the decision-making body in health and social care, the IJB oversees the Strategic Plan for all services delegated from partners, allocating the resources and directing the HSCP to deliver the services prioritised within the Strategic Plan.
- 3.8 Fife Health and Social Care Partnership is a key stakeholder in both the design and delivery aspects of the No Wrong Door transformation. The HSCP Cowdenbeath Locality Planning Group has created Cowdenbeath Locality Primary Care Verification approach, which will connect with the No Wrong Door approach. The objectives set out for the Primary Care Verification model are to:

- Reduce preventable and/or frequent attendance at Accident & Emergency
 - Identify individuals at high-risk of hospital admission
 - Understand the reasons behind frequent Accident & Emergency visits
 - Innovate new collaborative working with No Wrong Door
- 3.9 The Multi-Agency Verification Group work collaboratively with the aim of improving health and wellbeing outcomes for the people of Fife. Members from across the health and social care system are also responsible for actively contributing to discussions by sharing local knowledge and committing to follow through on agreed actions. In delivering support, representatives must consider local, and often deeply rooted, issues such as inequality and poverty and a focus on the most vulnerable. A successful Case Finding test of change was carried out in Levenmouth and is now business as usual, which has provided the learning for the introduction of a similar approach in Cowdenbeath. A 'Step-Up / Step Down' model will be facilitated where individuals or families who are identified as not requiring intense support and will be supported via the case finding process to ensure supportive care and advice is optimal. Conversely, when it is identified that the issues being presented are complex, they will be brought for discussion into the No Wrong Door multi-agency group.
- 3.10 The primary purpose of Health & Social Care Locality Planning is to facilitate collaboration among relevant service providers across various sectors—both clinical and non-clinical.
- 3.11 During 2025, Fife's HSCP and IJB will be working with all key stakeholders to design the revised Strategic Plan 2026-29. The Strategic Plan will have a central focus on the HSCP's own reform agenda through the Medium-Term Financial Strategy and will set out the key strategic priorities that will align with the Plan for Fife and the NHS Population Health & Wellbeing Strategy, all of which have clear ambitions for an improved locality and community focused early intervention and prevention.
- 3.12 The key principles that are a priority for the HSCP are as follows:
- **Prevention and Early Intervention:** Promoting healthy and independent living is critical. A Senior Leadership Team member is aligned to locality planning groups and works with the seven communities through locality plans to build resilience and support self-care and carers.
 - **Technology Enabled Care:** HSCP operational services, aligned to the HSCP digital strategy, emphasise technology enabled care and digital solutions to enhance lives. This includes greater self-management, supporting safety and changing service delivery methods. A refreshed Digital Strategy will support this work.
 - **Partnerships and Collaboration:** HSCP services work closely across the whole system with partners, including Housing Services, to ensure appropriate housing options. This supports people's ability to stay at home or return home when their needs change.
 - **Community-Based Health Services:** Greater reliance on community-based health services will help people stay well and remain independent. All HSCP managed services prioritise prevention at population, locality and individual levels by working closely with community planning partners and public health.
 - **Models of Care:** The HSCP Home First Strategy has developed models of care, including bed-based and community locality models, to integrate services from the user's perspective. A multi-disciplinary/multi-agency "discharge to assess" model promotes a home-first approach.

- **Care at Home Services:** Care at Home services are vital for community care. HSCP Community Care Services aim to strengthen these services as part of holistic care for the people of Fife.
- **Mental Wellbeing:** Complex & Critical Care Services lead a HSCP focus on mental wellbeing and community-based inclusive activities aligned with the refreshed Mental Health Strategy.

Education Directorate

- 3.13 The Education Directorate service change plan is focussed on delivering improvements across the six main priority areas for the service - Health and Wellbeing; Attendance and Engagement; Achievement; Positive Destinations; Equity and Equality and Sustainability.
- 3.14 The delivery of the Health and Wellbeing Strategy will secure improvements in pupils' physical and mental wellbeing; improve staff wellbeing and workload and pupil relationships and behaviour.
- 3.15 Improving attendance and engagement levels are critical to securing improved outcomes for all young people. The service will work with parents and carers to support attendance and ensure a better response to reasons for low or no attendance. This will support more effectively, young people suffering from emotionally based school non-attendance.
- 3.16 To enhance achievement and attainment levels, curricular opportunities will be broadened across both the Broad General Education and senior phases of the learner journey. In addition, strengthened universal, targeted and intensive supports for all young people experiencing barriers to their learning will be put in place.
- 3.17 Supporting all Fife young people to secure and sustain a positive destination on leaving school remains the golden measure of success for the service. Improving attainment levels, prioritising those learners most at risk and creating a range of bespoke curricular pathways to better engage young people and strengthen their achievements, will all be critical endeavours.
- 3.18 As part of the drive to strengthen the approach to equality and equity, processes will be improved to better monitor the outcomes for more vulnerable young people, including care experienced and those with protected characteristics, as well as for pupils most likely to be affected by issues of equality and diversity.
- 3.19 In terms of sustainability, the service will modernise and rationalise the school estate; harness digital and technology improvements building on the 121 devices roll out from P6 to S6; review the approach to devolved school management of resources to ensure best value; undertake ongoing reviews of school transport and put in place a new Directorate Leadership Structure.

Place Directorate

- 3.20 The Place Directorate service change plan has a focus on enhancing service delivery with partners through a place-based approach, increasing collaboration across services and harnessing investment through the implementation of Economy, Land Use, Transport and Asset Management strategies.
- 3.21 It brings together individual service improvements and broader change programme with a commitment to focus on sustainable, equitable growth by leading Fife Council's response to Climate Change and Community Wealth Building.

- 3.22 To enhance service delivery, the directorate will continue to decentralise relevant decision making and reporting to Area Committees and model a more effective response to local operational issues through local operational working groups.
- 3.23 This will focus on collaboration at a local level ensuring the provision of community centric services to support the broader place agenda. This is intended to improve responsiveness, reduce duplication, optimise resource usage and will encompass commitments made to strengthen Greenspace service provision across the Communities and Place Directorates.
- 3.24 Harnessing investment is key to supporting the delivery of regeneration and growth opportunities at pace and scale for towns and city. A team is being established to develop a place-based, masterplanning approach which will allow proactive working with local communities to identify key areas for investment that will unlock barriers to growth.
- 3.25 Critical to this approach will be creating investment or business cases and securing additional funding opportunities through UK and Scottish Governments and the private sector; whilst exploring alternative income streams such as the Visitor Levy.
- 3.26 An initial pilot of both masterplanning and the local operational working group is being established around Kirkcaldy to maximise the benefits of a place-based approach. The ongoing investment and town centre initiatives in Levenmouth and Dunfermline will inform the overall approach with progress provided in line with section 5 of this report.
- 3.27 As lead for the delivery of the Climate Action Plan, embedding this across partners is a primary change priority. This includes resetting the approach to ownership of Climate Change with clear transformation actions to be delivered in specific areas such as assets, fleet and energy leading to demonstrable carbon reductions across Fife Council and Plan for Fife partners.
- 3.28 Underpinning the change is Directorate workforce development, recruiting or creating qualified staff and managing absence levels; whilst also improving the health and wellbeing of the workforce.
- 3.29 In line with a commitment to digital transformation, the directorate will continue to assess services for further digital improvements such as training, new or enhanced systems/ tools and automation including AI.

Finance and Corporate Services Directorate

- 3.30 The Finance and Corporate Services directorate service change plan has a focus on improving productivity, digital advancement, redesigning jobs and upskilling staff. It also has an emphasis on using data to drive decision making, improving decisions, enhancing service quality and allocating resource.
- 3.31 Rebalancing demand and service capacity is a key aspect as demand consistently exceeds supply and can be reactive. Improving productivity and effectiveness through removing non-added value activity and standardising processes remains a focus. Increasing automation, self-service options and embracing data driven ways of working will streamline workflows ensuring services can meet demand effectively and proactively.

- 3.32 Ensuring that strategic technology platforms such as Oracle, Microsoft M365 and emerging technologies are utilised to their full capabilities is the second main change priority. This includes optimising the value of existing digital solutions, leveraging system functionality to enhance processes within the Directorate and across the wider user base. By embracing emerging technologies such as AI and process mining tools to redesign service delivery, productivity will be unlocked through increased process efficiency, greater adoption of digital ways of working and the elimination of residual manual processes.
- 3.33 The third key change area relates to Directorate workforce development as difficulties have been experienced in recruiting and retaining staff. Service delivery is also having an increasing reliance on key personnel from a long-serving employee base. Creating a workforce for the future through redesigning jobs, upskilling staff and focusing on their wellbeing will build resilience and flexibility to meet priorities.

4.0 Enabling delivery

- 4.1 The changes outlined above need to be resourced and governed. In particular, the ambitions outlined rely on taking advantage of technology and moving to digitally enabled operating arrangements. They also rely on continuing workforce commitment and willingness to move to a different operating culture over time. This includes better use of data as an asset to help with a shift to preventative practice and better targeting of resources.
- 4.2 The council has a significant challenge in managing ICT software and services expenditure while addressing the current fragmented nature of its solutions and data landscape. Existing approaches are not sustainable and hinder the ability to join up service delivery and respond in an agile way to change. To overcome this, the organisation's digital mindset needs to shift and services must embrace 'acceptable fit' solutions, leveraging existing systems and expanding their use across the council. The leadership team need to foster a culture that encourages the adoption of solutions that align with needs, even if they are not perfect. This approach will allow us to make the most of existing resources. The Digital Portfolio Board will play a crucial role in managing demand within available resources. As a council, it will be necessary to make choices about the level of sustainable change and digital delivery that can be delivered and prioritise accordingly.

Digital transformation

- 4.3 Technology is rapidly – and continuously - changing the way people work, how business is done and the expectations people have of public services. It represents both challenges and opportunities for services, employees and residents.
- 4.4 As a result of the Changing to Deliver Programme (2018-2022), the council was in a strong position to meet the digital challenges of the COVID pandemic. It laid the foundation for future ways of working and reminded us that, whilst technology can transform for the better, it is essential that no one is left behind. The pandemic highlighted the importance of collaboration and the role that data and digital technology play in enabling that.
- 4.5 The subsequent Recovery and Renewal Plan for Fife set out a Partnership intention to:
- use data and project intelligence to deliver better outcomes
 - adopt and innovate in smart technologies to build on the progress made with digital approaches during the pandemic.

- 4.6 Directorates are building this approach into change planning and service delivery. Teams in BTS and HR Services are developing guidance and training to help employees build skills and make better use of data and technology on a day-to-day basis. And, to deliver the scale of change needed across the organisation, a formal digital programme has been established to drive four interconnected workstreams:
- Digital ways of working
 - Digital service delivery
 - Becoming a data driven council
 - Emerging technologies and digital innovation
- 4.7 The **digital ways of working** workstream focuses on productivity and efficiency. The council has undertaken a digital impact review, looking at how over 30 technologies will impact ways of working over the next five years. The software is a workforce analytics platform that helps us understand what impact automation, artificial intelligence (AI) and other technologies will have on job roles going forward.
- 4.8 Early insights indicate the biggest efficiency gains can be made by exploiting technologies the council has already adopted or made an initial investment in. This includes AI enhanced software such as large language model chatbots, robotic process automation and simple chatbots. A report 'Progressing our use of AI' was tabled at Finance and Corporate Services Scrutiny Committee 5 June 2025.
- 4.9 The digital programme team will validate the opportunities identified by the digital impact review using process and task mining software to identify inefficiencies and opportunities (e.g. double keying) for automation and AI within processes and tasks that are predominately computer based. This will lead to recommendations for an expanded use of a technology solution, service redesign, process improvement - or a combination of these.
- 4.10 The programme team is working with services to develop a collaborative implementation approach to make sure changes meet all staff and service needs and that benefits can be tracked. This wide-ranging review of digital productivity and efficiency opportunities will lead to a prioritised programme of phased delivery with quantified benefits.
- 4.11 The **digital service delivery** workstream has focussed on analysing internal and external customer service delivery via the data captured in First Contact system used by staff, and customer relationship management system. The First Contact analysis has validated some of the high-level findings of workstream one and helped identify areas to pilot that approach.
- 4.12 Work is currently focusing on two main areas of external customer service delivery improvement. Upgrading the customer relationship management system to a fully cloud-based solution will improve end-to-end interactions for customers. Expanding the use of AI across phone services could help answer simpler queries automatically, reducing wait times and call drop off, freeing up staff to answer more complex calls and opening up potential for 24/7 phone channels.
- 4.13 The third workstream is about using data analytics to **become a data driven council**. Data is an asset and the council is developing a short, medium and long-term approach to data usage and governance. A shift to preventative and more joined up local working across council teams and partner agencies requires us to overcome challenges of data quality, data access and data governance.

- 4.14 To help establish a new data operating model, the programme team is:
- evaluating the council's current data and reporting infrastructure
 - developing a comprehensive data strategy
 - drafting policy and guidance on the use of AI
 - exploring data platforms and analysis tools
 - progressing specific data projects to support identified change and improvement priorities
- 4.15 The **emerging technologies and digital innovation** workstream is focused on research and horizon scanning for any new or innovative solutions that may help the council's transformation journey. Once a potential solution is identified, the digital programme team run a technical Proof of Concept (PoC) exercise to ensure it will work with existing technology in the council. Once proven, the digital solution can be scaled up to suit the requirement. PoCs already undertaken include:
- exploiting existing solutions, for example Microsoft's booking facility and shift planner
 - AI such as Fiona the website chatbot, or Fi the phone AI customer service assistant
 - Internet of Things (IoT) use of sensors in social care, housing and waste management services
 - Agile Applications (Agile Apps) including processing school enrolments
- More examples of AI PoCs are detailed in the 'Progressing our use of AI' report (Finance and Corporate Services Scrutiny Committee 5 June 2025 Appendix A)

Workforce Strategy

- 4.16 The council's People Plan and Workforce Strategy, Our People Matter (OPM), also reporting to this agenda, provides further detail on the links to and importance of the workforce, future challenges and opportunities. It recognises that within an environment of reducing budgets, there is a need to direct people resources to those areas which will have the greatest positive, long-term impact for the residents of Fife.
- 4.17 It is recognised that change is most successful and sustainable when the workforce is engaged. The council will adopt a people-centred approach to change which is focussed on engagement, transparent communications, skills development, leadership support and wellbeing support. This approach will provide a supportive environment which will build trust and confidence, increase engagement and foster a sense of ownership. Ongoing engagement with the trade unions is also key to the approach.

5.0 Monitoring and Review

- 5.1 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 case and the Children and Families Strategy.
- 5.2 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.

- 5.3 Scrutiny committees also have an important role and, from this year, annual service review reports will include reporting of progress against the improvement priorities set out in service change plans. Building on redesigned annual review reports introduced last year and adopting this integrated approach will provide a continuous process of scrutiny and review and a basis for members to highlight the need for new improvement priorities. Service change plans themselves will be updated on an annual basis.

List of Appendices

1. Portfolio and alignment of change plans
2. Fife Partnership Leadership Commitments

Background Papers

- Our Leadership Summits and Next Steps – Fife Partnership Board 2 May 2023
- Recovery to Reform – People and Communities – Cabinet Committee 29 June 2023
- Change Planning and Organisational change – Cabinet Committee 30 November 2023
- Change Planning – Cabinet Committee 7 November 2024
- Progressing our use of AI - Finance and Corporate Services Scrutiny Committee 5 June 2025

Report Contact

Craig Waddell
Service Manager
Change & Improvement
Communities Directorate

Portfolio and alignment of change plans

The council is progressing a range of transformational work to ensure it can deliver high quality sustainable services that deliver our recovery and renewal priorities set out in the Plan for Fife. The breadth of this ambition can be seen in our three-year service change plans. Across the organisation, and with partners, we are:

- shifting focus to prevent crisis, act earlier and invest in local, personal support for people and families
- joining things up to work as one team around the needs of communities and the places where people live, work and play
- simplifying things, making it easier for customers and staff to get things done, increasing efficiency and effectiveness

This portfolio of planned change sets out how the council will deliver both the next phase of public service reform in Fife, and the cost savings and efficiencies required to meet the challenging revenue budget position.

Communities Directorate

Communities Directorate Change Plan	Change Plan Priorities	3 year improvement priorities	Proposals to deliver change
<p>P4F outcomes and benefits:</p> <ul style="list-style-type: none"> Community Wealth Building Tackling Poverty and Preventing Crises Leading Economic Recovery Reducing the impact of the climate emergency <p>Directorate vision:</p> <p>Communities services aim to support, develop and protect community well-being, working with individuals, families, community groups and partners to improve quality of life and opportunity.</p>	Support individuals and families to improve quality of life	<ul style="list-style-type: none"> Shift to a mainstream provision which emphasises earlier and targeted prevention. Stronger focus on child poverty. Better joining up of customer contact service processes via digital investment. Focus on commissioning and supporting delivery of policy priorities. 	<ul style="list-style-type: none"> No Wrong Door 3rd sector and area commissioning
	Provide decent, affordable housing and reduce homelessness	<ul style="list-style-type: none"> Greater emphasis on prevention of homelessness and identification of investment opportunities through efficiencies, alternative models of financing and flexibility within housing access and allocations. 	<ul style="list-style-type: none"> Local Housing Strategy Housing Emergency Plan
	Protect children and promote safer communities	<ul style="list-style-type: none"> Protection of children who may be at risk of harm, and the support of families to allow children to remain at home, within their family/community or in quality care away from home in certain instances. 	<ul style="list-style-type: none"> Children and Families Strategy
	Provide sustainable community, leisure, and culture services	<ul style="list-style-type: none"> Shift to an integrated, sustainable provision – joint planning and marketing, consistency of subsidy, together with community involvement in provision. 	<ul style="list-style-type: none"> Future of leisure

Education Directorate

Education Directorate Change Plan	Change Plan Priorities	3 year improvement priorities	Proposals to deliver change
<p>P4F outcomes and benefits</p> <p>Educational attainment continues to improve for all groups</p> <ul style="list-style-type: none"> Improved educational attainment in all groups Increased equality of opportunity Increased staff confidence in using interventions to close the attainment gap More school leavers with qualifications More school leavers entering a positive destination More businesses engaged to maximise school leaver opportunities Increased participation and engagement of children and young people Increased access to learning, work, and voluntary opportunities for parents of young children More children reaching early developmental milestones Increased wellbeing of children and young people 	Health & Wellbeing	<ul style="list-style-type: none"> Delivering the Health & Wellbeing Strategy Improving physical and mental wellbeing Improving staff wellbeing, workload and relationships & behaviour 	<ul style="list-style-type: none"> Health & Wellbeing support awareness Mental & Physical Wellbeing Staff Wellbeing Effects of Poverty on Wellbeing
	Attendance & Engagement	<ul style="list-style-type: none"> Attendance Strategy Ensuring universal approaches to addressing attendance are fully utilised Ensuring we better respond to reasons for low or non-attendance Ensure parents/carers support attendance 	<ul style="list-style-type: none"> Universal approach to attendance Learners with specialist provision Parents/carers & partner contribution
	Achievement	<ul style="list-style-type: none"> Deliver wider opportunities across the BGE and Senior Phase Strengthen universal support across settings for children with ASN 	<ul style="list-style-type: none"> Progressive Development
	Positive Destinations	<ul style="list-style-type: none"> Delivering the Strategic approach to improving initial and sustained destinations for all young people in Fife. Having an active focus on those young people who require additional support to engage in activities related to successful post school destinations. Creation of a range of universal and bespoke learning pathways, including wider achievement provision and accreditation 	<ul style="list-style-type: none"> Poverty related gap Additional Support for Learning 121 Device Strategy Strategic approach
	Equity & Equality	<ul style="list-style-type: none"> Develop systems and processes to support the monitoring of outcomes for pupils with protected characteristics. Monitor general progress in improving outcomes for children and young people affected by issues of equality and diversity. 	<ul style="list-style-type: none"> Active additional support Partnership working Learning Pathways Universal support & ASN

Education Directorate Change Plan	Change Plan Priorities	3 year improvement priorities	Proposals to deliver change
<p>P4F outcomes and benefits</p> <p>Educational attainment continues to improve for all groups</p> <ul style="list-style-type: none"> Improved educational attainment in all groups Increased equality of opportunity Increased staff confidence in using interventions to close the attainment gap More school leavers with qualifications More school leavers entering a positive destination More businesses engaged to maximise school leaver opportunities Increased participation and engagement of children and young people Increased access to learning, work, and voluntary opportunities for parents of young children More children reaching early developmental milestones Increased wellbeing of children and young people 	Sustainable provision	<ul style="list-style-type: none"> Policy Review – impact on achievement of longer-term Service Goals 	<ul style="list-style-type: none"> NHS funding arrangements review Early Years Review Music Service Review Childcare Services Review Education Reform – national policy Additional Support Needs Review DSM Scheme Review School Transport Review
		<ul style="list-style-type: none"> Asset Strategy – Modernise and rationalise the School Estate 	<ul style="list-style-type: none"> Building Fife's Future Programme Sustainable School Estate Strategy
		<ul style="list-style-type: none"> Workforce Planning Strategy – longer term sustainable workforce numbers 	<ul style="list-style-type: none"> Pupil Teacher Ratio (PTR) Directorate Structure
		<ul style="list-style-type: none"> Digital Improvements – harnessing technology and data 	<ul style="list-style-type: none"> 121 Device Strategy Process improvement in schools
		<ul style="list-style-type: none"> Addressing Climate Change 	<ul style="list-style-type: none"> School Transport Review

Finance and Corporate Services Directorate

Finance and Corporate Services Change Plan	Change Plan Priorities	3 year improvement priorities	Proposals to deliver change
<p>P4F outcomes and benefits</p> <ul style="list-style-type: none"> • Community Wealth Building • Increasing local spend • Opportunities for all • Sustaining and improving employment opportunities, especially for young people • Improving Wellbeing • Supporting technological and digital innovation together with skills • Supporting the Fife workforce through changes and new ways of working 	<p>We aim to create a future where our services are more efficient, responsive and digitally advanced, contributing to the overall success and progress of the Council.</p>	<ul style="list-style-type: none"> • Digital Advancement of Services 	<ul style="list-style-type: none"> • Deliver the Digital Programme • Embrace Emerging Technology and Innovation • Digital Service Delivery
		<ul style="list-style-type: none"> • Efficient and Effective Service Delivery 	<ul style="list-style-type: none"> • Maximise contracts with Fife-based Suppliers • Standardise and Streamline Processes using Digital Tools
		<ul style="list-style-type: none"> • Increase Productivity 	<ul style="list-style-type: none"> • Staff Productivity • Optimising Workstyles
		<ul style="list-style-type: none"> • Data-driven decision making and insight 	<ul style="list-style-type: none"> • Improve and Strengthen Governance • Development of data-driven approaches
		<ul style="list-style-type: none"> • Workforce Planning 	<ul style="list-style-type: none"> • Balance the workforce with experienced staff and attract young people into roles • Support and realign resources to the organisational structure • Focus on the wellbeing of staff and keeping them healthy at work • Improve culture, behaviours and leadership

Place Directorate

Place Directorate Change Plan	Change Plan Priorities	3 year improvement priorities	Proposals to deliver change
<p>The Place Directorate is dedicated to delivering quality services that promote fairer, sustainable development aligned with the Plan for Fife and broader council objectives</p> <p>Outcomes and benefits</p> <ul style="list-style-type: none"> Better integration across operating models improving efficiency. Streamlining processes enhancing customer service and productivity. Increased collaboration Improved data analysis and reporting. Developing an agile workforce with enhanced skills. Strengthening recruitment and training reduce vacancies. Commitment to staff development in project management. Climate Strategy guides informing service decisions. Sustainable transport supporting net zero transition. 	<p>Economic Growth and Resource Management</p>	<ul style="list-style-type: none"> Aligning with Plan4Fife and long-term economic strategies. Economic Strategy guiding initiatives and leveraging collaboration. Managing assets to empower communities and stimulate economic development. Utilisation of additional income from parking charges and other sources to fund essential services. 	<ul style="list-style-type: none"> Statutory fee increases and prioritising resource allocation. Focus on effective capital management and governance of capital projects. Estate rationalisation and adaptation programme. Income generation review.
	<p>Climate Change & Environmental Sustainability</p>	<ul style="list-style-type: none"> Addressing net zero commitments with whole system approaches and reducing energy use. Delivery of projects that facilitate the transition towards net zero emissions. Carbon reduction and prioritizing the development of a Green Fleet Strategy. 	<ul style="list-style-type: none"> Enhance climate strategy ownership and actions. Climate change adaptation and HM Treasury Green Book. Progress the roll-out of phase 1 of the Pathway to Net Zero investment programme. Green fleet transformation and fleet strategy. Sustainable transport expansion and electric vehicle charging infrastructure.
	<p>Community Engagement and Inclusive Growth</p>	<ul style="list-style-type: none"> Aligning LDP with community planning and increasing engagement through digital tools. Inclusive growth activities ensuring equitable benefits and integrating wealth-building principles. Collaborative approach for placemaking and stewardship. 	<ul style="list-style-type: none"> New community engagement model for planning. Community Wealth Building integration. Partnership collaboration and community engagement. Placemaking for town and city centres.
	<p>Service Efficiency and Operational Improvement</p>	<ul style="list-style-type: none"> Redesigning structure to align with corporate place approach. Streamlining asset management and operations. 	<ul style="list-style-type: none"> Service re-design and phased structure re-design.

Place Directorate Change Plan	Change Plan Priorities	3 year improvement priorities	Proposals to deliver change
<ul style="list-style-type: none"> • Whole system approaches for net zero and energy efficiency. • Stronger, greener, fairer economic strategies boosting prosperity. • Effective land/asset management stimulating growth. • Inclusive growth aligning with Community Wealth Building. • Improved coordination with decentralised decision-making. 		Improving workforce efficiency through flexible workstyles.	<ul style="list-style-type: none"> • Collaborative working efficiencies and single performance and financial forecasting process. • Management rationalisation of key facilities and single point of contact for customer service. • New operating model for janitorial and cleaning services.
	Financial Management and Planning	<ul style="list-style-type: none"> • Mitigating budget pressures by increasing non-statutory income and prioritising resource allocation. Strategic project management. Review pricing, policy, and operations to improve efficiency and sustainability. 	<ul style="list-style-type: none"> • Pricing Review across Place Directorate • Resource prioritisation exercise • 3 year budget planning cycle • Strategic Project Management and resource allocation.
	Digital Transformation and Data Management	<ul style="list-style-type: none"> • Digital improvement via automation and improved access to information. Data-driven decision making. Replacing legacy IT systems to improve data management and insight. Introduction of new digital systems to streamline data management and tracking. 	<ul style="list-style-type: none"> • Digital skills development for staff. • Digitally enabled services and smart data utilisation. • Improved use of data intelligence and Power BI. • Digital inspection systems and new fault reporting system. • Update IT systems to improve efficiency and workflow.
	Workforce Development	<ul style="list-style-type: none"> • Strengthening climate strategy ownership and ensuring mandatory climate literacy training for the leadership team. Tailored support, optimized partnerships and fostering entrepreneurship. New recruitment and training approaches to minimise vacancies and improve service effectiveness. 	<ul style="list-style-type: none"> • Expand mandatory training and digital skills development. • Project management capability enhancement. • Green skills and renewable technology training. • Improving recruitment processes.

Strategic Change Ambitions and Leadership Commitments

(Fife Partnership Board, May 2023)

Put Community Wealth Building at the heart of what we're doing, so we

- actively engage and work with local business, start-ups and third sector to win more of our work
- reach out our recruitment to local communities
- prioritise CWB within our key strategies e.g. economy, climate, health

Live up to the Place Principle, so we

- work through a shared approach to how we inform, plan, review and engage locally
- adjust our structures and operating arrangements to enable locally responsive teamwork
- make resource decisions together

Implement system change in how we are supporting people and families to improve their quality of opportunity and life, so we

- commit to share knowledge, review our referral approaches, and redesign processes
- join up our access and information
- lead and invest in multi-service team working and skills

Prioritise health and wellbeing when we plan our places and services, so we

- invest in local community groups to facilitate local action
- design our workplaces and the services they deliver to improve physical activity and health and wellbeing
- work to create community networks and use all our assets to support physical activity and health and wellbeing, especially our green spaces

Cost of Living Update

Report by: Michael Enston, Executive Director (Communities)

Wards Affected: Fife-wide

Purpose

To propose continuing Cost-of-Living support through 2025/26, to report on proposed changes to welfare benefits and to provide an update on work looking at repeat applications to the Scottish Welfare Fund.

Recommendations

Members are asked to: -

- (1) agree the proposed projects totalling £1.053m for Cost-of-Living Support 2025/26 set out in section 2.0 of the report and Appendix 2.
- (2) note the funding challenge beyond the current year together with work to sustain provision as part of the move from crisis to preventative support and the development of the No Wrong Door model; and
- (3) note the level of uncertainty around proposed changes to welfare benefits, including the Scottish Welfare Fund and arrangements for keeping these under review.

Resource Implications

Agreement of these recommendations will mean that projects totalling £1.053m can be funded from £1.172m already earmarked for cost-of-living support, the breakdown of which is provided at Appendix 2.

In addition, the HRA budget provides £0.400m for energy support and there is £1.186m Scottish Government one off funding for the Welfare Fund advised in December 2024, carried forward to 2025/26.

Legal & Risk Implications

An EqIA is not required as this report does not propose new, or change to existing, policy.

Consultation

There has been continuous dialogue with partners, area teams, community groups and elected members to shape and deliver the cost-of-living support programmes. The Poverty Alliance carried out a facilitated self-evaluation of the first two programmes and the Tackling Poverty and Preventing Crisis Stakeholders' Group, which includes those with lived experience of poverty, were consulted recently on how the Scottish Welfare Fund could be delivered differently in Fife.

1.0 Background

- 1.1 The council has delivered Cost-of-Living support programmes since Winter 2022. These have been funded through the Revenue Budget and specific provision such as the Community Recovery Fund. Additional temporary funding through Covid and related funds, such as LACER, was also used to enhance support.
- 1.2 The programmes were designed and funded to help people and families manage through the cost-of-living crisis and as part of Fife's recovery from pandemic. The impact of these programmes has been reported through the annual tackling poverty report and to Cabinet. (See background papers)
- 1.3 A report in September 2024 summarised the learning from the delivery of the programmes and proposed several priorities to guide the move from a temporary high level of crisis support to a sustainable mainstream provision. These are to:
 - Maximise household income through benefits and financial advice
 - Help people to better manage including initiatives around energy efficiency
 - Bring people together, reduce isolation, improve connectedness and provide a basis for support and advice
 - Enable voluntary and community initiatives to develop and maintain local support
 - Enable key and front-line workers to work effectively together
- 1.4 These priorities are guiding the approach to provision for 2025/26 and shaping the work to build stronger preventative practice, led through the Tackling Poverty and Preventing Crisis board. Key to this will be the roll out of the No Wrong Door approach commencing in July 2025.
- 1.5 Funding priorities for 2025/26 are set out below. Additionally, the report brings members up to date with continuing changes to the benefit landscape. This section of the report has been prepared in response to a Motion agreed at full Council on 8 May 2025. The motion asked for a report to the next available Cabinet Committee on the impact of the proposed welfare changes in the "Pathways to Work: Reforming Benefits and Support to Get Britain Working" Green Paper. The report goes on to provide details of preventative measures being taken by the Scottish Welfare Fund in relation to recurring claims as requested by the Cabinet Committee on 5th of December 2024.

2.0 Cost-of-Living Support 2025/26

- 2.1 The Cost-of-Living support programmes have required significant temporary funding streams on top of recurring funds such as provision for Cafe Inc. The key areas of support have been around benefit maximisation, fuel crisis support, energy advice, community provision of food and warm places and provision of essential household items. In addition, several area committees have utilised Community Recovery Funding to increase levels of welfare advice and community support.
- 2.2 To continue key anti-poverty work and support in 2025/26, spending proposals are outlined in Appendix 2 and summarised below. £119k remains unallocated to meet any future welfare demand and allow flexibility across projects.
 - CARF with additional Advice Workers including a Benefit Campaign Co-ordinator, who are bringing in substantial financial gains for individuals and are helping people to build financial resilience.

- Staff training on energy advice and benefit checks, equipping them to provide early support.
 - The Cosy Kingdom's Handy Service that provided energy-saving measures for 597 households in the last 12 months, generating an average financial benefit of £109 per household.
 - The boiler repair scheme and provision of Winter Warmer packs.
- 2.3 Services have also mainstreamed successful initiatives, tested during the cost-of-living programme, and made them part of their regular offer. Housing is continuing to support individuals moving into temporary accommodation with fuel top ups and they are continuing the partnership with Cosy Kingdom and the national charity, the Fuel Bank. This partnership is delivering free impartial first level energy advice alongside fuel tops up vouchers for those reaching a crisis point.
- 2.4 Warm Places and Welcoming Places were delivered by local community organisations across Fife in 2024/25. Going forward, these will be funded directly through area anti-poverty budgets and support other wrap around welfare support being provided. The Winter Warmer packs will continue to be funded centrally.
- 2.5 A tiered approach to household goods is being developed to ensure the right level of support for those in need from the most vulnerable who may have little or nothing to furnish a home through to those who may need help to replace white goods, for example. This includes continuing support for the Big House project. Furnished tenancies are being looked at as part of this work and continued efforts are being made to reduce waste and help to recycle floor covering and household goods through the Council Housing Service Voids scheme.
- 2.6 In September 2024, Cabinet agreed to extend existing Community Recovery Fund spend into 2025/26. This enables welfare support, through direct funding for welfare staff and with CARF and Greener Kirkcaldy. At present, it is not clear whether the Scottish Government will allocate further additional funding for the Scottish Welfare Fund.
- 2.7 Looking ahead, there is a significant funding challenge again from 2026/27 onwards if current provision, and methods of delivery, are to be maintained. The development of the No Wrong Door model of integrated community provision will involve looking at the provision of welfare and benefits advice and the current level of temporary funding will be assessed as part of the financial modelling for Fife wide provision. Existing budgets including the role played by area anti-poverty budgets and the Fairer Fife budget funding of employability need to be part of this assessment. It is unlikely that current provision can be sustained via these routes.

3.0 Welfare Benefits Update

- 3.1 Through its recent 'Pathways to Work' green paper, the UK Government is proposing changes to health and disability benefits to encourage people back to work. This responds to the rising number of claims for disability and health-related benefits since the pandemic. This includes changes to PIP eligibility, requiring a score of at least four points in one daily living activity to qualify and changes to the Health element of Universal Credit (UC). No changes are proposed to the Work Capability Assessment (WCA) with previous reform plans scrapped.

- 3.2 Some of these changes will not apply in Scotland, with PIP being replaced by Adult Disability Payment (ADP). However, the UK Government changes to PIP eligibility will affect the funding available to the Scottish Government for ADP. The Scottish Government will need to decide whether to replicate the change or find funding from elsewhere, particularly as health and disability related benefits have been rising faster in Scotland than in England and Wales.
- 3.3 Increased funding for employability services could result in more funding for 'No One Left Behind' but this has yet to be confirmed. There will be increased demand for employability support from people who would otherwise have been in work due to ill health. The needs of clients will necessitate high quality support that recognises the multiple barriers to work that they face.
- 3.4 While the UC Standard Allowance has been increased (with above-inflation rises planned through 2029/30), the Health element of UC is to be frozen for existing claimants (until 2029/30) and reduced from £97 to £50 for new claimants, creating a two-tier system and increasing the risk of poverty for new claimants. There is no detail yet on how Universal Credit (UC) claimants in Scotland will be assessed for the UC Health element (given PIP is being phased out).
- 3.5 The move to Universal Credit (UC) continues, with Employment Support Allowance (ESA) legacy claimants being subject to managed migration. The five-week wait for UC to be paid continues to be an issue.
- 3.6 The Council's Welfare Planning Group – which has representation from a range of services and partners, including DWP and Social Security Scotland – will continue to keep an active watching brief on any changes to welfare benefits.

Scottish Welfare Fund Update

- 3.7 The core budget for Scottish Welfare fund is £2.55m, this is made up of Scottish Government Funding £2.4m and Fife Council budget top up of £0.150m. For the past three years, Fife Council has enhanced the Scottish Welfare Fund (SWF) by temporary funding ranging from £1.863m to £2m. A one-off settlement of £1.186m from the Scottish Government advised in December 2024 will be utilised in 2025/26.

Alongside carry forward of core budget into 2025/26 of £0.344m, the total budget for 2025/26 is £4.080m. Each year the fund's core budget has been set at £2.4m and this is due to expire at the end of 2025/26. It is unclear what funding arrangements for Scottish welfare funds will be after that date.

- 3.8 Given budget pressures and the sense that the Fund is no longer fit for purpose as demand grew, soundings were taken through the Institute of Revenues, Rating and Valuation (IRRV) to see if councils were going to continue topping up the Fund. Responses indicated that they would not. Nationally it appears councils are seeing it as not sustainable particularly with the strain on budgets but also its apparent ineffectiveness given the number of repeat applications. The additional funding could be spent elsewhere on more meaningful interventions.
- 3.9 Fife did some detailed analysis of repeat applications, and the Member Briefing of 8th January 2025 outlined the situation. Of the 25,266 applications to March 2024, 37% applicants applied two or three times with 13% applying more than three times.
- 3.10 To better understand the root cause of repeat applications a working group was established bringing together Welfare Fund staff, local area welfare leads and council research and analytical staff. The aim is to analyse and understand why some people depend on crisis grants time and again. A mapping of support wider than the Fund and the tracking of applicants' journeys will inform where support teams could intervene earlier and influence change in current processes.

- 3.11 The goal is to put a process in place across council teams where individuals can access help earlier in their local community so they can move from reoccurring financial crisis to supported preventative action. This model would see the local area teams engaging in outreach work with individuals who have claimed four or more times. Design work on this consistent partnership-based approach starts in June 2025. As the No Wrong Door operational model is developed, this will be folded in.
- 3.12 Meantime, reports are run on third time SWF crisis grant applicants and calls are made proactively to offer targeted support. To date, around a quarter of applicants have taken up the offer of additional support, which bodes well for the new approach.
- 3.13 To support this work, a new Hardship Fund of £0.500m is proposed. The Fund will give more leverage than the current Scottish Welfare Fund. There will be wider eligibility criteria and the chance to award a higher average amount (currently the average crisis grant awarded is £96). Currently, crisis grant payments focus on the immediate need of the individual and can't go beyond that. This new hardship funding alongside wrap around support will be a tool to help support people out of crisis into a more stable situation.
- 3.14 Additional funding for floor covering of £0.230m is also proposed through the Scottish Welfare Fund Community Care element. This is to test a Third sector/social enterprise model of delivery and ensure households identified through the fuel poverty work as lacking floor covering are supplied with suitable covering.

4.0 Conclusions

- 4.1 The learning from the last three years delivering the cost-of-living programmes suggests that a more integrated neighbourhood-based approach to support, helps people access assistance early and in ways that contribute to more positive outcomes. The updates and proposals in this report for 2025/26 are another step towards that, however, funding challenges and uncertainty, coupled with the need to support people from crisis towards stability, calls for a new model. Development work on that through No Wrong Door is underway.

List of Appendices

1. Highlights of Provision 2024/25
2. Cost-of-Living budget 2025/26

Background Papers

The following papers were relied on in the preparation of this report: -

- 12th September 2024 Cost of Living Report Cabinet Committee Report [CCPublicAgendaPack2024-09-12](#)
- 5th October 2023 Cost of Living Winter Programme 2023 [CCPublicAgendaPack2023-10-05](#)
- 6th April 2023 Cost of Living Continued Support [CCPublicAgendaPack2023-04-06](#)
- 2nd September 2022 Help with the Cost of Living [Agenda-and-papers-for-Cabinet-Committee-meeting-22nd-September-2022.pdf](#)

Report Contact

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Highlights of Provision 2024/25

Food



171,541 meals were provided by Fife Council Cafe Inc over the school holidays

Auto Enrolment of Free School meals 11 000

Home



£1.66m on school clothing for **11,562** children

597 households supported by Handy Service Cosy Kingdom

Fuel



2,742 fuel top ups awarded totalling **£139,560** of support from the Fuel Bank

616 temporary accommodation top ups totalling **£53,141**

474 damp and mould awards made to 427 households

434 frontline workers trained to give energy advice and just over **400** on using the Fife Benefit Checker

38 households benefited from Boiler Repair Scheme, with a spend of **£50,082**.

Money



8,001 completed benefit checks from 12,414 uses

The Our Fife/Get Help website had **32,179** views

£45,837.72 of Free School Meal and **£39,864.31** of Council Tax Allowance debt written off

£2.34m awarded through Scottish Welfare Fund Crisis Awards

29,948 awards averaging **£96.00**

Advice and support



235 families

supported by **CARF Community Advice Workers**

Financial gain - £247,000

186 clients

supported by **Maternity Services Advice Worker**

Financial gain - £543 311

Campaigns



Almost £7m

in financial gain from

3 Pension Credit campaigns

£1,955,382 for unpaid carers in Fife

in financial gain

from **Carer support benefit campaign**

Cost-of-Living Budget 2025/26

Temporary Available Funding 2025/26	£
Cost of Living Carry Forward / Underspend	242,000
Fife Wide Community Recovery Funding unallocated	200,000
2024/25 Reserve to meet excess demands in any of the welfare funds administered by the Council	300,000
Welfare Budget Investment 25/26	430,000
Sub – Total	1,172,000
HRA	400,000
Scottish Government additional SWF funding received March '25 carried forward	1,186,000
Total Available Temporary Funding	2,758,000

Description of Award	Requirement 2025/26
	£
Hardship Fund	500,000
Cosy Kingdom- Enhanced Handy Service across Fife	88,000
Training Post – Energy Advice	42,000
CARF posts -Benefit Take Up Campaign Co-ordinator, Advice Worker- Maternity Services, Capacity Building Post- training on Get Help Fife and benefit checker	108,000
Boiler Repair scheme	60,000
Winter Warmer Packs	25,000
Carpets	230,000

Sub - Total	1,053,000
Mould and Damp Issues/Fuel Top Up contingency - HRA	400,000
Total - Cost of Living Support	1,453,000
Hardship Support -SWF	1,186,000
Total - Temporary Spend	1,186,000

Total **2,639,000**

Unallocated **119,000**

Allotment & Community Growing Strategy 2024-2029 Resource Update

Report by: Paul Vaughan, Head of Communities and Neighbourhoods Service

Wards Affected: All

Purpose

To identify current and investment options for delivery of the Allotment and Community Growing Strategy 2024-2029 (A&CS).

Recommendations

Members of the committee are asked to:-

- (1) note current resources delivering the Allotment and Community Growing Strategy; and
- (2) agree the total of £0.320m until 2029 to deliver community grants and training to support the strategy and the use of £0.064m recurring funding from existing service budgets to support a permanent staff resource.

Resource Implications

This report identifies an increase in revenue budget for grants scheme/training resource for the duration of the current strategy up to 2029 of £0.320m (£0.080m per annum). This can be funded from the remaining temporary funding for community growing initiatives and temporary funding for community recovery initiatives approved in the 2022-2025 revenue budget. The permanent staff resource to deliver the action plan up to the end of the period of the strategy and beyond is a recurring £0.064m. Funding for this will be identified from service budgets.

There is £0.680m in the 2025-35 capital plan for delivery of the allotment strategy.

Legal & Risk Implications

The strategy meets the requirements of the Community Empowerment (Scotland) Act 2015 which places a duty on local authorities to produce a food growing strategy for their area.

Impact Assessment

An Equalities Impact Assessment is not required as this is an update report.

Consultation

The A&CG strategy 2024-2029 was informed through an extensive consultation process with allotment holders and individuals on the allotment waiting list, as well as Fife Council Services and external partners, including NHS Fife and Scottish Government.

1.1 Background

- 1.1 Cabinet agreed the Allotments and Community Growing Strategy at its meeting of 8 February 2024 and an update report was provided at Cabinet on 1 May 2025. The request from cabinet was for a detailed report on resourcing requirements to fully implement the Allotment and Community Growing Strategy to be brought to cabinet for the June meeting.
- 1.2 The strategy sets out six areas of focus to direct action over the period of 2024-2029 to help more people access land in ways that are safe and sustainable.
- **Creating sites:** Complying with the statutory duty under the Act to create new sites for allotments across Fife by making more land available and making best use of the land.
 - **Managing allotments:** Complying with the legislation – managing allotments on public land – and with annual statutory reporting to Scottish Government.
 - **Developing horticulture skills:** Complying with the legislation to provide horticulture training by making introductory horticulture training a condition of tenancy for allotments and extending horticulture training to community groups.
 - **Encouraging participation:** Building public awareness, increasing participation, and supporting people's access to information and resources regarding their local growing spaces. Offering a continuum of opportunities, suitable for people of all ages, abilities and life circumstances, to ensure community growing is accessible to all who want to take part.
 - **Supporting communities:** Supporting community growing groups to start and sustain and learn from and build on examples of best practice.
 - **Working in partnership:** This area of focus underpins the strategy. To make progress on all areas of focus, there is a recognition that council services must work in partnership together and with external partners, such as NHS Fife, local businesses and third sector organisations.

2.0 Resource Requirements

- 2.1 Current Full Time Equivalent staffing for the delivery of the allotments in Fife has remained static for many years and sits within the Community Projects Team within Communities and Neighbourhoods:
- Allotments Officer
 - In addition, business support staff assist in the management of the allotment contracts
- 2.2 To support the delivery of the strategy and to enhance sustainability in the resourcing for the Allotments and Community Growing Strategy a model for a Food and Community Growing Unit has been developed. The unit would be responsible for the delivery of the Allotments and Community Growing Strategy alongside supporting the Healthy Food for All, Community Food and Partnership working pillars of the Food4Fife Strategy and Action Plan 2024-2029.
- 2.3 The “allotment and community growing strategy” and “Food for Fife” strategy dovetails with the strategic key priorities of the council. The service with support of council service stakeholder's have reviewed the resource requirements to ensure that respective action plans for 2024-2029 is deliverable. The service has assessed current challenges, potential gaps in provision and appropriate resource requirements either it be realigning, reallocation or reconfiguring existing service resource to support delivery.

- 2.4 Allocating revenue funding for staff resource will support the delivery of the strategy and it is anticipated there will be a requirement to increase revenue support of £0.064m per annum throughout the life span of the five year strategy and beyond to support the refresh of the strategy from 2029 and support the Food for Fife Strategy. This will include the realignment of existing workforce to support an integrated approach to develop and deliver the strategy with a team consisting of a manager and three dedicated officers supporting the delivery of allotments and community growing and Food Strategy, improved alignment of officers supporting community food and household poverty and continuing administration support from Business Support. Workforce implications relating to this proposal will be discussed with the Trade Unions and staff in accordance with the Managing Workforce Change Procedure.
- 2.5 To support the strategy a revenue budget for grants and training of £0.080m per annum for the duration of the current strategy up to 2029 only has been identified. A total cost of £0.320m over the remaining four year period. Within this funding it includes training and ongoing support to the seven areas to deliver a community grant scheme for community-based projects.

3.0 Conclusion

- 3.1 Progress has been made in the first year of delivery of the new strategy and resource requirements identified to deliver the strategy. The total identified recurring increase in revenue budget is £0.064m and a temporary increase per annum of £0.080m until 2029, a total of £0.320m over the four-year period.

Background Papers

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

- Fife Council Allotment Strategy 2018-2023
- Food and Welfare Support, Community and Housing Services Sub-Committee (26 May 2021)
- Allotment & Community Growing Strategy 2024-2029 (p77)
https://www.fife.gov.uk/__data/assets/pdf_file/0023/551732/Agenda-Pack-for-Cabinet-Committee-8th-February-2024.pdf
- Minute of Cabinet Committee on 8 February 2024

Report Contact:

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26 June 2025
Agenda Item No. 11

Housing Emergency Action Plan: Strategic Statement

Report by: John Mills, Head of Housing Services

Wards Affected: All

Purpose

This report presents the next iteration of the Housing Emergency Action Plan, fourteen months since the declaration of the Housing Emergency. The report asks the Cabinet Committee to agree to consult on the medium- to long-term actions. If agreed, these actions will be developed with key partners and the public to develop a transformational change programme.

Recommendations

It is recommended that Cabinet Committee:-

- (1) agree to use the Strategic Statement as the basis for consultation and further development of the suggested actions; and
- (2) note that further work will be undertaken around the resource implications in particular

Resource Implications

Whilst there are no specific resourcing implications arising directly from this report, there will be a range of resource implications arising from some of the proposed actions for consultation. These will be considered as the actions are developed with partners. The Strategic Statement proposes several high impact actions that will have both capital and revenue implications for the Housing Revenue Account and General Fund.

Legal & Risk Implications

The Housing Emergency is confirmation that the council is not meeting legal duties to house homeless people in suitable temporary accommodation and to offer temporary accommodation on the day of need. The Scottish Housing Regulator has classified the council as being in “systemic failure” and is now monitoring progress monthly. While short-term actions have helped reduce some risks, more action is needed to meet legal responsibilities and protect vulnerable people.

Impact Assessment

An Equality Impact Assessment will be carried out when any policy or approach changes are identified. A Climate Impact Assessment has not been undertaken as this report does not propose any immediate changes to policies or services.

Consultation

There has been detailed consultation with a range of stakeholders through the Fife Housing Emergency Summit and follow up actions to assess and distil the high priority and impactful actions contained in the Strategic Statement. Services and Partners have been consulted as part of the Housing Emergency Programme Board deliberations.

1.0 Background

- 1.1 This is the third in a series of Housing Emergency Cabinet Committee reports with the previous papers covering the background to the Housing Emergency and the short-term actions to mitigate the operational pressures were covered in the March Cabinet Committee Report. Elected Member Briefing Notes have also been produced and distributed over the last 12 months with a similar focus. On this basis, this report does not revisit short term actions and progress, however, these are covered within Appendix 1 of the Strategic Statement.
- 1.2 The previous reports have also highlighted the systemic issues and barriers leading to the declaration of a local and national housing emergency. This was underlined by the Scottish Housing Regulator and other reports in 2024. Further research and academic work has been carried out in 2025 reaching a number of conclusions, perhaps the most relevant of which are the recommendations made to Scottish Government by the Housing Investment Task Force during May. These have all stressed the need for systemic and transformative change to improve housing supply, maximise the use of existing properties and enhance homelessness prevention.
- 1.3 This report and Strategic Statement set out the high impact areas proposed for development to generate transformational change at a local and national level in the medium to longer term.

2.0 Options and Issues

- 2.1 The Strategic Statement is a culmination of a partnership engagement, driven through the Local Housing Strategy (LHS) governance framework. The Housing Emergency Board has overseen a process to identify several high impact areas, capable of generating systemic and transformational change within the housing finance, subsidy and resourcing system. The focus has been to deliver the LHS aim of providing housing choices for the people in Fife to identify high impact and transformative actions for further political and partnership consultation over the summer.
- 2.2 While there is a focus on housing supply, the Housing Emergency focus has also generated an investigation into wider housing action areas such as the management of empty homes in the public and private sectors, action to prevent homelessness and measures to promote accessibility and sustainment of homes. Previous reports to Cabinet, specifically the March 2025 report, have demonstrated that progress is being made in Fife across these areas within existing resources. This showed progress in meeting homelessness needs, reducing the number of households waiting for services and the impact of measures to address key priority areas (for example, Long Term Empty Homes and Void / Allocations management). However, lack of funding or short-term external funding will undermine the sustainability of these activities and actions. Previous reports have also highlighted that officers have been able to re-direct funding from Resettlement budgets to build capacity within the housing system as a short-term measure and to test innovations which could lead to broader change in the future. This investment is focussing on property acquisitions and measures to improve the operation of the private rented sector.
- 2.3 The Strategic Statement is intended to generate agreement and focus on the key areas which can make the most difference and lift Fife out of Housing Emergency - although there is no clear criteria for this at local or national level at this stage. The development of these actions has underlined the complexities and inter-dependencies across the systems and recognises that each action / functional area will require further discussion and the development of business cases and approaches with links across the Housing, Planning, Finance and Policy frameworks.

- 2.4 The Statement also recognises that the Housing Emergency response must sit alongside Fife's response to the Climate Emergency, Transformational and Service Change Planning programmes as well as policy developments in related areas, such as the redevelopment of the Local Delivery Plan which will take time to co-ordinate and generate a collaborative and cohesive approach going forward.

3.0 Conclusions

- 3.1 The Strategic Statement has been written within a dynamic financial and budgetary environment. Officers have worked to assess the impacts and re-prioritise activities while focussing on short term actions to mitigate the emergency. Previous reports and Briefings have presented an improving position but the Strategic Statement is the culmination of partnership engagement and consultation to generate actions which challenge the status quo. This has been with the aim of identifying a small number of high impact areas to progress and generate medium – longer term change which can be found in the 'Options to delivery medium-term change to the housing system' strategic statement. This process has confirmed that changes in financing and subsidy systems needs to be systemic but there are also wider cultural, organisational and policy change required to lift Fife out of Housing Emergency and the actions will require further consultation and the development of business cases in the coming months.

John Mills
Head of Housing Services

List of Appendices

1. Fife Housing Emergency Strategic Statement: Options to deliver medium term change to the housing system

Report Contact

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Fife's Housing Emergency Strategic Statement:

Options to deliver medium-term change to the housing system

June 2025

Executive Summary

Declaring an emergency

The housing emergency represents systemic challenge across the sector. Fife Council's declaration of Housing Emergency on 21st March 2024 cited a combination of pressures:

- Scottish Government reducing the 2024/25 affordable housing budget by 24%.
- Reduced turnover of empty council and housing association properties 2020-23.
- Decreasing property numbers and increasing rents in the private rental sector.
- High numbers of long-term empty homes across both public and private sectors.
- Regular breaches of our statutory homelessness duties (temporary accommodation offers at the point of need and Unsuitable Accommodation Order Breaches) despite doubling temporary accommodation resources since 2020.
- Research indicating homelessness could increase by 30% over next two years¹

These challenges make it evident that fundamental and systemic change to the housing, and supporting systems, is required to ensure everyone has access to an affordable, suitable and safe home.

Housing Emergency Proposed Actions in the Medium Term: (2025-27)

The Housing Emergency Board recognise that in addition to a continuing focus on short-term actions to maintain housing supply and reduce homelessness pressures, there is a need for strategic actions to address systemic failure of the housing system in Fife.

The following 6 recommendations and 24 actions are proposed to address acute pressures and improve outcomes within the housing system for more people:

Recommendation 1 - Boosting New Build Affordable Housing within the context of a multi-tenure housing approach

- i. Ensure finances are in place to deliver the final 3 years of the Affordable Housing Programme (2026-29)
- ii. Develop multi tenure approaches as part of wider area regeneration in addition to single site development and make use of specific funding approaches targeting rural housing and economy issues.
- iii. Work with Scottish Government and other partners to develop and adopt a cross-subsidised housing tenure model for larger sites and town centres.
- iv. Consider a process for all Fife Community Partners to release land and empty properties to support the new build programme.
- v. Consider and impact assess an approach to ensure General Fund land can be transferred to the Housing Revenue Account for nil value to support the Council's Affordable Housing Programme.
- vi. Develop an investment and allocation approach to recognise the role of key workers in building strong and sustainable local economies with a focus on rural areas

Recommendation 2 – Meeting Homelessness Statutory Duties

- i. Eradicate the use of hotels, B&Bs and other forms of unsuitable temporary accommodation, ensuring there is access to appropriate temporary accommodation and rapid rehousing where homelessness can't be avoided.
- ii. Develop a funding and resource model to Increase the number of community-based furnished temporary accommodation by 200 over the next 2 years.

¹ [The Homelessness Monitor: Scotland 2024 | Crisis UK](#)

- iii. Conclude a bid to Scottish Government and Fife Council to re-introduce a successful Private Sector Leasing Scheme of 100 properties with financial deficit support by the Scottish Government and Fife Council.

Recommendation 3 Targeted Reduction of the Homeless Backlog, increasing the range of housing options available for let and accelerating the move to Rapid Rehousing

- i. Develop an approach to promote the development and use of options such as Mid-Market Rent and of low-cost home ownership to address, in particular, the growing challenge of housing for single people and the financial challenges for households due to current housing market conditions.
- ii. Increase annual flipping of scatter flats (converting the occupant's temporary tenancy to a permanent home) from 100 to 200 per year with a specific focus on families with children in temporary accommodation.
- iii. Implement the recent Cabinet decision to enable single people to be offered two-bedroom properties addressing supply and demand issues for single people, including considering ways that shared accommodation could support vulnerable households
- iv. Simplify housing allocations policy and practice by developing more commonality across partners and a focus on housing need and boost turnover.
- v. Consider the impact of, and work toward, the implementation of a transfer-led housing allocations approach by Fife Housing Register partners to boost turnover of stock.
- vi. Address contractual and supplier issues to reduce the numbers and time properties are empty at change of tenancy to maximise the availability and use of existing properties.
- vii. Work with owners and relevant partners to significantly reduce the number of long-term empty homes in the private sector and maximise renting options.

Recommendation 4 – Increasing Property Acquisitions to Reduce Children in Temporary Accommodation

- i. Over the medium term, develop a financial model to increase the role of property acquisitions, utilising available funding such as resettlement and work with Scottish Government to target specific gaps in provision.
- ii. Establish resources to increase property acquisitions within the context of a revised policy to meet housing and homelessness needs that can't be met through normal turnover

Recommendation 5 – Enhancing the Prevention of Homelessness

- i. Examine and increase the use of technology, provision of equipment and adaptations to respond to demographic change and help vulnerable households remain at home safely.
- ii. Enhance homelessness prevention measures in preparation for wider public sector duties to reduce reliance on crisis response services and the negative impacts / trauma associated with homelessness.
- iii. Upscale Housing First to provide 200 more tenancies over the next 2 years
- iv. Establish a Whole Systems Approach linked to the development of No Wrong Door and other innovative models to establish a comprehensive support package to help people sustain tenancies and build capacity within public sector bodies

Recommendation 6 – Enhancing Funding Opportunities for Housing & Homelessness Services

- i. Building on the work of the Housing Investment Task Force, continue to work with Scottish Government and CoSLA to develop alternative funding approaches to sustain and increase the supply of a broad range of affordable provision, addressing issues in the subsidy and funding system for social housing while continuing to deliver the affordable housing programme.
- ii. Present a case to the Scottish Government to continue with financial support post March 2026 to support the Fife Ending Homeless Together Plan (formerly the RRTP Plan).

Introduction

The Housing Emergency is due to the fragile and uncertain finance and subsidy framework in the housing system. These issues have been ongoing for years and the Housing Emergency response encourages innovation and systems reset at local and national levels.

This Strategic Statement shows the Housing Emergency Programme Board's (later referred to as the Board) progress with short-term changes and existing resources which is summarised in Appendix 1. These measures can go so far, with the Statement highlighting the need for a fundamental approach to address local and national challenges and create a housing system that works for everyone. The following narrative outlines the complexity of issues across three themes and make recommendations that need further consultation.

The Board is committed to working with Scottish Government and other partners to increase investment, stability, and flexibility in housing supply and planning. Key focus areas include:

- **Maximising housing supply** through the affordable housing programme.
- **Reducing long-term empty homes** in both private and public sectors, seeking additional funding for private sector issues.
- **Improving quality, accessibility, and environmental impacts** of existing housing stock.
- **Adopting a prevention and sustainability-based approach** to housing services, focusing on housing options and supporting vulnerable households.
- **Enhancing access to all housing options** and addressing barriers to specific tenures.

Fife Council declared a housing emergency in March 2024 due to significant pressures on housing and homelessness services and a range of systemic issues.

A National Housing Emergency was declared by the Scottish Government on 15th May 2024 and to date, 13 local authorities and several representative sector bodies (e.g. Shelter Scotland, Chartered Institute of Housing) have formally declared housing emergencies.

In November 2024, Scottish Government created a Housing Emergency Unit and Fife is one of five authorities participating in a national 'Sprint' and, at this time, the next steps nationally remain unclear. This has acted as a catalyst for positive change and help reset the Housing to 2040² agenda, recognising the current systemic constraints and aligning local and national responses.

A Housing Emergency Summit was held in May 2024, bringing together a range of housing partners, community planning partners and housing developers to discuss the Emergency and formulate a response to it. A range of initiatives and proposals were made through the Summit and these were taken into the Board to plan and co-ordinate a strategic response. Within this the Board sought to;

- Ensure a collective focus to address immediate issues and challenges; and
- Consider possible changes to current policy and practice to develop a strategic approach in the medium and longer term.

Three 'Themes' were identified to guide the work of the Board:

- Maintaining Affordable Housing Supply,
- Making best use of existing properties and
- Enhancing housing access & prevention of homelessness

² [Supporting documents - Housing to 2040 - gov.scot](#)

These were agreed by Cabinet Committee on the 6th June 2024³ with further work commissioned to explore areas where transformational change could promote improvement across housing and related services;

- Maintaining new supply including financial investment models
- Procuring land in places of housing need and demand
- Managing empty social sector homes
- Long-term private sector empty homes
- Making best use of technology to look after homes
- Preventing homelessness and maximising housing options

These areas were scrutinised by the Board and relevant partnership groups to identify and prioritise a focussed number of high impact actions. These are put forward to the Council and Partners as key recommendations to strategically intervene in the housing system in Fife, but recognising that they will also require UK and Scottish Government Action to support them legally and fiscally.

The Housing Emergency context and risks are related to;

- Reductions in new build site approvals and starts during 2024/25. Even with restoration of the housing subsidy level by the Scottish Government, it will take some time to recover momentum in new site starts over the next 2 years.
- Council's and Registered Social Landlords (RSLs) will need to prioritise investment decisions and face choices between investment in existing stock and new supply due to limited housing finance available within capital and revenue budgets.
- Continuing real time downward pressure from increasing construction costs and volatility within the affordable housing budget and subsidy levels, presenting challenges to the supply of a range of housing options, specifically new build social homes.
- Housing market operational trends which are reducing access to private rented sector accommodation.
- A limited supply of below market rent options including mid-market and other below market subsidised products in the development pipeline will place pressures on the social rented sector and limit household options.
- Pressures on the ability to generate specific needs and specialist / supported housing due to the financial and resourcing considerations involved.
- Predictions that economic and other factors are going to continue to drive homelessness and housing vulnerability in the short-term placing pressure on temporary accommodation and other homelessness / housing support services.

³ [CCPublicAgendaPack2024-06-06.pdf](#)

Fife Context and Key Challenges

Fife faces complex and interconnected challenges. Solving one issue might negatively affect others. We need to balance needs and demands within limited resources, considering the uncertain economic, planning, and environmental context.

Housing Need and Demand

In addition to a robust and mature strategic planning framework, Fife has a strong track record of delivering new social rented homes linked to the combined Housing Need and Demand Assessments (HNDA)⁴⁵ for Fife. The most recent HNDA's indicate that 2,392 households are in housing need and require social rented housing to meet that need. This existing need has been used to inform a range of housing scenarios to calculate housing estimates for both affordable and market housing.

The agreed scenario for Fife was steady growth which estimates a need for 673 new homes per annum (401 affordable, 272 market) from 2021 to 2030. This information is used to inform the Housing Supply Target in Fife, along with Affordable Housing Programme requirements by tenure and Housing Market Area.

Fife Housing Register

Common Housing Register housing lists are demand driven and should not be used to indicate housing need. However, the data can be examined to provide an indication of the sizes and types of properties required for social rent, along with an idea of the local areas required. In 2024:

- 11,847 applicants were on the Fife Housing Register (FHR) list with the predominant proportion (50%) of households entitled to a 1-bed property.
- 1,289 of FHR applicants were homeless, with 76% of this group also having a prevalent need for a 1-bed property.
- 66% of applicants are new to social housing in Fife which means a social housing tenancy would not be freed up through the chain of supply.
- There are 42,225 properties recorded across all social landlords in Fife, with RSL stock constituting 26% of this.
- Across all social housing stock, 2-bed properties are most common at 48%, with 25% of stock recorded as 3-bed.

Homelessness Demand

Around 2,700 households become homeless each year, and this number may rise by a third (about 900 more households) in the next two years⁶. Despite progress in tackling homelessness, over 1,600 households, including 360 children, are still waiting for a permanent home. This situation shows a growing problem of households struggling to find safe, secure, and long-term housing. Solutions must address current needs and also prepare for future demand, which is hard to predict.

⁴ [SES+HNDA3+Final+Report.pdf](#)

⁵ [Tayside HNDA3 final report for North Fife](#)

⁶ [homelessness-monitor-scotland_report2024_v7.pdf](#)

A Multi-Tenure Approach

Based on HNDA housing estimates, 673 new homes are needed each year until 2030. Of these, 401 should be affordable and 272 for market. Approximately, 20% of affordable homes should be below market rent.

Developing a mixed tenure housing programme faces several challenges:

- Short-term budgeting and uncertain subsidies make long-term planning difficult.
- Limited suitable land and new infrastructure are needed for growth.
- Local Development Plan reviews will take time to address housing land requirements.
- Construction sector capacity issues affect housing delivery.
- Supply and demand mismatches exist, especially for single-person households and larger families.
- Proposed rent caps in the Housing (Scotland) Bill may discourage investment, impacting housing supply.

Private Ownership and Long-Term Empty Homes

The Private Rented Sector is shrinking due to rising costs, lower returns, and increased responsibilities. Private landlords are selling up or raising rents, making the sector unaffordable for many.

Currently, there are 2,664 empty private homes in Fife. The reasons vary, and engaging with owners is complex and time-consuming. There is a lack of funding to bring these homes back into use, potentially as social housing.

Balancing Priorities Within Existing Stock

While improving the overall housing market, Fife Council and partner landlords must also invest in its existing homes to meet national standards and provide safe, quality homes while keeping rents affordable.

All landlords face challenges with new design and energy efficiency standards to achieve net zero in social homes, all within a tight budget. An ageing population and the need for more specialist housing for those with disabilities require changes to help people stay in their homes.

Demand for supported accommodation is rising, needing more Housing First and other supported housing options. Supporting these households is challenging due to financial pressures on service providers.

The Council struggles to meet its duty to provide temporary accommodation and comply with the Unsuitable Accommodation Order. Limited funding for homelessness prevention and the end of the Scottish Government's Rapid Rehousing Transition Plan in March 2026 put services at risk.

Fife has also taken in families from conflict areas, which has had a limited impact on housing so far, but this situation is fragile and could add more pressure on temporary and permanent housing.

Policy Options & Actions

The declaration of a Housing Emergency in Fife and nationally shows failures in policy, finance, and strategy to provide affordable, safe, and healthy homes. This was confirmed by the Scottish Housing Regulator in 2024⁷.

Fife's housing system needs policy changes to maintain social rented homes, use existing housing effectively, support households in need, and prevent homelessness. There are interconnected issues blocking sustainable communities and housing options.

Pressure on crisis services, especially homelessness, requires long-term changes to tackle poverty and improve wellbeing. This Statement shows that focused actions in housing management, homelessness services, and private sector intervention can help but have limited long-term impact.

The current system underpinning the Affordable Housing budget highlights the vulnerability of the housing supply programme, leading to reduced housing supply over the next 2-3 years. The Emergency response needs strategic and policy changes to improve outcomes for tenants and those in housing need. There must be an ambition to create more certainty within the investment programme providing a minimum 3 year, ideally a 5 year, financial planning framework. The anticipated Housing Investment Task Force report may go some way to supporting this aspirational approach, together with wider public sector financing reform.

The Council's Place agenda and programmes to tackle poverty, sustainability, and environmental improvement offer opportunities for innovative partnerships, building on existing strong arrangements, with a focus on the following specific actions across the three themes which are framed as a series of Actions in Appendix 2.

Maintaining Affordable Housing Supply

Maintaining the supply of new homes is crucial for addressing the housing emergency. While building social rented housing is a priority, there is a need for a broader range of affordable housing options within the Strategic Housing Investment Plan. Housing should meet the needs of Fife households, adhere to design standards, and create sustainable communities as part of a revised approach to Place, Planning and Design.

The Statement highlights several challenges limiting the pace and scale of new build housing delivery. These include issues with the current housing finance and subsidy system, rising inflation and costs, infrastructure and land constraints, and capacity and skills shortages in the construction sector. The Statement suggests exploring alternative funding options and delivery models for affordable housing.

To improve the delivery of affordable housing in Fife, property acquisitions funding needs to be identified to strategically increase purchases annually to meet homelessness and other needs included in the recommendations and action plan. This will expand social rented stock without the challenges of new builds. However, a new build affordable housing programme must remain as the primary delivery vehicle with new funding mechanisms to bridge the gap.

⁷ [Update to our February 2023 thematic review of homelessness services in Scotland - December 2023 | Scottish Housing Regulator](#)

There is a shortfall in below-market-rent (BMR) initiatives, so the affordable housing programme should increase the delivery of products subsidised below market value. BMR includes mid-market rent (MMR) and cross-subsidised tenure models for larger and town centre sites. These should be included in future Strategic Housing Investment Plans to reduce pressure on the social rented sector.

A rural housing working group has researched accessing the national 'Rural Affordable Homes for Key Workers'⁸ fund to provide affordable housing in rural areas for key workers. To access this fund, key workers must be defined in the Housing Allocations Policy. Addressing this policy change will help access additional subsidies to increase the supply of affordable housing, target underused or empty homes and retain key workers in rural communities.

The key issues summarised:

1. Finance and Subsidy Issues: The current housing finance and subsidy system is limiting the delivery of new build housing.
2. Rising Costs: Increasing inflation and costs are impacting construction of new homes.
3. Infrastructure and Land Constraints: There are limitations due to the availability of suitable land and necessary infrastructure.
4. Construction Sector Capacity: There are shortages in skills and capacity within the construction sector.
5. Shortfall in Below-Market-Rent (BMR) Initiatives: There has been a lack of BMR housing initiatives, increasing pressure on social rent delivery.
6. Housing Options for Key Workers: There is a lack of housing options for key workers, which adds pressure on social rented housing.
7. Policy and Funding Adjustments: Changes in policy and new funding mechanisms are required to support the delivery of affordable housing.

Making Best Use of Existing Properties

Fife Council, one of the largest social landlords in the country, manages a significant housing stock through the Fife Housing Register. Maximising occupancy and efficiently using existing properties is crucial for addressing housing pressures in Fife. This focus is central to the housing emergency response and landlord business plans.

Fife Council promotes a transfer-led approach to housing allocations, aiming to provide the best options for tenants and create housing opportunities for priority needs groups. There are around 400 empty properties at any one time, and efforts are focused on minimising relet timescales. Streamlining the process to reduce the time properties are empty can improve rental income and free up temporary accommodation for homeless households.

In an environment of limited supply, there needs to be a specific focus on making the best use of stock. Over 1,000 tenants have indicated a desire to move because their homes are too big, but finding suitable, smaller homes is challenging. Interim changes to the Allocation Policy could simplify housing allocations, promote commonality across the FHR Partnership,

⁸ [Affordable housing initiative for key workers - gov.scot](https://www.gov.scot/topics/housing/affordable-housing/initiative-for-key-workers)

enhance turnover, and ensure homes are allocated more efficiently. Financial or practical assistance incentives could be enhanced to promote mobility and address local supply and demand issues through effective tenancy management.

Transitions between temporary and permanent accommodation can create significant challenges for homeless households. Rapid Rehousing commitments aim to convert 100 temporary tenancies into permanent homes. Increasing financial resources to maintain temporary accommodation could improve outcomes for homeless households and make better use of available housing stock, particularly for families with children.

For households with specific needs due to age, disability, or health conditions, remaining in their own home is often the best option. Evidence suggests that adaptation and equipment budgets are not keeping up with demographic and health trends. Providing the right equipment, adaptations, or other support can reduce the need for rehousing and benefit affected households. Fife Council has been supporting vulnerable tenants to remain in their homes or be discharged from hospital by installing environmental sensors and exploring SMART Technology or TEC options. Increasing investment in technology and digitalisation could deliver more positive outcomes for tenants and those in housing need, but further investigation of available options is necessary to stay ahead of technological developments.

Reducing empty homes in the private sector and considering the conversion of non-residential properties is a complex issue requiring various resources, legal, and environmental considerations. Private sector properties can significantly increase the availability of homes in Fife. Initiatives could include redirecting resources to buy back empty homes or gaining permission to convert non-residential properties to housing, which could have a wider economic impact on local communities. With 2,600 empty homes and many empty units in town centres, this area could significantly impact increasing affordable housing options in the private sector.

The key issues summarised:

1. Empty Properties: There are around 400 empty properties at any one time, and minimising relet timescales is crucial to improve rental income and free up temporary accommodation for homeless households.
2. Limited Supply: There is a need to focus on making the best use of existing stock due to limited housing supply. Over 1,000 tenants want to move because their homes are too big, but finding suitable smaller homes is challenging.
3. Transitions for Homeless Households: Converting temporary tenancies into permanent homes can be difficult, and increasing financial resources for temporary accommodation is necessary to improve outcomes for homeless households.
4. Specific Needs: Households with specific needs due to age, disability, or health conditions require adaptations and equipment, but budgets are not keeping up with demographic and health trends.
5. Technology and Digitalisation: There is a need to invest in technology and digitalisation to support vulnerable tenants, but further investigation of available options is necessary.
6. Private Sector Role: Reducing empty homes in the private sector and converting non-residential properties to housing is complex and requires various resources, legal, and environmental considerations.

Enhancing housing access & preventing homelessness

Since 2018, Fife has focused on Rapid Rehousing Transition Planning and the Scottish Government's Ending Homelessness Together Action Plan. This has helped understand the causes of homelessness in Fife and created a large and diverse homelessness service with around 1,300 temporary accommodation placements. Due to high demand, hotels and B&Bs are sometimes used.

The service has grown due to strategic planning and responses to the pandemic, cost of living crisis, and other factors. To manage this, a long-term strategy for temporary and supported accommodation is being developed, focusing on understanding the needs of those requiring social housing.

The Fife Housing Register receives about 600 new applications monthly. In the past three years, around 2,700 applicants made homelessness applications, with 89% needing permanent homes. Most applicants (80%) have no or low support needs, highlighting housing supply issues.

Homelessness in Fife is often due to financial problems, relationship breakdowns, and loss of private tenancies. Certain groups, like care-experienced young people, people leaving institutions, and those experiencing domestic abuse, are more likely to face homelessness and need support services.

Recent changes in homelessness laws have increased the rights of homeless households but also created challenges for local authorities. A new Housing (Scotland) Bill will emphasise homelessness prevention, requiring public bodies to prevent homelessness where possible.

To address homelessness, there is a need to focus on prevention and crisis response services, and to increase housing supply and access. This includes working with private landlords and developing social enterprise models to provide temporary accommodation. This would increase the supply of Fife Housing Register properties for mainstream allocations and improve housing supply for those in greatest need and reduce reliance on unsuitable accommodation.

Fife's Rapid Rehousing Transition Plan has evolved into the Homelessness Strategy 2024-27, leading to positive changes. The Fife Housing First Programme, which provides housing and support, has been successful but needs to be scaled up to meet demand. Working and funding Housing First collaboratively can have an impact not only on the individual's health and wellbeing but also on reducing demand for services such as health, social care, criminal justice, substance use⁹.

Many projects to prevent homelessness are funded by the Rapid Rehousing Transition Plan fund, but its future is uncertain. Decisions will need to be made about which projects to continue and how to fund them

The key issues summarised:

1. High Demand for Temporary Accommodation: The need for temporary housing is so high that hotels and B&Bs are sometimes used.
2. Growth Driven by External Factors: The temporary accommodation service has expanded due to the pandemic, cost of living crisis, and other environmental factors.

⁹ [Exploring_holistic_Housing_First_outcomes_exec_summary.pdf](#)

3. Unmet Housing Needs: The Fife Housing Register receives about 600 new applications monthly, potentially indicating a significant unmet need for housing, security or other factors meaning households need, or want, to move home.
4. Complex Needs of Certain Groups: Specific groups, such as care-experienced young people and those leaving institutions, are more likely to face homelessness and require additional support services.
5. Legislative Changes: Recent changes in homelessness laws have increased the rights of homeless households but also created challenges for local authorities in service delivery.
6. Need for Prevention and Crisis Response: There is a need to balance focus on prevention with the development of crisis response services and to increase housing supply and access.
7. Uncertain Funding: Many projects are funded by the Rapid Rehousing Transition Plan fund, but the future of this fund is uncertain, requiring decisions on which projects to continue and how to fund them.

Fife Housing Emergency: Year One Progress

Since the housing emergency declaration, the following progress was made by the end of March 2025 in the priority areas of focus and within existing resources.

Maintaining affordable housing supply

- 40 property acquisitions. A further £1.848m subsidy was granted from the Scottish Government and £2.6m made available from Resettlement Funds to support the property acquisition programme in 2024/25.
- 377 new build affordable homes completed by Fife Council and the Fife Housing Association Alliance, including 10 Open Market Shared Equity properties
- Agreed the HRA Capital Plan and priorities for 2024-27.
- Established a rural housing short-life group to explore increasing delivery of affordable housing in rural areas with recommendations feeding into the Allocation Policy Review and the update of the SHIP
- Reviewed land / property audits and investigated opportunity sites to confirm that there are no immediately viable opportunities.
- Launched Place Matters public engagement as part of the LDP preparation.

Making best use of existing properties

- Empty homes resources increased from 0.5 full time equivalent (FTE) Housing Professionals to 1.8 FTE and UK Government resettlement funding was identified to progress work.
- 66 long term empty private sector homes have been brought back into use and £1m of funding was redirected to support further initiatives as part of the LTEH Strategy
- The Empty Homes Strategy 2024-2029⁵ was developed and implemented.
- Streamlined social sector voids processes and improved contracts supporting a reduction in average days to relet Fife Council properties from 43.5 to 36.7 days with reductions reported across the Fife Housing Association Alliance partners.
- Reviewed long-term social sector voids to identify properties where asset management decisions were required and carried out some disposals.
- Increased allocations to homeless households across the social rented sector as part of a transfer led approach to housing allocations which increased turnover and available housing opportunities for a range of priority need groups.
- Constituted a Task & Finish Group to review and simplify the allocations policy which reported in March 2025 with further recommendations to be reported to Cabinet later in the year.
- Opened an Independent Living Hub in Kirkcaldy to offer support and assessments for adaptations.
- Delivered 193 Fife Council Technology Enabled Care solutions to enable independent living.

- Approved provision of 100 environmental sensors in temporary accommodation with a similar number deployed in mainstream tenancies.

Enhancing housing access & preventing homelessness

- Contained a predicted increase in homelessness applications with presentations sustained at 2,624 which is comparable to previous year, however live homeless cases reduced to 1,678, a 13.4% decrease from last year.
- 97 temporary tenancies were flipped to provide permanent homes with no transitions and potential to increase this in future years due to efficiencies within the process
- The average days spent in temporary accommodation went down from 139 to 134. The number of children in temporary accommodation also decreased from 387 to 342.
- 202 homeless / potentially homeless households moved into private housing due to enhanced interventions to help prevent homelessness
- Initiated discussions with Scottish Government to support the development and implementation of a Private Sector Leasing Scheme to enhance the provision of temporary accommodation
- Increased the number of live Housing First tenancies with wrap around support from 66 to 103 providing a holistic response to complex needs
- Reduced the households placed in B&B type accommodation from 23.1% to 15% by ceasing the use of three hotels in Fife. This generated a corresponding reduction in Unsuitable Accommodation Order breaches from 87 to 32.
- Introduced a community link worker alongside H&SCP to prevent homelessness.
- Introduced hospital navigators and addiction workers at the Victoria Hospital to provide support to customers and awareness raising training to staff.
- Enabled self-service housing options advice through the Housing Options portal.
- Refocused Housing advice to link to the Council's 'No Wrong Door' approach.
- Implemented a pilot project with HMP Perth to support end to end support for prisoners from housing options on admission to prison through to support to sustain a tenancy.

These measures reflect a short-term focus on housing management, homelessness services and interventions within the private sector and have been managed within existing resources. More fundamental and impactful improvement will rely on a deeper dive into complex and cross cutting policy areas.

A summary of the themed action plans is presented for consideration to support the recommendations in the Executive Summary at the head of the Statement.

THEME 1 - HEAP Actions to maintain supply

Issue / Challenge	Action	Strategy/Policy	Resources
Maintain the pace and scale of housing supply due to uncertainty of availability of Government housing subsidy and costs inflation pushing up the costs of new build social housing	<ul style="list-style-type: none"> Building on the work of the Housing Investment Task Force, work with Scottish Government and CoSLA to investigate new or innovative finance models to increase the number of properties available for let from 2025-2029 complementing the new build affordable housing programme. Ensure finances are in place to deliver the final 3 years of the Affordable Housing Programme (2026-29) Establish resources to increase property acquisitions during 2025-2027 with a focus on meeting specific needs and gaps (for example, helping to get children out of temporary accommodation) Develop a financial model to increase the role of property acquisitions using existing Council resources and Scottish Government support to target specific gaps Call on all Fife Community Partners to release land and empty properties to support the new build programme Consider and impact an approach that enables General Fund land will be transferred to the HRA at nil value to support the Council's Affordable Housing Programme 	<p>Fife Affordable Housing Policy</p> <p>SHIP</p> <p>Fife Acquisition Policy</p> <p>Fife Acquisition Policy</p> <p>Affordable Housing Programme</p> <p>Affordable Housing Programme</p>	<p>Policy Investigation Resource Costs</p> <p>AHP Agreed by Council</p> <p>Capital & Revenue resource gap (est £6.5m*)</p> <p>To be confirmed</p> <p>Project Costs</p> <p>Impact assessment required</p> <p>*assumes no subsidy</p>
Shortage of new build Below Market Rent initiatives, placing pressure on social rent delivery to meet affordable housing need	<ul style="list-style-type: none"> Boost provision of MMR properties and other below market alternatives to meet evidenced housing need through available housing finance models and working in partnership with Registered Social Landlords Adopt a cross-subsidised housing tenure model for larger sites and town centre sites. Develop an approach, including Mid Market Rent, Low Cost Home Ownership and other below market rent schemes targeting the growing number of single people affected by current housing market conditions 	<p>Amendment to the SHIP required</p> <p>Affordable Housing Programme</p>	<p>Policy Investigation Resource Costs</p> <p>Policy Investigation Resource Costs</p>

Issue / Challenge	Action	Strategy/Policy	Resources
Reduced subsidy for Affordable housing and lack of housing options in rural areas for keyworkers / difficulties retaining keyworkers in rural areas	<ul style="list-style-type: none"> • Amend the Housing Allocations Policy to include key workers criterion • Bid to the Scottish Government “Rural Affordable Homes for Key Workers fund” as part of a wider approach to building sustainable rural communities • Develop multi tenure approaches as part of a wider area regeneration in addition to single site developments to make us of specific funding approaches with a specific focus on rural housing and economy issues 	Change to the Housing Allocations Policy Include in SHIP review for 2026/27 Local Development Plan	Potential to attract SG investment via established funds Not resourced

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THEME 2 - HEAP Actions to make the best use of existing properties

Issue / Challenge	Action	Strategy/ Policy	Resources
Too many empty private sector homes in Fife	<ul style="list-style-type: none"> By March 2027, reduce empty homes in the private sector by 180 using existing resources such as redirected Resettlement Funding In 2025/26 examine and implement initiatives to engage owners and other partners and return long term empty properties in the private sector to use In 2025/26 complete a further review of land/housing audits to identify non-residential properties/sites that can be converted for housing use 	<p>Long Term Empty Homes Strategy</p> <p>Long Term Empty Homes Strategy</p> <p>Asset Management Plan</p>	<p>£1m directed to LTEH for acquisition and initiatives</p> <p>Project Resource Costs</p> <p>Project Resource Costs</p>
Need to reduce the number and time social rented tenancies are empty through change of tenancies and significant repair / improvement	<ul style="list-style-type: none"> Address contractual and supplier issues to reduce the numbers and time properties are empty at change of tenancy to maximise the availability and use of existing properties Reduce operational voids at any one time to 350 by 2025/26 while implementing a transfer led approach to housing allocations Reduce turnover time to less than 25 days in 2025/26 Simplify the housing allocation policy and develop more commonality across partners focussed on housing need and to boost turnover 	<p>Voids Service Improvement Plan</p> <p>Allocation Policy Review</p>	<p>Partnership Management resource cost</p> <p>HRA / RSL Efficiency</p> <p>Business Plan efficiency</p> <p>FHR Business Plan</p>
Very limited access to housing options for single person households	<ul style="list-style-type: none"> Implement the Cabinet Committee decision to enable single people to be offered two bedroom properties to address supply and demand issues for single people Investigate options to develop a hosting / shared tenancy arrangement based on good practice within Resettlement activity 	<p>Amendment to the Housing Allocations Policy</p>	<p>Resource Cost</p> <p>Project Resource Costs</p>
High levels of children residing in temporary accommodation	<ul style="list-style-type: none"> Increase acquisitions of larger family housing to reduce time families spend in temporary accommodation during 2025/26. Establish a focussed programme to increase flipping of temporary accommodation to secure tenancies for families during 2025/26 	<p>Revise Property Acquisition Policy and financial guidance for purchases.</p>	<p>£2.6m (20 properties)</p> <p>£0.5m (100 of 200 replacements)</p>
Increased demand for supported or specific needs accommodation	<ul style="list-style-type: none"> Increase the provision of equipment (including TEC) and adaptations to support vulnerable people and help them remain at home during 2025/26 	<p>Housing Plus Strategy</p> <p>Local Housing Strategy</p>	<p>£0.4m</p> <p>Estimated Financial Requirement</p>

THEME 3 - HEAP Actions to enhance housing access and prevent homelessness to meet statutory duties

Issue / Challenge	Action	Strategy/ Policy	Resources
Need to increase prevention of homelessness and repeat homelessness	<ul style="list-style-type: none"> Upscale the Housing First Programme to provide 200 more tenancies by April 2027 Work with Turning Point Scotland to develop the Whole Systems Approach to homelessness prevention, building capacity in public sector bodies. Review the Homelessness Strategy to focus on prevention services by 2026 to help prepare for the "Ask & Act" duties and reduce reliance on crisis response services and reduce the negative impacts of homelessness 	Fife Homelessness Strategy	£2.2m Budget in place for 2 years Project investigations resource costs
Need for increased numbers of suitable temporary accommodation to eradicate B&B and hotel usage	<ul style="list-style-type: none"> Develop a Temporary and Supported Accommodation strategy by October 2025 to inform the supply and diversity of temporary and interim accommodation required from 2025-2028 Conclude a bid to Scottish Government and Fife Council by July 2025 to reintroduce a Fife Private Sector Leasing Scheme for temporary accommodation. Increase number of scatter flats sourced from Fife Council and RSLs by 200 to remove need for B&B placements in Fife by 2027 Remove shared temporary accommodation by reprovion specific council homeless hostels by 2027 Reduce transitions for homeless households by increasing the number of temporary accommodation units 'flipped' to 200 per year 	Fife Homelessness Strategy	£0.013m Consultancy Costs Strategy costs tbc £1.2m (100 Units) Opportunity and Resource Costs Asset Disposal and linked costs £0.5m property replacement costs linked to family programme
Diminishing Private Rented Sector housing options	<ul style="list-style-type: none"> Increase access and tenancy sustainment in private rented sector in partnership with Fife Private Rental Solutions and other landlord bodies Call for the Scottish Government to develop a national private rented sector strategy by 2028. 	Fife Homelessness Strategy Local Housing Strategy	£1m service commission costs diverted from Resettlement Project Resource Costs
Funding for homelessness services is uncertain after March 2026.	<ul style="list-style-type: none"> Develop a business case and call on Scottish Government to continue longer term RRTP financial support beyond March 2026 Develop an exit strategy for RRTP funded services, including mainstreaming of services and ceasing short term initiatives by March 2026 	Ending Homelessness Together Plan	Project Resource Costs for loss of £0.536m

Fife Housing Emergency - Reducing Private Sector Empty Homes

Report by: John Mills, Head of Housing Services

Wards Affected: All

Purpose

This report provides members with an update on the work and progress being made to bring empty homes back into use and assist with the current Housing Emergency.

Recommendations

Cabinet Committee is asked to:-

1. endorse the Empty Homes Strategy (2024 to 2029) approved by the Fife Housing Partnership in May 2024, with the five key objectives to bring empty homes back to use;
2. note the progress being made to bring empty homes back to use including exceeding the target as set out in the Local Housing Strategy;
3. note the ongoing work with the Scottish Empty Homes Partnership (SEHP) and the Scottish Government to explore further opportunities within Fife to help bring empty homes back to use; and
4. agree to progress work to take forward a bid through SEHP for additional funding for a local initiative to bring empty homes back for affordable housing.

Resource Implications

Empty homes activity is resourced with appropriate staffing and systems within Housing Services. An opportunity to match fund an additional Housing Professional (Empty Homes Officer) post is being pursued with the SEHP and Scottish Government and existing budget has been identified for the Fife Council contribution. Additional funding is available for a local initiative to bring empty homes back to use as affordable housing, discussions are in progress with SEHP and Scottish Government around a potential bid.

Legal & Risk Implications

There are no legal and risk implications regarding this report.

Impact Assessment

No Impact Assessment is required as there is no policy change.

In the development of the Empty Homes Strategy, consultation and engagement has taken place with relevant stakeholders and partners including Protective Services, Housing Emergency Programme Board, Housing Summit Stakeholder feedback, Local Housing Strategy Implementation Group, Scottish Empty Homes Partnership and the Fife Housing Partnership who approved the Empty Homes Strategy in May 2024.

1.0 Background

1.1 Latest Scottish Government statistics reported in December 2024 confirm 43,538 long-term empty private properties in Scotland and 2,617 in Fife. Tackling empty homes remains a priority for the Scottish Government. Ensuring that empty homes are maintained, improved and put to the best possible use forms part of the Scottish Government Housing to 2040 strategy ([Housing to 2040](#)). It aims to deliver the ambition for everyone to have a safe, good quality and affordable home that meets their needs in the place they want to be. The route map contains four main themes:

- Affordable warmth and zero emissions homes
- More homes at the heart of great places
- Affordability and choice
- Improving the quality of all homes

1.2 Empty homes are classified using the following definitions:

Long-term Empty Properties	These are dwellings that have been empty for 6 months or more and are liable for council tax.
Unoccupied Exemptions	These are properties which are empty and exempt from paying council tax.

1.3 Scottish Government National Outcomes places the empty homes agenda within a framework of strategic ambitions around housing, place, community, net zero and the Scottish economy. [National Performance Framework - gov.scot](#)

1.4 In 2010, the Scottish Empty Homes Partnership (SEHP) was established. Hosted by Shelter Scotland, it has the aim of supporting Scottish Government to bring privately owned empty homes back in to use. Key elements include working with local authorities to audit empty homes and supporting local authorities to access funds for bringing empty homes back in to use. Since 2010, the Partnership has worked directly with homeowners, local authorities and third sector organisations, helping over 11,000 homes become occupied again.

1.5 The Housing (Scotland) Act 2001 places a statutory requirement on local authorities to prepare a Local Housing Strategy (LHS) supported by an assessment of housing need, demand and provision. [Local Housing Strategy | Fife Council](#). The LHS is a five-year strategy which sets out the strategic vision of Fife Housing Partnership for the delivery of housing and housing related services. The LHS has five main priorities and include actions to return empty homes back to use as key action area under 'A Quality Home' theme.

1.6 Bringing empty homes back into use is a priority within the Housing Emergency Action theme of 'Making best use of existing properties' to help reduce homelessness by providing safe and secure homes for Fife residents. In addition, preventing private housing in poor condition becoming future empty homes is a key focus of activity.

- 1.7 The Scottish Government declared a national Housing Emergency in May 2024. A range of measures have been progressed, and the following are linked to empty homes:
- £2 million invested through the SEHP to continue to reduce the number of privately owned empty homes. The £2 million funding in 2025 to 2026 will deliver:
 - Additional empty homes officers across Scotland (£750,000)
 - Local and national initiatives (£700,000)
 - The core Scottish Empty Homes Partnership and enhanced support to local authorities (£550,000)
- 1.8 There are currently no statutory requirements for local authorities regarding empty private properties. However, other statutory obligations relate directly or indirectly to bringing empty homes back into use, with powers and duties which offer mechanisms that may drive empty homes activity and intervention including enforcement action, advice, assistance and investment. Examples include increased council tax for certain empty homes, statutory requirements to prepare a Local Housing Strategy across all tenures, duty to prepare a Scheme of Assistance for private sector housing and statutory homelessness responsibilities.

2.0 Empty Homes Context

- 2.1 Bringing Empty properties back into housing use can help increase the supply of housing in Scotland. Information on empty properties and second homes is collected by Scottish Government each year from local authorities through CTAXBASE data collection. The table below show a summary of empty homes (six months or more) in Fife compared with the level in Scotland from 2019 to 2024.

Table 1: Empty Homes Trend (Scotland and Fife), (6-months or more):

Local Authority	2019	2020	2021	2022	2023	2024
Scotland	40,963	47,333	43,766	44,601	46,217	43,538
Fife	2,690	2,943	2,508	2,421	2,471	2,617
Fife %	6.57%	6.22%	5.73%	5.43%	5.35%	6.01%

Source: [Housing statistics: Empty properties and second homes - gov.scot \(www.gov.scot\)](https://www.gov.scot/housing-statistics/empty-properties-and-second-homes)

- 2.2 Fife Council maintain an Empty Home Register which is updated monthly. There are around 2,600 on the register at any time. Most Empty Homes data is gathered from Council Tax records. However, other sources include reports from elected members, neighbours and other partner services. It should be noted that Empty Homes Register numbers fluctuate as properties are added or are returned back to use, for example, in April 2025: 300 properties were returned to use and 252 empty homes were added to the register.
- 2.3 The table below shows the number of empty homes on the register in February 2025. This provides a measure of the number of empty homes not contributing to meeting housing need on a permanent basis.

Table 2: Empty Homes Register (February 2025)

Committee Area	6 to 12 Months	1 to 2 Years	2 to 5 Years	5 to 10 Years	Over 10 Years	Total
City of Dunfermline	107	64	46	24	34	275
Cowdenbeath	65	49	40	20	14	188
Glenrothes	99	73	43	22	17	254

Committee Area	6 to 12 Months	1 to 2 Years	2 to 5 Years	5 to 10 Years	Over 10 Years	Total
Kirkcaldy	164	114	63	42	22	405
Levenmouth	90	83	71	28	25	297
North East Fife	371	237	180	68	68	924
South West Fife	101	72	42	34	28	277
Total	997	692	485	238	208	2,620
Percentage	38.1%	26.4%	18.5%	9.1%	7.9%	100%

2.4 The Fife Private Sector Housing Team plays a key role in providing additional rented housing. Council tax record show 11.5% of housing stock in Fife is private lets, which is the third highest tenure type with owner occupied first at 61.43% and Fife Council tenancies second at 16.86%.

2.5 An awareness of the tenure against properties on the Empty Homes Register helps to profile the properties and identify the best approach to bring back as many empty homes as possible. For example, an approach may be to target owners of private lets if there is a high number of empty homes identified. The Team additionally check other public data such as the Short-term let register or Houses in Multiple Occupancy (HMO) register to see if the empty homes are in use. Previous profiling found around 500 empty properties on the register were private lets, 112 were short-term lets and 5 had an HMO licence.

2.6 Empty homes may have a negative impact on both homeowners and the community, example of these are shown below:

Homeowner Impact	Community Impact
<ul style="list-style-type: none"> • Loss of rental income • Mortgage payments • Council tax payments • Insurance premiums • Maintenance and security 	<ul style="list-style-type: none"> • Negative appearance in terms of place • Undermine regeneration plans • Prevent communal repairs • Lower the value of nearby properties • Anti-social behaviour

2.7 There are various reasons why a home may become long-term empty. These include properties formerly owned by a deceased person and the estate has to be confirmed, the property has been inherited and the new owner does not take any action to sell or let the property, major repairs may be required and the property is uninhabitable, properties may be repossessed and still under ownership of the heritable creditor, owners are in a care home or move home and do not take any action to sell or rent, and unused premises also such as farm premises.

3.0 Empty Homes Strategy

3.1 This Empty Homes Strategy (2024–2029) was approved at Fife Housing Partnership in May 2024 and sets out how the council and partners will work together to proactively tackle the impact of empty homes on communities, neighbourhoods, homeowners and residents [Empty Homes Strategy](#).

3.2 Strategic benefits identified:

- Bring more empty home properties back into use
- Contribute to the Housing Emergency Action Plan
- Improved satisfaction level within estates with less empty homes

- Reduce the number of homes not meeting the tolerable standard
- Opportunity to consult with empty homeowners
- Increase the number of affordable homes
- Focus on LHS Strategic actions
- Focus on Project Areas with high concentration of Empty Homes
- Develop more advice and guidance available online
- Recognition for Fife Council

3.3 An Action Plan was agreed to enable the council and partners to deliver, monitor and evaluate the impact of empty homes activity. It sets a strategy for partnership working that reflects strategic objectives. Five key objectives have been set to achieve this:

- Objective 1: Maintain, Develop and Analyse the Empty Homes Register
- Objective 2: Raise Awareness and Increase Engagement around Empty Homes
- Objective 3: Empty Homes Area Project Approach
- Objective 4: Review and Develop Options for Empty Homes
- Objective 5: Address Empty Homes in a State of Disrepair

3.4 The Strategy outlines challenges and barriers to tackling empty homes which require to be addressed. Some of the key challenges include:

Table 3: Challenges and Barriers:

Challenges	Context
Finances	Rising costs of repairs and maintenance for homeowners. Lack of finance for empty homeowners to maintain properties and fund maintenance. Lack of and limited grant assistance and loan schemes to support investment in empty homes.
Tracing Owners	Challenging cases where owners cannot be traced, or ownership is in dispute.
Legal	Establishing status of properties subject to repossession proceedings or obtaining grants of confirmation where owners and next-generation heirs are deceased. Legal resources, time constraints and costs to use methods such as Compulsory Purchase Orders.
Data Protection	Data sharing agreements can restrict a strategic approach to empty homes work.
Lack of Engagement	Not all empty homes owners wish to engage with Empty Homes Officers despite the free offer of help and assistance.
Communal Repairs	Disputes over common and shared repairs. Empty homes within tenements can cause issues where the condition of the empty property is deteriorating and impacting on other properties.
Vandalism and Anti-social Behaviour	Empty homes may be subject to vandalism, fly-tipping, overgrown gardens, and cause of neighbourhood complaints.
Lack of Awareness	Potential lack of awareness of the Empty Homes Team and activity and need to promote.

3.5 The Empty Home Strategy is subject to regular monitoring to support the delivery of the Local Housing Strategy. In addition, the Empty Homes actions are monitored through the Private Sector Housing Improvement Group. This provides the council and partners with an opportunity to understand the progress achieved and deliver improvements if required.

- 3.6 An annual target is set through the LHS to report on the 'Number of long-term empty homes returned to housing use'. The target from 2025-26 was increased from 60 to 75 and is subject to annual review.

Table 4: LHS Priority: A Quality Home Targets and Outturn:

Priority	Outturn 2022- 2023	Outturn 2023- 2024	Target 2024- 2025	Outturn 2024- 2025	Target 2025- 2026	Target 2026- 2027
Number of long-term empty homes returned to housing use	62	39	45	66	70	75

- 3.7 Fife Council has had a dedicated part-time Housing Professional (Empty Homes) since 2014. As of May 2024, there are two dedicated Housing Professionals to bring empty homes back to use, a total resource of 1.8 FTE.

4.0 Empty Homes Outcomes

- 4.1 Since 2014, Fife Council have successfully brought back 616 empty homes to use, the table below shows the six year profile of the homes returned to use and the length of time they were empty.

Table 5: Empty Homes Brought back to Use:

Year	Length of Time Homes have been Empty					TOTAL
	Less than 1 year	Between 1 & 2 years	Between 2 & 5 years	Between 5 & 10 years	More than 10 years	
2019/20	0	8	22	2	5	37
2020/21	3	6	18	8	4	39
2021/22	0	8	17	11	5	41
2022/23	7	19	23	8	5	62
2023/24	3	6	17	9	4	39
2024/25	6	7	24	20	9	66
Total	19	54	121	58	32	284
%	7%	19%	43%	20%	11%	100%

The profile above shows it is possible to bring back longer-term empty homes:

- 43% brought back to use were empty between 2 and 5 years
- 31% brought back to use were empty longer than 5 years
- 26% brought back to use were empty between 6 months and 2 years

- 4.2 The LHS target for 2024/25 was to return 45 long-term empty homes back to use and we successfully returned 66 empty homes with an intervention from the empty homes team. Two of these empty homes were property acquisitions providing affordable homes.
- 4.3 Advice and guidance is tailored to the requirements of the homeowner and the condition of the empty property. In some cases, owners may have multiple options to assist bringing their empty home back to use. 284 empty homes were brought back to use in the last six years and the type of support provided to empty homeowners is outlined below:

- 14 empty homes were sold through the matchmaker scheme
- 1 owner taking up the Empty Homes Loan Fund
- 38 homes brought back to use for affordable housing
 - 33 Fife Council Property Acquisitions
 - 5 through the YMCA
- 95 owners supported to access VAT and merchant discounts
- 88 supported for council tax discretion/discount
- 41 advice and guidance including renting and selling empty homes
- 49 owners assisted with motivation to bring homes back to use

4.4 As part of the Strategy, project work is carried out to focus on areas with a high concentration of empty homes. The most recent area project was in Kirkcaldy including Burntisland and Kinghorn. Actions and outcomes noted below:

- 374 empty homes in scope
- Communications made:
 - 230 emails
 - 210 letters
 - 64 phone calls
 - 21 visits
 - 374 surveys issued
- 50 surveys were returned
 - 20 of which asked for help from the Housing Professional
- 157 came back in to use throughout the process
 - 41 found to be in use through data cleansing
- 33 were advertised for sale (23 are no longer empty homes)

10 properties came back into use due to intervention of the Empty Homes Team

4.5 Since the implementation of the Empty Homes Strategy, the team meet regularly to review the full action plan, progress against objectives is noted below:

Objective 1: Maintain, Develop and Analyse the Empty Homes Register:

- The Empty Homes Register is reviewed and updated monthly with ongoing work to develop an improved Empty Homes Register which will deliver system efficiencies.
- Development and promotion of online forms for the public to report empty homes.
- Empty homes data has been mapped and matched against other properties to identify where a property may be in use, for example Short-term lets or HMO.

Objective 2: Raise Awareness and Increase Engagement around Empty Homes

- The Empty Homes webpage has been updated with relevant guidance such as the 'Scheme of Assistance' and online forms.
- Empty homes articles published and promoted in the Private Sector newsletter and 'Down Your Street' with links to the Empty Homes webpage.
- Joint working with internal and external partners for best practice approaches, this includes attendance at the SEHP Conference, attendance at the Private Sector Housing Improvement Group, collaboration with Scottish Government and SEHP.

Objective 3: Empty Homes Area Project Approach

- Targeted Area Project in Kirkcaldy and a small number of Dunfermline town centre empty homes, surveys sent to all empty homeowners, visits undertaken.
- Contact made with owners and investors to identify plans for empty properties.

- Drone surveys arranged through partnership working to determine the condition of roof space in Dunfermline town centre empty homes.

Objective 4: Review and Develop Options for Empty Homes

- To date 33 property acquisitions of empty homes through Officer intervention, additional funding in place for empty home acquisitions.
- Best practice events with SEHP, Scottish Government and other Local Authorities on the use of Compulsory Purchase Orders and future Compulsory Sales Orders.
- Participate in promotion of the National Matchmaker Scheme.
- Pursuing opportunities to access additional funding for project work with partner organisations.

Objective 5: Address Empty Homes in a State of Disrepair

- A missing share and rolling enforcement fund is in development.
- A 'Below Tolerable Standard' register is being progressed with system work ongoing
- An Enforcement Approach is being developed.

- 4.6 A recent review of available funding options found that Rural Housing funding is available until 2028 for property acquisitions for key workers. The homes must be within the Scottish Government Rural Classification, there are around 6,500 homes in rural Fife and around 600 are long term empty homes. To access the fund, a key worker policy must be in place and this is being explored further.
- 4.7 The YMCA Glenrothes has been successful in raising funds to renovate long term empty properties. The Empty Homes team have worked in partnership with YMCA to identify empty properties for sale. This collaboration resulted in five long term empty properties, which were in a poor state of repair, being fully refurbished and brought back to use. The properties are now owned and let by the YMCA Glenrothes and tenancies are offered to people at affordable lets with many tenants having previously experienced homelessness.
- 4.8 Fife Council were recognised through the SEHP Champion of the Year Awards with the award of 'Outstanding Empty Homes Officer' in 2021 for work to bring empty homes back to use.

5.0 Next Steps

- 5.1 Empty Homes work will continue with a focus to return empty homes back to use to help with the current housing emergency to help alleviate homelessness.
- 5.2 Ongoing collaboration with Scottish Government and SEHP for additional opportunities to bring more homes back to use.
- Funding for an additional Housing Professional (Empty Homes) is in progress and near completion.
- 5.3 Funding is available for local initiatives through SEHP and Scottish Government as noted in para. 1.7. The funding is focused on initiatives to deliver innovative projects that have the potential to be scaled up/ help other LAs or third sector organisations bring more empty homes back into use. Fife Council are currently in discussion with possible partners to develop a bid.
- 5.4 Area focus project work in Levenmouth and Dunfermline, with further profiling of other areas to target.

6.0 Conclusions

- 6.1 Bringing empty homes back into use is an LHS priority area, focusing on increasing housing supply and complementary to our new build and property acquisitions programs.
- 6.2 In addition, returning empty homes to housing use is a key tenant of the Housing Emergency Action Plan contributing to outcomes to support Fife to meet the statutory duty to the prevent homelessness wherever possible and to mitigate the impact of homelessness where it cannot be prevented.

John Mills
Head of Housing Services

List of Appendices

1. None

Background Papers

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

- Housing statistics: Empty properties and second homes - gov.scot (www.gov.scot)
- Housing to 2040)
- National Performance Framework - gov.scot
- Empty Homes Strategy

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Grenfell Inquiry Recommendations and Fife Response

Report by: John Mills, Head of Housing Services

Wards Affected: All

Purpose

The report outlines the main recommendations of the Grenfell Part 2 Inquiry, the Scottish Government's response to those recommendations and next steps for the council in continuing to improve health and safety arrangements for the Tower Blocks, Sheltered Housing and Homeless Hostels in Fife.

Recommendations

Members are asked to:-

1. agree the Fife response to the Grenfell Part 2 Enquiry;
2. agree the council's proposed next steps to prepare a 5–10-year programme of improvement works to continue to enhance the fire safety of the Council's housing stock; and
3. agree that a Commissioning Strategy for enhanced fire risk assessment and mitigation works be agreed by the Council's Procurement Review Board to action Stage 2 improvements.

Resource Implications

Additional revenue costs arising from the project such as consultation and housing management costs will be met from the existing HRA budget in 2025/26. Additional capital investment for Stage 2 improvement works will be funded through the existing HRA Capital Plan (2025-29).

Legal & Risk Implications

There are legal implications for the council if failures in health and safety requirements are identified and no action or ineffective action is taken. Following the immediate aftermath of the Grenfell Tragedy in 2017, the Council did act to improve health and safety arrangements in all Tower Blocks which mitigated known risks at that time.

An updated risk register is being prepared focussing on the Grenfell recommendations and implications for the council's housing stock.

Impact Assessment

An EqIA has not been completed as there is no change to council policy because of this report.

Following the publication of the Part 2 Grenfell Inquiry report, there has been significant consultation with the Scottish Government, council services involved with the Tower Block Review Group (TBRG) and with the Tenant Forum.

1.0 Background

- 1.1 The Grenfell tragedy in June 2017 was a catastrophic event which resulted in the deaths of 72 residents and the permanent displacement of many more.
- 1.2 Immediately following the tragedy, Fife Council visited all tenants and residents of the 12 high rise blocks in Fife and following agreement through the former Housing and Communities Committee, completed a range of fire safety improvements. During this time, there was also a high level of ongoing communication with the Tenants Federations, individual TRAs and tenants and residents. A review of all the external wall insulation was also completed, which confirmed that all council Tower Blocks were safe. This was also confirmed for the mainly privately owned Tower Block at Raeburn Heights in Glenrothes.
- 1.3 The Grenfell Inquiry, Chaired by Sir Martin Moore-Bick, opened on 14 September 2017 and concluded with the publication of the Phase 2 Report on 4 September 2024. A series of significant recommendations have been made and the UK and Scottish Governments have now responded to the report. Whilst there are significant differences to the contexts in England and Scotland, particularly in building standards and regulations and housing management arrangements, there is still learning and actions that Scottish Local Authorities and Housing Associations need to take.
- 1.4 The Fife approach through experience is based on the following principles:
 - To be open and transparent with Members and Tenants.
 - To get on the ground quickly and carry out face2face visits to tenants and follow that up with clear fire safety advice in partnership with the Scottish Fire & Rescue Service (SFRS).
 - To be visible and closely engage with tenants over a period of time.

2.0 The Grenfell Inquiry Part 2 Report – Main Recommendations

- 2.1 The Grenfell Inquiry report Part 1 focussed on the fire outbreak and how it spread so rapidly up the building causing the devastating consequences. As stated in section 1 of this report, action taken by Fife Council and the Scottish Fire and Rescue Service provided reassurance to the council and our tenants and residents that this series of events could not happen in any of our tower blocks.
- 2.2 The Grenfell Inquiry Part 2 report focused on the causes of the events leading up to the fire, including how Grenfell Tower came to be in a condition which allowed the fire to spread in the way identified by Phase 1.
- 2.3 The Part 2 report makes 58 recommendations, mainly for the UK Government. A link to the report is included at the end of this report.

3.0 Scottish Government's Response to the Part 2 Inquiry Report

- 3.1 The focus of the Scottish Government's response is on fire safety in high rise blocks is summarised as follows:-
- Bring forward legislation, subject to appropriate consultation, to strengthen the building standards system. Including a new role of a compliance plan manager and changes to enforcement powers and sanctions. This builds on the work of the Building Standards Futures Board that has been leading a programme of reform and strengthening over the past five years.
 - A review of the whole of our fire safety standards and guidance will be undertaken.
 - Further consult on legislative changes required to improve compliance and enforcement.
 - Take further evidence on the need for, the role of and the functions of a Chief Construction Adviser.
 - Formally ask the Scottish Fire and Rescue Service (SFRS) and HM Fire Service Inspectorate in Scotland (HMFSI) to consider the recommendations relevant to their roles and to report to us. It should be noted that both SFRS and HMFSI are proactively working on these recommendations already.
 - Undertake a fire safety information awareness campaign in the short-medium term (throughout 2025) across the relevant high rise building stock. This will reinforce the action residents can take to reduce the risk of fire and to support vulnerable people to take appropriate action in the event of a fire.
 - Consider how to bring in the regulated requirements to carry out either a Personal Emergency Evacuation Plan (PEEP), a person-centred risk assessment or equivalent.
 - We expect advice and recommendations to come from the Scottish Law Commission's recommendations regarding mandatory homeowners' associations in Spring 2026.
 - Consult on the introduction of mandatory periodic fire risk assessments in specified high rise buildings to reduce the risk of fire, and to promote the long-term integrity of the system for cladding remediation in Scotland, including the Cladding Assurance Register.
 - Commit to strengthening fire risk assessor competency in Scotland and the requirements for duty holders to hire a competent assessor through legislation following relevant and appropriate public consultation and legal/policy consultation.
 - Work with local authorities and other category 1 responders to improve and strengthen resilience guidance, training and practice.
- 3.2 The Council will work with CoSLA, Scottish Government, SOLACE (Society of Local Authority Chief Executives) and ALACHO (Association of Local Authority Chief Housing Officers) to examine all recommendations and how they can be implemented in Fife.
- 3.3 The specific locus of this report are the recommendations that focus on risk assessment, fire safety and the safety of tenants and residents in high-rise, medium rise flats and sheltered housing, specifically;
- Undertake a fire safety information awareness campaign in the short-medium term (throughout 2025) across the relevant high rise building stock. This will reinforce the action residents can take to reduce the risk of fire and to support vulnerable people to take appropriate action in the event of a fire.

- Consider how to bring in the regulated requirements to carry out either a Personal Emergency Evacuation Plan (PEEP), a person-centred risk assessment or equivalent.

4.0 Fife Response – Acting over the short term

- 4.1 Enhancing the fire safety of our Tower Blocks and the range of council housing types in Fife and the safety of our tenants and residents is paramount to the council. Considering the Part 2 Report recommendations and building on the work already completed since 2017, the Council over the past 18 months has been examining again what risks exist within the stock, particularly in high-rise flats, medium-rise flats and sheltered housing schemes. Coupled with a robust risk assessment, the Council, with expert and competent support, needs to identify what additional improvement interventions are needed within these buildings and how a 5–10-year programme can be shaped to ensure high-paced delivery of improvement works is proportionate, cost effective and pragmatic.
- 4.2 Swan and Memorial Courts in Methil, reported to Cabinet in September 2023, are recent examples of this commitment where the Cabinet Committee has agreed a £7m programme of improvements funded by the HRA Capital Plan, including;
 - Stripping existing cladding
 - Recladding of the two Tower Blocks
 - Installation of comprehensive internal fire beaks
 - Installation of a fire evacuation system
 - Upgrading of kitchens and bathrooms as part of the SHQS programme.
- 4.3 Another example of this work is the planned installation of external wall insulation (EWI) to Park View Flats in Kirkcaldy during 2025-27. A contract has been agreed for the works to begin in this financial year.
- 4.4 A continuous cycle of fire risk assessment and building improvements have also been carried out in the Council's Sheltered Housing complexes. There is more to do.
- 4.5 Over recent months, Housing Services, in association with two Framework Companies (Harmony and Ventro), has been completing sample surveys of a range of council housing stock archetypes, including Swan and Memorial Courts in Methil, Ravenscraig Flats in Kirkcaldy, Segal House in Dunfermline and specific sheltered housing complexes in Burntisland and Glenrothes.
- 4.6 Further survey and risk assessment work is planned to ensure that we have sufficient information to prepare a programme of improvements to enhance fire safety across the council housing stock. The focus will be on the Tower Blocks and older sheltered housing stock and homelessness accommodation. Medium rise flats will form the next stage of this work.

In association with work being undertaken by SOLACE, the Council has been working with Harmony on a consultancy basis to assist the development of the improvement programme. The same approach has been adopted by Edinburgh and Aberdeen City Councils.

4.7 The 4-stage process proposed is summarised as follows:

Stage 1 – Discovery:

Analyse the fire safety gaps in a representative sample of archetypes, providing evidence-based insights to prioritise resources – currently in progress

Deliverables:

- Gap analysis within representative sample of HRB's, MRB's, Sheltered and Low-rise (known vs unknown risks).
- 1st round Investment strategy.

Stage 2 – Concept strategy

Expand the findings across the housing stock through further surveys and fire engineering input to prioritise risks and develop a road map to compliance.

Deliverables:

- Risk prioritisation matrix aligned with Grenfell Phase 2 principles
- Retrospective Fire Strategies per relevant archetypes as determined in Stage 1.
- Risk spend effectiveness review.
- Draft cost appraisal and 2nd round phased investment model
 - Urgent 1–2-year programme
 - Long-term 10-year programme

Stage 3 – Pre-construction

Prepare a remediation programme for delivery, including cost validation, technical designs, and procurement support.

- Refinement to 100% accuracy of the Investment strategy with Final remediation programme
- Procurement-ready specifications and documentation
- Procurement/Governance-compliant framework for implementation

Stage 4 – Construction

Delivery of physical works and embedding of long-term compliance over a multi-year period.

- Completion of construction programme
- Golden Thread-compliant building files and H&S documentation
- Training handover sessions for Housing and Property and Building Services.

4.8 During 2025/26 and 2026/27, at the conclusion of Stage 2, Housing, Property and Building Services will implement works to deliver the fire mitigations, mainly internal fire stopping to improve compartmentalisation. Future costs will be fed into the next HRA Capital Plan review in 2027.

5.0 Conclusions

5.1 Lessons from the Grenfell tragedy are now committed to record in the form of the Part 1 & 2 Inquiry reports. The Scottish Government has published its response to the Part 2 Inquiry recommendations. Local authorities in Scotland are now considering their response to the Grenfell Part 2 Inquiry and a limited number are now taking action.

- 5.2 The Council is well-placed to pace up its active approach as outlined in section 4.5 with consultancy and services' support to address requirements, particularly around risk assessment and housing improvements to minimise current and future risks. The Council started this work in the immediate aftermath of the Grenfell tragedy in 2017 and now needs to continue to build on this good work to move forward at pace to bring forward a programme of work through the HRA Capital Plan to carry-out further works to a range of our council housing stock. The current improvement work at Swan and Memorial Courts are a good example of this approach.
- 5.3 Further reports will be brought back to Cabinet in due course to address further recommendations in the Part 2 Inquiry report.

John Mills
Head of Housing Services

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Additional Background Papers relied upon in the preparation of this report.

[Phase 2 report | Grenfell Tower Inquiry](#)

[Grenfell Tower Inquiry phase 2 report: Scottish Government response - gov.scot](#)

26 June 2025
Agenda Item No. 14

Equality and Diversity Priorities 2025-2029

Report by: Paul Vaughan, Head of Communities and Neighbourhoods

Wards Affected: All

Purpose:

The purpose of this report is to provide Committee with progress on the Council's Equality and Diversity outcomes 2023-2025 and to seek approval for the next four year priorities from 2025-2029.

Recommendation

Committee members are asked to consider and approve the contents of this report.

Resource Implications

The proposed priorities can be implemented using existing resources.

Legal & Risk Implications

The council has complied with the legal requirements of the Public Sector Equality Duty under the Equality Act 2010 and published online the two progress reports covering 2021-2023 and 2023-2025.

Impact Assessment

An integrated impact assessment has been completed and is attached.

Consultation

Council Services, elected members and partner organisations were consulted in relation to the priorities for 2025-2029.

1.0 Background

- 1.1 The Public Sector Equality Duty (PSED) requires public authorities to publish every four years, a revised set of equality outcomes and progress against the previous four years of outcomes and actions every two years. The [two progress reports](#) covering the 2021-2025 outcomes is available online.
- 1.2 Attached at Appendix 1 is the Council's revised equality & diversity priorities for period 2025-2029.

2.0 Summary Progress on the 2021-2025 Outcomes

- 2.1 The Equality and Diversity document [2021-2025](#) was approved in June 2021 and set the following five outcomes:

- Outcome 1 - Fife's communities are provided with services and information accessible to them particularly those who face barriers through disability, language and digital exclusion
- Outcome 2 - Women and girls live free from all forms of violence and abuse – and the attitudes that help perpetuate it
- Outcome 3 - Fife's communities (including people from the protected characteristics) have increased confidence to participate in decision making, their human rights respected and have an improved quality of life
- Outcome 4 - The Council understands its workforce better and it reflects the diversity of the local population
- Outcome 5 - Raising educational achievement and attainment particularly for those in their early years or in early learning and childcare

- 2.2 In line with the PSED, the council reported two-yearly progress on the equality outcomes 2021-2023 and 2023-2025 in April and May respectively and this is available online.

Some of the achievements over the last four years have included:

- Ensuring accessibility of online information including social media content
- Fife Council successfully achieved Equally Safe at Work accreditation at the Bronze level in October 2023. The award is designed to create sustainable change in workplace practice and Fife Council hold the accreditation until November 2025. Many of the 500 or so learners supported by ESOL annually are refugees.
- In relation to Fife as an Education authority, new Equalities guidance was devised for schools to support policy development and in partnership with Fife Centre for Equalities, training for Senior Leaders was provided with a focus on specific protected characteristics and devising a school equalities action plan.
- A [community engagement toolkit](#) has been developed to help support engagement with communities and sets out which engagement method is best for the type of consultation. The toolkit can be used in the planning, delivery and evaluation of work and sets out various tools to help with informing, consulting and engaging with members of the public.
- [Fife Centre for Equalities](#) is funded through a Service Level Agreement to engage with protected characteristics on behalf of the Council. They undertook engagement with individuals and groups when setting the 2021-2025 equality outcomes and have been involved in shaping the new priorities. The qualitative engagement is particularly essential in helping the Council to plan and deliver services which meets the needs of different communities.

- As an employer, the council must make reasonable adjustments to ensure employees with disabilities, or physical / mental health conditions, are not disadvantaged at work. A new reasonable adjustment and assistive technology system has been devised to create a central hub for employees and managers. It summarises the types of supports that can be accessed, as well as guidance on the application process and grants available. The [Equality and Diversity in Employment](#) report setting out detailed progress of achievements including workforce profile information and gender pay gap is available online.

3.0 Equality Priorities 2025-2029

- 3.1 A number of engagement sessions have been held to ensure that as many stakeholders as possible are able to provide their views on the revised equality priorities for the next four years. This has included a workshop in January 2025 with the Senior Equalities Group which oversees the equalities work in the Council; two elected member workshops in May 2025 and ongoing engagement with Fife Centre for Equalities to gain feedback from the protected characteristics – this insight is particularly important as that provides the Council with regular information as to whether our actions to advance equality of opportunity is making a difference at local level.
- 3.2 The suggested four priorities for 2025-2029 were set against a background of changes in Scottish Government equalities legislation; changes to the population profile from the Census 2022; the strategic assessment; as engagement with Fife Centre for Equalities and taking account of the Council's own priorities such as No Wrong Door and Community Wealth Building. The four priorities are:
- Priority 1: Access to communication services
 Priority 2: Inclusive communities
 Priority 3: A working environment where inclusion is prioritised and promoted
 Priority 4: Raising educational achievement and attainment
- 3.3 Following approval of the priorities, the Policy & Delivery Team will be working with Services to undertake a self-assessment and producing an action plan which will be overseen and monitored by the Senior Equalities Group.

4.0 Conclusion

- 4.1 In line with the Public Sector Equality Duty, the Council developed a revised set of equality outcomes in 2021 and reported on two year progress on the outcomes and actions in April 2023 and May 2025. This report summarises achievements over the last four years and sets out priorities for the next four years covering the period 2025-2029.

List of Appendices

1. Reducing Inequality & Promoting Fairness: 2025-2029
2. Integrated Impact Assessment

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Reducing Inequality and Promoting Fairness (2025 – 2029)

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1. Introduction

The Equality Act 2010 sets out the public sector general equality duty requiring public authorities to pay due regard to the need to eliminate unlawful discrimination, victimisation and harassment; advance equality of opportunity; and foster good relations. These requirements apply across the protected characteristics of age, disability, gender reassignment, pregnancy and maternity, race, religion and belief, sex, sexual orientation, and marriage and civil partnership. The Scottish Government also introduced specific duties requiring Councils to publish every four years a set of Equality Outcomes by 30 April and publish progress towards the outcomes every two years.

This document presents the Council's next four years equality priorities covering the period 2025-2029 building on the previous outcomes set in 2021 and highlights some achievements over the past four years. These priorities are not meant to encompass all the work the Council does to reduce inequality but set out what are considered to be the priorities. In section 5 of this document, therefore, as well as setting out future priorities, we have also highlighted some mainstream work taking place across the Council which aims to reduce inequality and promote fairness.

2. Legal Context

Public Sector Equality Duty

Section 149 of the Equality Act 2010 came into force in April 2011, introducing a new Public Sector Equality Duty that became law across Scotland. Public sector authorities must comply and implement the public sector equality 'general duty' which has three parts:

- Eliminate discrimination, harassment and victimisation
- Advance equality of opportunity between those who have a protected characteristics and those who do not
- Foster good relations between those who have protected characteristics and those who do not

The protected characteristics under the Equality Act are:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race – this includes ethnic or national origin, colour and nationality. This includes Gypsy Travellers
- Religion or belief – this includes lack of belief
- Sex
- Sexual orientation

The public sector equality duty under the Equality Act requires the Council to:

- **Mainstream** – How the duty is being integrated into other functions undertaken by the Council.
- **Set equality outcomes** – The results which the authority wishes to achieve. The outcomes must have been set with the engagement of protected characteristics and/or evidence relating to the protected characteristics.
- **Involve** all protected characteristics - and anyone else the local authority considers represents the interests of people with protected characteristics.
- Consider **relevant evidence** relating to people with protected characteristics.
- **Assess** and review policies and practices.
- **Gather** and use employment information.
- **Publish** a revised set of outcomes within a reasonable timescale.

Scottish Government approach to outcome setting

The Scottish Government had intended to review the public sector equality duty ahead of the April 2025 deadline to revise and set equality outcomes up to 2029. In June 2024, the Minister for Equalities wrote to all local authorities to explain that following a consultation on the PSED in 2021, responses mostly indicated that the Scottish Government take on more of a leadership role in setting national equality outcomes, which would in turn inform the outcomes of listed authorities. The Minister advised that the Scottish Government aligns its policy and delivery work to the National Performance Framework (which sets out Scotland's wellbeing framework). The revised NPF is due to be published in early 2025 – at the time of writing it has yet to be published.

The Minister concluded that pending publication of the NPF and as required by the PSED, local authorities set their equality outcomes for 2025-2029 and publish these by April 2025.

Scottish Government proposed legal duty on inclusive communication

The Scottish Government had been considering how best to advance the use of inclusive communication across the public sector in Scotland, and scoping the possibilities for regulating this area. In a letter dated August 2024, the Minister for Equalities advised that, before introducing any legislation, officials will initially be trained in better inclusive communication practices, the Government would undertake a scoping of existing tools and practices in this area and thereafter provide more information, guidance, tools and materials for listed public authorities.

United Nations Covenant on the Rights of the Child

The UNCRC officially became incorporated into Scottish law on Tuesday, 16th July 2024. This means that children's rights will now be at the heart of decision making in Scotland as the Act comes into force. The Act requires public authorities to protect children's human rights in their decision-making when delivering functions conferred by Acts of the Scottish Parliament. It also allows for children, young people and their representatives to use the courts to enforce their rights. The Act aims to mainstream the participation of children and young people in decision making across society and means that public authorities and their employees who work with or indirectly support children, now have a legal duty to uphold children's rights as set out in the UNCRC.

Human Rights Bill

In June 2023, the Scottish Government undertook a consultation on the Human Rights Bill which would enshrine international human rights – including the right to health and an adequate standard of living – into Scots law for the first time. The proposals would reduce inequality and place a broader range of human rights at the centre of how Scotland's frontline public services were delivered, as well as its policy and law making processes. People would also be able to seek justice where their rights are not upheld.

Legislation would incorporate United Nations economic, social, and cultural rights and environmental standards, as well as rights relating to women, disabled people and people who experience racism.

Fife Council submitted a response to the consultation. At the time of writing, there is no further update on the Bill and its development.

Gender Recognition Bill

The Scottish government wanted to simplify and speed up the existing process by which people obtained a gender recognition certificate – the legal recognition of a trans person's "acquired" gender. The process would have been shortened from two years and no medical reports or diagnosis would have been required as long as the person had lived in their acquired gender for three months. However, the UK Government vetoed the Scottish Government Gender Recognition (Reform) Bill in December 2022.

For Women Scotland was one of the organisations opposing the Scottish Government Bill arguing that sex-based protections should only apply to people who are born female. Campaigners were concerned that allowing anyone to "self-identify" as a woman could impact on the rights women have fought for decades to secure, and which are themselves enshrined in equalities law. There were also concerns about access to women-only spaces and services, including hospital wards and refuges.

On 15th April 2025, the UK Supreme Court unanimously ruled that the terms woman and sex in the Equality Act 2010 refer to a biological woman and biological sex. The court stressed, however, that the law still gives protection against discrimination to transgender people. The Scottish Government has accepted the judgement and it is expected that the Equality and Human Rights Commission will be issuing clearer guidance for public authorities in 2025 following the ruling. More information about the judgement can be found [here](#).

Equality & Human Rights Commission

In March 2025, the EHRC published their [strategic plan 2025-2028](#) setting out priorities to protect and promote equality and human rights. The priorities over the three years are:

- Core regulation of equality and human rights
- Agile response to equality and human rights risks and opportunities
- Programmes focused on complex equality and human rights challenges

There are two particular actions the EHRC will take in relation to the priorities which are relevant to the Council's equality priorities:

- assessing serious threats to equality and human rights, for example ensuring AI does not lead to discrimination on the basis of race;
- Where there are heightened tensions between different groups in society, the EHRC will increase national and local governments and PSED duty bearers' understanding of how best to respond e.g. freedom of expression and the interaction between the protected characteristics of sex and gender reassignment.

3. Evidence Gathering & Analysis

Profile of Fife's Communities

Scotland's census collection phase took place between 28 February and 1 June 2022. Highlighted below is information from the census in relation to the protected characteristics, and how this has changed between 2011 and 2022.

- Fife's population is estimated at 371,781 as of Census Day 20 March 2022, an increase of 1.8% since 2011.
- Fife's **age** structure continues to change, with fewer children (-2,552) and working age people (-6,821) than in 2011, and significant increases in its older population (+15,939). Since 2011, older people have overtaken the number of children, and in 2022, this gap continues to increase at a faster rate.
- In relation to **sex**, females make up 51.6% of Fife's population, while males make up 48.4%, similar to the overall proportions for Scotland. There continues to be a generally higher proportion of males than females for those people aged 0-20, but by their early 20s females make up a higher proportion of the population, and for females aged over 85, they significantly outnumber males.
- One of the biggest changes to **household** size is the increase in single person households, which are now almost as common as two person households. For people aged 55 and over, just under two-thirds (63.7%) live alone in Fife in 2022. Older people are more likely to live alone than younger people, with only 3.4% of those aged 16-24 living alone.
- In terms of **Marriage and Civil Partnership**, the census shows a gradual shift from marriage or civil partnerships towards cohabiting. The number of cohabiting couples went up by 15.8% from 2011, while married or civil partnership couple households decreased by 9.6%.
- **Sexual orientation** was a voluntary question for people aged 16 and over. There were 11,919 LGB+ people (4.0%) aged 16 and over, similar to Scotland. There are more LGB+ people in younger age groups than in older groups.
- **Trans status** or history. There were 1,294 trans people in Fife (0.4% of people aged 16 and over), similar to the Scottish average. Just under 44% of Fife trans people identify as 'non-binary', slightly lower than the Scotland figure of 45%. 17% of trans people identified as trans men, while 15% identified as trans women, and 15% did not specify their trans status or history, similar to the Scottish average.
- In relation to **disability** and health, 289,322 (77.8%) said that their health was good or very good. This is a decrease from 2011 of 9,569 people. In 2022, 95,552 Fife people said that they had a health problem or disability that limited their day-to-day activities either a little or a lot, an increase of 21,306 over the decade. Nearly one in four people in Fife (23.4%) reported having a long-term illness/condition, higher than the Scottish average of 21.4% with mental illness having increased from 4.1% in 2011 to 11.9% in 2022, and most commonly in younger people.
- The majority of Fife people identified their **ethnic group** or background as "White" (96.0%), although this has fallen from the previous census from 97.6%. The percentage of people in Fife with a minority ethnic background increased

from 2.3% in 2011 to 3.9% in 2022. This is lower than the Scottish average of 12.9%.

- In relation to **country of birth**, the percentage of people living in Fife that were born outside the UK increased from 2.8% to 4.2% between 2011 and 2022. The largest increases were from European Union (EU) Accession countries (0.8%), other EU countries (0.5%), the Middle East and Asian countries (0.4%), and the Americas and Caribbean countries (0.3%).
- Whilst the census does not ask directly about **pregnancy and maternity**, the trend over time is for a reduction in the number of children born in Fife. Compared with Scotland (45.4%), Fife (37.6%) has a lower proportion of births to parents that are married.
- **National Identity** The percentage of people who said “Scottish” was their only national identity increased from 63.8% in 2011 to 68.5% in 2022 (above Scottish average of 65.5%). School aged children (4-17) had the highest levels of Scottish identity, followed by those aged 25-34, with males and females showing similar levels for Scottish identity. Those who said that their only national identity was British increased from 7.9% in 2011 to 13.3% in 2022.
- **Language** In 2022, 94.6% of people in Fife said they speak, read and write English. Of the people in Fife aged 3 and over, 1.3% had skills in Gaelic in 2022, an increase from 0.7% in 2011. In the same age range, the percentage of people in Fife with no skills in Scots language has increased from 42.4% in 2011 to 50.9% in 2022.
- The 2022 Census included a new question on the use of **BSL**, therefore, no comparable data is available for the previous censuses. For those aged 3 and over in the Fife population, 7,947 (2.2%) use British Sign Language (BSL), similar to the Scottish average. People in the 30 to 60 age groups have the highest levels of use of BSL.
- In relation to **religion and belief**, for the first time, the 2022 Census figures show that the majority of people in Fife said that they had “No Religion” (61%), increasing from 46% in 2011. This is higher than the Scottish average of 51%.

Fife Strategic Assessment

The [Fife Strategic Assessment](#) was completed in July 2024 setting out a snapshot of the state of Fife and providing an insight into challenges facing the area across a number of areas. The report states that whilst the Plan for Fife has a strong focus on reducing inequalities, despite interventions, inequalities still persist and are widening. Some of the key points worth noting from the report in relation to equality and diversity are highlighted below.

- The gap is widening over time in relation to key life outcomes such as life expectancy and school attainment and there are significant inequalities in outcomes between most and least deprived communities.
- As people in Fife are living longer, they are living with ill health for longer and this is particularly so for women. There is also an increased risk of digital exclusion and poor digital literacy in older people as more services move online.
- Community perceptions of place are going in the wrong direction over time with more improvement and resources needed in areas such services and support, and work and local economy, housing and community.

- A common thread throughout the assessment has been poverty and inequality felt locally caused by wider economic factors.
- The long-term impacts of poor educational outcomes for children and young people include a reduction in further and higher education, limited employment opportunities and earning potential and poor health outcomes leading to poverty and inequality.

Employee Data

The data in this section provides a snapshot of our workforce profile as of 9th September 2024.

The headcount for the whole Council was 18,405. In relation to the protected characteristics, the following key facts can be noted.

- **Age** Employees aged 55 and over make up 26.21% of our total workforce. The percentage of our workforce aged 24 and under has increased from the last reporting period (4.2% 2022 to 5.9% in 2024). The age group 24-29 has also marginally increased in the same time period (8.1% 2022 to 8.3% in 2024) so this could be an indication we are attracting more younger applicants.
- **Gender** The gender split has remained relatively static with females making up 72.1% of our workforce (72.9% in 2022).
- **Disability** The percentage of our workforce declaring a disability has increased from 1.79% in 2022, to 3.2% in 2024.
- **Ethnicity** 1.5% of our workforce have told us that they are from an ethnic minority* (excluding white minority) background. This protected characteristic has a higher percentage of people choosing the option “prefer not to say” than all other protected characteristics (17.6%) so we are still unsure of how accurate our ethnicity demographic information is.

More information about our duties as an employer can be found in the [Equality and Diversity Employment](#) report.

Fife Centre for Equalities Engagement Report 2023/2024

FCE is funded by Fife Council to engage with individuals and groups representing the protected characteristics under the Equality Act 2010. Over 2023 and 2024, FCE engaged with and analysed information received from individuals relating to concerns or issues when accessing Council services. Highlighted below are some of the concerns raised:

- The most common concerns individuals shared with FCE were experiences of discrimination, hate incidents or difficulty in gaining accessible information. This related mainly to disability (mental health and anxiety) and race (poverty and cost of living concerns).
- Inability to access relevant Fife Council information (particularly around long-term support and benefit assessments) and services due to language barriers.
- Digitally excluded individuals struggling to access Fife Council services with many being online-only – consultations were specifically mentioned. It was also noted that the digitally excluded population does not have the same access to participation due to lack of awareness of ongoing campaigns and possibilities to participate.

- There is generally good support for those looking to access support for speakers of other languages.

4.	Update on Equality Outcomes 2023-2025
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In line with the Public Sector Equality Duty, the Council published a two year progress against the [2021-2025](#) outcomes and this is available [online](#). The section below completes the final two year progress and outlines some key achievements over 2023-2025.

Outcome 1:

Fife's communities are provided with services and information accessible to them particularly those who face barriers through disability, language and digital exclusion

What we prioritised

The Council recognised that there will be people from the protected characteristics and other vulnerable groups who are not able to use digital forms of communication and do not take part in decision making. This was evident during the pandemic when certain groups including ethnic minority people, people with disabilities and people from low income households missed out on communication about the pandemic.

We committed to: providing information in a range of formats including BSL and community languages; using a range of consultation tools and engagement tools to seek views; and channel more information through the Community Portal.

What we achieved

The Council continues to provide information in a range of formats including community languages, BSL and by SMS text to people who have hearing impairments. In 2024, we trialled a machine readable translation app for documents with the aim of turning around translated documents quicker – from days to minutes as well as saving money. The trial went well although we realised that machine readable translations are better for non-personal information and routine non-technical documents. Going forward we aim to develop the trial further and provide guidance to staff on providing machine readable translations.

A [community engagement toolkit](#) has been developed to help support engagement with communities and sets out which engagement method is best for the type of consultation. The toolkit can be used in the **planning, delivery and evaluation** of work and sets out various tools to help with informing, consulting and engaging with members of the public.

Outcome 2

Women and girls live free from all forms of violence and abuse – and the attitudes that help perpetuate it.

What we prioritised

The actions under this outcome related to the Fife Violence Against Women Partnership (FVAWP) and specifically the Priority 2 sub-group:

- Revised Equality and Diversity Scheme to reflect impact of Covid -19 including identifying inequality of outcome and disadvantage on women, children and young people.
- Fife Council to work with FVAWP to progress actions within the Equally Safe at Work framework.
- Consult with women, children and young people with lived experience of VAW.

What we achieved

Equally Safe is Scotland's national strategy to prevent and eradicate violence against women and girls. The strategy was refreshed and re -published in December 2023 setting out four priorities:

1. Scottish society embraces equality and mutual respect and rejects all forms of violence against women and girls
2. Women and girls thrive as equal citizens: socially, culturally, economically, and politically
3. Interventions are early and effective, preventing violence and maximising the safety and wellbeing of women children and young people
4. Men reject all forms of violence against women and girls and perpetrators of such violence receive a robust and effective response

In relation to priority 2, Fife Council successfully achieved Equally Safe at Work accreditation at the Bronze level in October 2023. The award is designed to create sustainable change in workplace practice and Fife Council hold the accreditation until November 2025. Other work included prioritising violence against women and girls within community planning and building relationships with the Health and Social Care partnership. See the full annual report here [FVAWP Annual Report 2023-2024](#)

Outcome 3

Fife's communities (including people from the protected characteristics) have increased confidence to participate in decision making, their human rights respected and have an improved quality of life.

What we prioritised

This was very much a partnership outcome ensuring that there was: regular monitoring reports around harassment and bullying motivated by hate; there was awareness of Police Scotland's third party reporting centres; a partnership approach to participation in decision making was developed; and that People and Place local arrangements would be used to build a stronger community-led approach.

What we achieved

The Council has a hate incidents policy and managers will receive and deal with any incidents of hate motivated by protected characteristics such as gender, ethnicity, disability. The Council is also represented on the Hate Crime Core Group chaired by Police Scotland which considers reports of hate crimes including by locality and type of crime. Hate crime reports are reported through the Community Safety Partnership.

[Fife People's Panel](#) was launched in 2006 and consists of a group of people who have volunteered to help improve Fife by giving their opinions and observations on a variety of public issues. The Panel is organised by Fife Partnership – Fife Council, NHS Fife, Police, Fire Service and the voluntary sector.

Another partnership resource is the community engagement toolkit which has been mentioned in outcome 1 above.

Outcome 4

The Council understands its workforce better and it reflects the diversity of the local population.

What we prioritised

The Council recognises that as one of Fife's largest employers we have a responsibility to model fair and inclusive workplace practices. In line with the Council becoming a data driven organisation, we need to improve our data collection in relation to staff perceptions, needs and wants. This will give us an opportunity to analyse and interpret relevant data to produce coherent and targeted policies and actions.

Our workforce priorities therefore were focused on improving the data we hold about employees; engaging with local communities (including young people) about the Council's workplace practices; supporting our trans employees; supporting the recruitment and retention of disabled employees and reviewing equality and diversity training as well as developing more flexible workstyles.

What we achieved

We have an ongoing communication campaign to explain why and how we collect information, encourage employees to check that their information has been recorded and if not request they complete it. These key messages have been built into a variety of different communications for employees on issues such as Transgender Awareness, Interfaith Week and Global Diversity Awareness.

Fife Centre for Equalities (FCE) undertook research into the public's perception of Fife Council as an employer and access to the job opportunities we offer. This piece of work was specifically targeted at minority ethnic communities within Fife as our data from the last reporting period showed we had a disproportionately low number of applications from these groups. FCE ran a survey from August to November 2022 with follow up focus groups and interviews.

The survey results highlighted some potential barriers to individuals applying for employment including the requirement for a supporting statement and the need for flexibility and accessibility in communication. Since the results of the survey were published in 2023 we have taken action to address the issues raised. Some key actions include:

- Reducing the requirement for a supporting statement in recruitment for certain posts
- Streamlined communication through the website and a renewed emphasis on the use of plain language
- Bi-annual job fairs held in different parts of Fife, backed by BSL support with the aim of targeting all parts of the Fife community

We continue to operate the Workforce Youth Investment Programme (WYI) whereby £800k is invested annually into providing a range of opportunities for those aged 16-24 residing in Fife. Opportunities include apprenticeships, traineeships, graduate roles and entry level work placements. WYI also continue to support care experienced young people and work with Employability and Social Work colleagues

to fund work opportunities to those from this group who have completed a successful work-based placement. In 2023/24, WYI supported 24 young people into roles across the Council. The roles varied from Modern Apprenticeships in Horticulture, Early Years Education, Care and Digital Media to Traineeships in Digital Skills and Health and Safety.

As an employer, we must make reasonable adjustments to ensure employees with disabilities, or physical / mental health conditions, are not disadvantaged at work. We've devised a new reasonable adjustment and assistive technology system to create a central hub for employees and managers. It summarises the types of supports that can be accessed, as well as guidance on the application process and grants available.

The [Equality and Diversity in Employment](#) report setting out detailed progress of achievements including workforce profile information and gender pay gap is available online.

Outcome 5

Raising educational achievement and attainment particularly for those in their early years or in early learning and childcare.

What we prioritised

The Fairer Fife Commission report stated that the Fife Partnership should require all schools to develop and deliver a plan for significantly reducing the educational attainment gap.

The actions we prioritised under this outcome were wide-ranging with a focus on: pupils being made aware of Fife's historical links to slavery; improving educational achievement and attainment for pupils with protected characteristics and Care Experienced pupils; improving early years development of children including two year olds; and increasing participation of parents living in deprived areas.

What we achieved

- All ELC settings benefit from trained Bookbug and PEEP facilitators, offering regular opportunities for parents to share in children's learning.
- Incredible Years parenting programme is facilitated across Fife to enable parents to build their capacity.
- All family Nurture Centres offer a range of formal and informal parenting support mechanisms which all parents for the local area can access.
- Revised Personal Learning Journals have been implemented in all funded provider settings. Tracking and monitoring reference materials will help to plan for children's individual developmental needs.
- In all local authority settings an early language observational tool is now embedded to assess children's language and communication needs and development. This observational language tool has been further developed in partnership with Dundee University to now take into account the language development of children aged two. This will be rolled out to all local authority settings in August 2024.
- Scottish Government now share data through the DWP to enable FC to target areas where the uptake of eligible two year old places is lower. This has supported FC to link with families in specific localities to support the increase in uptake of eligible two year old places.
- All children in Fife who are eligible for funded ELC receive the full entitlement of 1140 hours and the Council continues to review this provision to ensure it best meets parent's needs.
- All children who turn five years from the start of the academic session until the end of February the following year can now have their start to school deferred by a further year.

5.	Equality Priorities 2025-2029
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Section 4 set out some achievements against the 2021-2025 outcomes and particularly focussing on the latter two years. The outcomes were set during the pandemic and therefore services were being delivered against that backdrop. The focus was on providing critical services to vulnerable people and mostly focussing on online delivery where possible due to covid restrictions.

The impact and learning from covid resulted in some post pandemic changes. Highlighted below are some key takeaways from Sections 2 and 3 which have influenced the setting of our future equality priorities.

- More services are being delivered digitally to enable people to self-serve which may impact on people who are digitally excluded or unable to go online because of communication barriers.
- The profile of Fife's population has changed – people living longer but with poorer quality of life; people born outside the UK has increased and there are now more New Scots who have settled in Fife.
- Fife's population has increased slightly with more older people living longer but with a reduced quality of life and requiring more care, an increase in single person households and fewer children and working age population.
- The 2022 census has also shown a change in the 'New Scot' population with more people showing as having being born outside the UK and a slight increase in the ethnic minority population. There was also an increase in the disability population across all age groups and disability types including mental wellbeing.
- In terms of legislative changes, the Scottish Government has been consulting on the Human Rights Bill and provided updates on the proposed review of the Public Sector Equality Duty, Inclusive Communication and lost the appeal to reform the Gender laws. At the time of writing, there is no definitive change to the legislation which applies to the public sector and the previous requirements of the Public Sector Equality Duty still apply and these were set out in Section 2.

The priorities set out below have therefore been set in the context of available evidence and information and the way the Council is proposing to shape its services for the future. There is also reference to other mainstream equality related work which is taking place across Council Services and partnerships which is worth noting.

Priority 1: Access to Communication & Services

Why we have prioritised this

Services are increasingly going on-line to enable citizens to 'self-serve'. Whilst this is an advantage for most people who have access to and are able to go online to obtain services, this is not an option for some communities including people whose

first language is not English, British Sign Language users, people who are on low income and not able to afford a digital device.

Related to the provision of online services, the Council provides translations of documents in alternative formats including BSL and community languages. Whilst we continue to provide documents in different formats on request, changes to technology will allow the Council to trial and use a machine readable translation app. Whilst not useful for types of documents, the translation app can turnaround translated documents much faster as well as saving money.

The Council has previously undertaken equality impact assessments on changes to policy and practice and where appropriate, these have been published as part of the committee reporting process. There is now an increasing number of legal requirements to assess impact in a range of areas including in relation to equality, socio-economic disadvantage, consumer duty, climate impact and children's rights. It therefore makes sense to combine the range of assessments into an integrated impact assessment. The Council will be moving to this approach in the first year of our revised equality priorities. This combined approach will enable the Council to assess the impact of our decisions in relation to policy but also when making future budget decisions.

How we will achieve this

- Carry out integrated impact assessments on policy and budget changes to inform our decision-making
- Assess the cumulative impacts of connected decisions such as our annual budget setting process
- Work with Fife Centre for Equalities to get feedback from people on the types of communication methods which work for different communities
- Trial and progress a machine readable translation app for routine and non-personal document translations
- Actively seek feedback about people's experience of using our services to improve how services are delivered

This priority will eliminate discrimination, harassment and bullying; foster good relations and reduce socio-economic disadvantage

Mainstreaming equality & diversity

Information in alternative formats

The Council continues to provide community language translations and transcriptions on request through the Scottish Government Translation Framework (at the time of writing). British Sign Language interpreters are provided through Deaf Communications Service and EasyRead document provision also on request. Committee and Council meetings are also equipped with hearing loops to support anyone who is hard of hearing.

Fife Violence Against Women Partnership Fife Violence Against Women Partnership (FVAWP) co-ordinates activity towards ending violence against women in Fife across statutory and third sector organisations. The partnership is committed to addressing four priorities in Equally Safe – Scotland’s Strategy to Prevent and Eradicate Violence Against Women and Girls.

"Violence against women and girls, in any form, has no place in our vision for a safe, strong, successful Scotland. It damages health and wellbeing, limits freedom and potential, and is a violation of the most fundamental human rights" (*Scottish Government*)

- Priority 1: Scottish society embraces equality and mutual respect, and rejects all forms of violence against women and girls
- Priority 2: Women and girls thrive as equal citizens: socially, culturally, economically and politically
- Priority 3: Interventions are early and effective, preventing violence and maximising the safety and wellbeing of women, children and young people
- Priority 4: Men desist from all forms of violence against women and girls and perpetrators of such violence receive a robust and effective response

Read more about the work of the [FVAWP](#) here.

Priority 2: Inclusive communities

Why we have prioritised this

The profile of Fife's communities has changed the 2011 census. That change has mainly been brought about by 'New Scots' making Fife their home. Do we know enough about our newer communities and what their needs are in relation to the take-up of Council services?

On Tuesday 16th July 2024, the UNCRC officially became incorporated into law in Scotland. The Act requires public authorities to protect children's human rights in their decision-making when delivering functions conferred by Acts of the Scottish Parliament. It also allows for children, young people and their representatives to use the courts to enforce their rights and also mainstreams the participation of children and young people in decision making.

This priority would therefore encourage Council Services to undertake 'positive engagement' with all equality communities (including New Scots and children and young people) to inform the planning and delivery of our services.

Communities need to feel safe and included when using public spaces and public services. This includes people with disabilities, gender-specific requirements through use of single / unisex changing facilities.

Tackling Child Poverty priority reports ([Scottish Government, 2021, 2023 and 2024](#)) identified some family types at highest risk of child poverty including lone parent families, minority ethnic families, larger families and families with a disabled adult or child. Improving gender equality also remains a key focus, with 25% of families across Scotland, and 92% of lone-parent families headed by women.

This priority will foster good relations between communities who are able to make their own decisions and use services and those communities who may need some help to do this

How we will achieve this

- Work with Migration Policy Scotland to better understand the needs of all our communities including New Scots
- Take proactive steps across all Council Services to involve children and young people in decision making
- Promote the use of Citizen Space as a method of consultation and engagement
- Make routes easier and more accessible for people with mobility difficulties & visitors e.g. through QR codes & maps
- Make spaces safer and inclusive to meet a range of community needs including for people with disabilities and gender-specific requirements
- Creating spaces for sharing knowledge, insight and experience between place based communities and communities of interest to build alliances and understanding
- Use feedback from priority families to guide funded public transport priorities between homes, schools and local employers

- Share learning from partners using a family centred and holistic approach to service delivery

Mainstreaming equality & diversity

No Wrong Door

This is designed to shift the emphasis from providing recurring crisis support to preventing crisis through earlier intervention and prevention.

It's all about compassionate, preventative support that will:

- tackle poverty and reduce inequalities before problems are too big to fix
- shift from service-centric to person-focused services that are designed to address the totality of what's happening in someone's life
- build individual, family and community resilience
- keep people and families well and thriving and prevent or mitigate the need for complex or crisis interventions

Community wealth building

Community Wealth Building is a different way to approach improving communities and their wellbeing. Some of the benefits of this approach include:

- Preventing problems when communities are fully involved;
- More of the spend will stay local as our financial power works for our communities;
- Better use of our land and assets to benefit local people and communities;
- Fair employment and labour markets that work for every community

Find out more about the Council's approach to [Community Wealth Building](#) here.

Inclusive engagement and participation

Between April 2024 and March 2025, Fife Health and Social Care Partnership (FHSCP) achieved major milestones in inclusive engagement and participation. One of the standout achievements was the development of the 2024–2027 Equality, Diversity and Inclusion (EDI) Action Plan, shaped through consultation with over 470 staff across all partner organisations. This participatory process helped to build confidence in influencing service delivery and decision making.

To enhance inclusion at the grassroots level, FHSCP and Fife Centre for Equalities, trained 30 EDI facilitators. These facilitators delivered peer-led inclusion sessions throughout Fife, including in Glenrothes, Kirkcaldy, Dunfermline, St Andrews, and Levenmouth. These sessions were accessible and designed to be inclusive, supported by mental health first aiders and British Sign Language interpreters.

Gaelic Language Plan

Fife Council's previous [Gaelic Plan for Fife](#) 2019-2024 set out the Council's commitment to supporting Gaelic development and equity of language in line with the Gaelic Language (Scotland) Act 2005.

Gaelic development in Fife is a community-led affair with a range of groups and service providers coming together to create a sustainable network of events, activities and opportunities for Fife's Gaelic community and those looking to learn. Examples of opportunities regularly taking place across Fife include: adult learning classes; conversation groups; book collections in libraries; Bookbug and Gaelic Bookbug gifting and early years provision.

Work is underway to develop priorities for the next Plan with a view to publishing it in Autumn 2025.

Priority 3: A working environment where inclusion is prioritised and promoted

Why we have prioritised this

The Council recognises that as one of Fife's largest employers we have a responsibility to model fair and inclusive workplace practices. We will use various communication methods to support and inform our employees' different needs.

How we will achieve this

- Increase awareness of alternative formats, assistive technologies, and tools to reduce barriers encountered by employees
- Collaborate closely with Deaf Communications Services to strengthen inclusion initiatives
- Undertake listening sessions with employees to gauge awareness and determine priorities
- Enhance the provision of translation services to improve effective communication
- Access digital inclusion initiatives to promote an inclusive online environment for the workforce
- Create educational resources and campaigns to deepen employee comprehension of the significance of inclusive communication practices

This priority will advance equality of opportunity (including for employees with a disability and staff undergoing gender re-assignment); eliminate discrimination, harassment and bullying; foster good relations; reducing inequalities of outcome

The Equal Pay Statement 2025-2029 and Gender Pay Gap information is available in the [Equality and Diversity Employment Report](#). The [Fair Work First Statement](#) is also available online.

Mainstreaming equality & diversity

Neurodiversity is a word used to explain the unique ways people's brains work. While everyone's brain develops similarly, no two brains function just alike. Neurodivergent individuals may have conditions like autism, ADHD, dyslexia, dyspraxia, and more. Since there's no strict medical definition, other conditions can also be included. The Council can provide employees with assistive technologies to support a range of learning styles, abilities, and difficulties, to support employees to be their best.

Neurodiversity Natter was an event co-hosted in December 2024 by FHSCP and Fife Centre for Equalities. Attended by 56 participants, this interactive session focused on how to make work environments more supportive for neurodivergent employees. Key outcomes included recommendations for:

- Sensory-friendly workplace adaptations,
- Clearer, more inclusive communication practices, and
- The introduction of mentorship programmes tailored for neurodivergent colleagues.

These events helped normalise inclusive practices and increase staff confidence in expressing identity at work.

The launch of the **Partnership Equality Network (PEN)** demonstrated how leadership support and peer-led initiatives can dismantle systemic barriers and enhance equity across the workforce. The Network provided:

- A staff-driven space for support and discussion
- A feedback loop for influencing - A launchpad for new initiatives like the planned Neurodiversity Staff Network.

The impact of PEN was enhanced through regular themed newsletters that promoted reflection and learning, including:

- Neurodiversity in the Workplace:

<https://www.fifehealthandsocialcare.org/media/k04fp0gw/neurodiversity-3-1.pdf>

- LGBTQI+ Inclusion:

<https://www.fifehealthandsocialcare.org/media/nogpt4og/lgbtqi.pdf>

- Pronouns in the Workplace:

<https://www.fifehealthandsocialcare.org/media/kn2n2rms/pronouns-in-the-workplace-newsletter-1.pdf>

Recognition for these efforts came in the form of Bronze Level status under the Equality Pathfinders Scheme by the Fife Centre for Equalities, and national acknowledgement from the Scottish Government's "Improving Wellbeing and Workforce Cultures" initiative as a best practice model.

Priority 4: Raising educational achievement and attainment

Why we prioritised this

Promoting equality within the Education Directorate is an essential task that emphasises the values of inclusivity, fairness, and respect for all individuals. This commitment involves creating an environment where every child, regardless of their background, has access to the same opportunities and resources, ensuring no one is left behind.

The Education Directorate plays a key role in taking forward the wider aims of the Council by:

- Supporting the delivery of the Plan 4 Fife
- Playing a lead role in strategic planning across the wider Children's Services Partnership
- Working with and liaising with national partners in education and third sector

The Directorate's approach is founded on the values of:

- Compassion
- Ambition
- Respect
- Equity

Our key priorities for improvement are:

- **Closing the Attainment Gap** for the most disadvantaged
- **Improving Opportunity** for all children & young people
- **Delivering the Promise** for Fife's vulnerable children & young people
- **Empowering all** through place-based leadership

Within the Education Directorate the core principles of promoting equality are based upon:

An Inclusive Curriculum- that reflects the diverse backgrounds and experiences of all children and young people.

Professional Development - for educators and staff on equality, diversity, and inclusion.

Equitable Resource Allocation - that addresses disparities and meets the needs of all children and young people, particularly those from disadvantaged backgrounds

Supportive Environment - where all children and young people feel valued and respected.

Engaging Families and Communities -to build strong partnerships that support children and young people's learning and well-being.

Monitoring and Evaluation – using data to identify areas for improvement and ensure that all children and young people are making appropriate progress

By embedding these principles and actions into the daily operations of the Education Directorate, we aim to create a more equitable and inclusive education system that supports the success and well-being of all children and young people.

How we will achieve this

- Pupils provided with opportunities to understand their own and others cultural heritage
- Improve educational achievement and reduce the attainment gap for individuals with protected characteristics
- Improve educational achievement and reduce the attainment gap for individuals living in SIMD quintile 1 and for the Care Experienced, in support of the National Improvement Framework and the Promise
- Increase the uptake of eligible two-year old places in Fife, in line with Scottish Government stretch aim
- Increase the number of venues and opportunities to support play for families within communities
- Sustain and improve the number of young people from Quintile 1 entering initial positive destinations and follow up destinations post 16
- Improve the number of Care Experienced young people entering initial positive destinations and follow up destinations post 16
- Carry a Joint Strategic Needs Assessment in 2025 reviewing evidence on the intersectionality of known risk factors inform the development of the Fife Children's Services Plan 2026-29.

This priority will: advance equality of opportunity; foster good relations and reduce socio-economic disadvantage for all protected characteristics including Gypsy Traveller children, ethnic minorities, disabled pupils (including Deaf and visually impaired learners) and those who have multiple barriers to employment.

6.	Procurement Duty
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To meet the requirements of the specific duty, a public authority must be able to demonstrate that it has had due regard to whether the award criteria and conditions relating to the performance of a relevant agreement should include considerations to enable it to better perform the equality duty.

Applying 'due regard' means that when making decisions about procurement, an authority subject to the duty must consciously consider the need to: eliminate discrimination, advance equality of opportunity, and foster good relations.

Any award criteria or conditions related to the performance of a relevant agreement must, in accordance with the [Public Contracts \(Scotland\) Regulations 2015](#), be relevant to and proportionate to the subject matter of the contract or framework agreement. The sustainable procurement duty, outlined in the Procurement Reform (Scotland) Act 2014, requires that contracting authorities must consider how their purchases can enhance the social, environmental, and economic wellbeing of their operational area, with a specific emphasis on reducing inequality.

The Fairer Scotland Duty, Part 1 of the Equality Act 2010, came into force in Scotland in April 2018. This requires public authorities, in the exercise of their functions, to have due regard to how they can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions.

7. Engagement & Monitoring Progress

Senior Equalities Group

The Senior Equalities Group (SEG) - a partnership group comprising Fife Council, NHS Fife, Fife Health & Social Partnership, Police Scotland and Fife Centre for Equalities – oversees the equality and diversity work for the Council. To ensure Fife Partnership is also aware of and able to set and monitor common equality priorities, the SEG will report to the Fife Partnership Leadership Group from 2025. The SEG meets quarterly and will continue to monitor progress against the equality priorities and actions during the life of this document.

In order to develop the current set of equality priorities, a workshop with SEG members and other Fife Council Services a workshop was held on 29th January 2025. Additional workshops with elected members were held on 6th and 27th May 2025. As with the previous equality outcomes document, this document was presented to the Council's Cabinet Committee in June 2025 for discussion and approval. Two yearly updates on progress will be provided and published online against the actions in line with the Public Sector Equality Duty.

Fife Centre for Equalities

FCE is funded by Fife Council to broadly work with and engage with individuals and groups who fall under the protected characteristics as defined by the Equality Act. The current Service Level Agreement (SLA) which runs from 2024 to 2027 has five components:

- Undertake **qualitative research** to ensure that Fife Council provides services to all protected characteristics based on identified need.
- **No Wrong Door.** This is about putting people at the centre of service design and delivery, make it easy for them to access Council services, and find the right support the first time round.
- **Community wealth building** is an economic approach to achieving better outcomes for people, the environment and the economy.
- **Supporting the anti-poverty work and the Fairer Scotland Duty.** The Fife Strategic Assessment 2024 has identified persistent levels of poverty caused by unemployment, low-paid jobs, inadequate benefits and rising living costs.
- **Inclusive Communication.** Test and identify a range of communication methods to suit the needs of differing communities including (but not restricted to online, Whatsapp, SMS text)

Over the life of the Council's equality priorities, FCE will engage with all protected characteristics and provide qualitative feedback on the actions to ensure that progress is being made.

Fife Health & Social Care Partnership - Reverse Mentoring Pilot Programme:

1. Feedback will be gathered from both mentors and mentees through short surveys and reflective check-ins throughout the programme.
2. Sessions will be reviewed for quality and impact, and insights will be used to shape future EDI initiatives.
3. Learning outcomes through shared experience during the Programme will help shape organisational culture.
4. A final evaluation report will include recommendations for scaling or adapting the programme, post-pilot.

Integrated Impact Assessment

Section	Page
1. Proposal information (<i>mandatory</i>)	
2. Equality impact (<i>mandatory</i>)	
3. Children's rights & wellbeing impact (<i>mandatory</i>)	
4. No impact or more detailed impact required	
5. Fairer Scotland Duty impact	
6. Consumer Duty	
7. Environmental impact	
8. Assessing strategic risk	
9. Evidence Summary, Gap Analysis & Action Plan	

1. Proposal information (must be completed)

Title of proposal	Reducing Inequality & Promoting Fairness 2025-2029
Brief description of proposal (including intended outcomes & purpose)	In line with the Equality Act Public Sector Equality Duty, the Council is required to review and set equality outcomes every four years. Four priorities have been set for the next four years setting out the Council's commitment to reducing inequality and promoting fairness for all protected characteristics covered by the Equality Act 2010.
Lead Directorate / Service / Partnership	Communities Directorate (Policy & Communications Service)
Lead person	Zahida Ramzan, Policy Co-ordinator (Policy & Delivery Team)
Contributors	Engagement was carried out with protected characteristics through engagement sessions with Fife Centre for Equalities; 2 elected member workshops and a workshop with the Senior Equalities Group
Date	May 2025

2. Equality Impact (complete for all proposals)

The Equality Act 2010 requires that due regard needs to be given to meeting one or more of the general duties below and how these may affect one or more of the protected characteristics*.

How does the proposal meet one or more of the **general duties** below under the Equality Act 2010? (Consider proportionality and relevance)

<p>Eliminating discrimination, harassment and victimisation</p> <p>By undertaking actions in relation to the equality & diversity priorities, the intention is that people from all protected characteristics should experience an improved quality of life and be able to access Council services independently.</p>
<p>Advancing equality of opportunity The four equality priorities - access to information and services; inclusive communities; Inclusive communities; a working environment where inclusion is prioritised and promoted and raising educational achievement & attainment – will help to advance equality for all protected characteristics whilst ensuring greater focus on some protected characteristics where evidence shows that more protective work needs to be undertaken to ensure that their needs are met e.g. migrant communities and children and young people.</p>
<p>Fostering good relations The actions undertaken in relation to the equality priorities will foster good relations between people e.g. who can use digital and online tools to access Council Services and those who need support to do so.</p>

*The protected characteristics are age, disability, race, religion or belief, sex, gender reassignment, sexual orientation, pregnancy and maternity and marriage and civil partnership.

3. Children's Rights & Wellbeing Impact (complete for all proposals)

The Children & Young People (Scotland) Act (2014) requires public bodies to think about the rights of children and young people and how they relate to their work.

Please explain how the proposal will *impact and* improve the rights of children and young people.

Improving the rights of children & young people The priority around raising educational attainment is specifically designed to ensure that children and young people are supported in their learning and those requiring extra support are provided with that support e.g. pupils with additional support needs and children whose first language is not English. Additionally, the United Nations Convention on the Rights of the Child requires that public authorities engage with children and young people and this is not limited to a school setting.

There may be times when a separate Children and Young Persons Rights and Wellbeing Assessment is required – see link to Scottish Government guidance below.

<https://www.gov.scot/publications/childrens-rights-wellbeing-impact-assessments-crwia-templates/>

4. No Impact or more detailed impact required

Having considered Sections 2 and 3 above, if there is no negative impact on any of the protected characteristics or children and young people, a detailed impact assessment may not be required. Please provide an explanation (based on evidence) if this is the case.

The equality and diversity priorities is a strategic document setting out an overall direction for the Council to reduce inequality and promote fairness for all protected characteristics in the Equality Act. The related actions are intended to have a positive impact and foster good relations.

If there is likely to be a negative impact on one or more of the protected characteristics within Section 2, then a more detailed impact assessment will need to be completed.

If there is likely to be a negative impact within Section 3, then a more detailed impact assessment is required – see link to Scottish Government guidance below.

<https://www.gov.scot/publications/childrens-rights-wellbeing-impact-assessments-crwia-templates/>

Sections 5-7 need to be completed for decisions of a strategic nature.

Broadly, a strategic decision is one which is made at executive or committee level rather than operational day-to-day decisions.

5. Fairer Scotland Duty Impact

Part 1 of the Equality Act 2010 requires public bodies to actively consider how they can reduce inequalities of outcome caused by socio-economic disadvantage when making strategic decisions.

Please explain how the proposal will address [socio-economic disadvantage or inequalities of outcome](#)?

Socio-economic disadvantage The equality priorities around inclusive communities and raising educational attainment and learning are specifically focused on SIMD areas where there are low levels of income, higher poverty and lower educational attainment. Some groups and individuals living in the SIMD areas will fall into the protected characteristics and evidence has shown will experience socio-economic disadvantage such as people with disabilities, single parents particularly young women.

The actions in the Inclusive Communities priority in particular are designed to look at how some groups and individuals experience inequality and what can be done to address this.

Inequalities of outcome

See information above. If actions taken to address socio-economic disadvantage are done properly, this will address inequalities of outcome.

6. Consumer Duty Impact

The Consumer Scotland Act 2020 requires public authorities, when making decisions of a strategic nature, to consider the impact those decisions will have on consumers (including individuals and small businesses) and how they will reduce harm.

Bearing in mind the consumer principles (see further details under the Consumer Duty Guidance on page ---) of the Consumer Duty (access, choice, safety, Information, Fairness, Representation and Redress), please explain how the proposal will:

Impact on consumer

In terms of the Consumer Duty definition of consumers, individuals from the protected characteristics can be considered as consumers of public services when accessing services. The actions related to the equality priorities will advance equality of opportunity for all consumers particularly in relation to accessibility of communication and services and making sure that our services are provided in a way that meets the needs of our diverse communities.

Reduce harm to consumers

7. Environmental Impact

Local authorities are required by the Climate Change Scotland Act to cut emissions and adapt to climate change. Please explain how the proposal will:

Reduce greenhouse Gas emission (GhG) The priorities and actions will not directly cut emissions and affect climate change although there may be an indirect impact from actions taken e.g. reduce carbon footprint if we can support citizens to use online and digital services.
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Increase use of renewable energy No direct impact
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Use sustainable resources and materials No direct impact

Use sustainable transport No direct impact

Impact on biodiversity & ecosystems No direct impact

Impact on climate change adaptations No direct impact
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If the proposal is likely to have a negative impact on one or more of the above areas, a more detailed environmental impact will need to be undertaken.

Assessing Strategic Risk

Risk	
FC001	ICT Failure
FC002	Increased Inequality
FC003	Health Deterioration
FC004	Educational Inequality / Widening Attainment Gap
FC005	Roads and Transportation Infrastructure Failure
FC006	Loss of Key Buildings
FC007	Inclusive and Sustainable Economic Growth in Fife
FC008	Failure to Address Climate Change
FC009	Poor Corporate Governance and Leadership
FC010	Elected Members - Failure to comply with Council Governance and Code of Conduct
FC011	Inability to Ensure Public Safety and Protection
FC012	Financial Instability
FC013	Failure to Effectively Discharge Statutory Health and Safety Obligations
FC014	Workforce Challenges
FC015	Ineffective Information Governance
FC016	Ineffective Transformational Change Agenda / Strategic Planning
FC017	Legal and Regulatory Compliance Failure

Has the proposal identified any negative impacts which may link to any of the above strategic risks? If so, please explain.

The overall intention of the equality and diversity priorities is to advance equality of opportunity and foster good relations between and within diverse communities. By meeting the three general duties of the Equality Act, the Council will be addressing strategic risk in relation to the Equality Act.

9. Evidence Summary, Gap Analysis & Action Plan

Complete the table to summarise the evidence, sources used and any identified strategic risks in assessing the relevant impact assessment section(s). Also, note any evidence gaps and planned actions to address them.

Evidence used	Source of evidence
1. Engagement report	Fife Centre for Equalities
2. Stakeholder engagement	SEG, 2 elected member workshops
3. Strategic Assessment 2024 & Census 2022	
Evidence gaps	Planned action to address evidence gaps
1.	
2.	
3.	
Strategic risk identified	Planned actions to mitigate risk
1. None	
2.	
3.	

Integrated Impact Assessment – Action Plan

Please complete below for actions which need to be taken following completion of the IIA.

Equality impact:	The IIA will be attached to the equality and diversity priorities report to be presented to Cabinet Committee on 26 th June 2025.
Children's Rights impact:	
Socio-economic impact:	
Consumer duty impact:	
Environmental impact:	
Monitoring and Evaluation:	
How will impacts and actions be monitored over time?	The SEG is the senior group overseeing equalities work in the Council and will receive regular progress reports on the actions. FCE also engages with the protected characteristics and will monitor progress on the priorities through regular 'Let's Chat' conversations.
Who is responsible for monitoring?	SEG, Policy & Delivery Team

Sign off

(By signing off the IIA, you are agreeing that the impact assessment represents a thorough and proportionate analysis of the policy based on evidence listed above and there is no indication of unlawful practice and the recommendations are proportionate.

Date completed:	Date sent to
Senior Officer: name	Designation:

Integrated Impact Assessment Summary Report

(to be attached if appropriate as an Appendix to the committee report or for consideration by any other partnership forum, board or advisory group as appropriate)

Which Committee report does this IIA relate to (specify meeting date)? Cabinet Committee, 26 th June 2025
What are the main impacts in relation to equality & addressing socio-economic disadvantage / environment / children & young people / consumers? As this is a strategic document, actions to advance the priorities are intended to promote equality and diversity all protected characteristics.
In relation to a strategic decision, how will inequalities of outcome caused by economic disadvantage be reduced? Actions taken in relation to the Inclusive Communities priority will focus particularly on people who are affected by inequality, including New Scots and children and young people and families.
What are the main recommendations to enhance or mitigate the impacts and/or strategic risks identified?
If there are no impacts as a result of undertaking any of the impact assessments mentioned above.
Further information is available from: Name / position / contact details: Zahida Ramzan, Policy Co-ordinator (Zahida.ramzan@fife.gov.uk)

Outstanding Remits from Committees

Title	Service(s)	Comments
14th August, 2025		
Education Service Anti-Bullying Policy	Education	As agreed at 02.11.23 Cabinet meeting – para. 169 of 2023.CC.93 refers – Cabinet Committee Minute - 2nd November 2023 - Report to be brought back in a year's time. UPDATE: A briefing paper to be sent to elected members requesting nominations to establish the Working Group with an update report being submitted in August 2025.
Fife Bus Network Review	Roads and Transportation Service	As agreed at 30.11.23 Cabinet meeting - para. 185 of 2023.CC.102 refers - Cabinet Committee Minute - 30th November 2023 - A report be brought back to a future meeting of the committee providing options for the council to begin the provision of not for profit bus services with a view to improving connectivity and reducing vehicular traffic.
Scaling Up Housing First in Fife	Housing	As agreed at 6th March 2025 meeting - para 343 of 2025.CC.181 refers - Cabinet Committee Minute - 6th March 2025 - Noted next steps and further reporting as detailed in section 3 of the report. UPDATE: Deferred to August as awaiting conclusion of evaluation in June.
Affordable Housing Phase 4	Housing	As agreed at 6th March 2025 meeting - para 343 of 2025.CC.181 refers - Cabinet Committee Minute - 6th March 2025 - Noted next steps and further reporting as detailed in section 3 of the report. (Deferred to June as projects being re-prioritised for the period 2026-29 to assist with the Housing Emergency.)
Land Reform (Scotland) Act 2003 - Access Rights at East Dock, Burntisland	Legal and Democratic Services / Communities and Neighbourhoods	As agreed at 8th May 2025 Fife Council meeting - para. 179 of 2025.FC.278 refers - Fife Council Minute - 8th May 2025 - Report back to Cabinet providing a summary of the council's position on access rights around the East Dock.
Swimming for Children and Young People	Education	As recommended at Education Scrutiny on 21st May 2025 - "recommend to Cabinet that they request that the Education Service provide the necessary business cases for the options detailed in the Swimming for Children and Young People report, for its consideration, with a view to including proposals in the budget process for the following year".

Title	Service(s)	Comments
11th September, 2025		
Pay Strategy and Job Evaluation Project	Human Resources	As agreed at 30.11.23 Cabinet meeting - para. 188 of 2023.CC.103 refers - Cabinet Committee Minute - 30th November 2023 - see also para. 4.1 of report - updates to be brought back to Cabinet. UPDATE - Deferred from June to September 2025.
Pedestrian and Cyclist Access to Household Waste Recycling Centres	Environment and Building Services	As agreed at 11.01.24 Cabinet meeting - para. 199 of 2024.CC.110 refers - Cabinet Committee Minute - 11th January 2024 - Deferred to a future meeting. UPDATE: CIRECO to undertake a full health and safety review of all their facilities. Report to Cabinet will be submitted by September 2025.
9th October, 2025		
Community Wealth Building - Progress Report	Property Services	As agreed at 10.10.24 Cabinet meeting - para. 293 of 2024.CC.155 refers - Cabinet Committee Minute - 10th October 2024 - Annual report to be provided of future CWB achievements.
Housing Allocation Policy Review Update	Housing Services	As agreed at 03.04.25 Cabinet meeting - para. 355 of 2025.CC.187 refers - Cabinet Committee Minute - 3rd April 2025 - Report back to Cabinet in Autumn 2025.
6th November, 2025		
Mothballing of Kirkton of Largo Primary School Review	Education	As agreed at 09.01.25 Cabinet meeting - para. 322 of 2025.CC.170 refers - Cabinet Committee Minute - 9th January 2025 - A further report be brought back to committee no later than December 2025 reviewing the decision.
Tackling Marine Pollution - Membership of KIMO UK and KIMO International - Update	Planning	As agreed at 01.05.25 Cabinet meeting - para. 369 of 2025.CC.196 refers - Cabinet Committee Minute - 1st May 2025 - Six monthly update to be submitted on progress of KIMO membership.
4th December, 2025		
Short-Term Let Control Areas Update	Planning	As agreed at 03.04.25 Cabinet meeting - para. 358 of 2025.CC.189 refers - Cabinet Committee Minute - 3rd April 2025 - A report to Cabinet in December 2025/January 2026 would further comprehensively address the risk and benefits of promoting a STLCA in Fife.

Title	Service(s)	Comments
Unallocated		
Social Housing Net Zero Standard (SHNZS) - Scottish Government Consultation Response	Housing Services	<p>As agreed at 07.03.24 Cabinet meeting - para. 223 of 2024.CC.122 refers - Cabinet Committee Minute - 7th March 2024 - A further report be brought back to Cabinet later in 2024.</p> <p>UPDATE: December 2024 - Deferred from January 2025 meeting as Scottish Government announcement on SHNZS is still awaited. An Elected Members' Briefing to be issued meantime.</p>
Fife Council's Arm's Length External Organisations - Governance Arrangements	Legal and Democratic Services	Further to the 5th December, 2024 Cabinet meeting and following discussion at CPLG, all elected members have been invited to attend a meeting on the role of ALEOs to provide feedback and inform next steps.
Fife Transient Visitor Levy Scheme	Business and Employability	As agreed at 03.04.25 Cabinet Committee - para. 362 of 2025.CC.192 refers - Cabinet Committee Minute - 3rd April 2025 - Draft Levy Scheme to be developed and brought back to Cabinet Committee for approval prior to statutory consultation.