



# Delivering Best Value

## 2024/25

Final Report

September 2025

**BEST VALUE**

# Executive Summary

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The duty of Best Value is wide-reaching and involves several different teams from across the council all working together to deliver good governance, effective management of resources, continuous improvement and to secure the best possible outcomes.

In February 2025, the Accounts Commission published a Controller of Audit [Best Value Report on Fife Council](#). It recognised that Fife Council has been able to deliver services without having to make significant reduction in service costs in recent years, but that there is now change required.

This Best Value self-assessment report provides an overview of improvement activity that has been undertaken in the last year, drawing on a range of sources including committee reports, strategic plans and the annual governance statement. The report also tracks how the council is responding to recommendations from both internal and external audit and assessments.

This report provides assurance that Fife Council is fulfilling its statutory duty to deliver Best Value, as defined by the Local Government in Scotland Act 2003. It outlines performance and improvement activities across seven Best Value themes, with a particular focus on Transformation, the thematic review for 2024/25.

The report is organised by the seven Best Value themes and provides examples of practice and next steps – it is a comprehensive account but intended as a rounded report to demonstrate that requirements are being met or where improvement is required and being planned for.

The findings of this self-assessment review work undertaken for 2024/25 show:

- **Appropriate arrangements for** – leadership of the organisation, financial planning and strategy – with strong engagement with local communities and an innovative approach to workforce challenges
- **Good awareness of** – financial pressures and planning requirements, specific challenges in relation to Health & Social Care and the potential for overspends in other areas due to increasing demand / rising costs and the need for implementation of reform.
- **Improvements to** – integration of reporting on policy priorities, change projects, workforce plans and medium-term financial plans; maximising digital opportunities to support reform and to strengthen connections between plans, community engagement and the design of change.

# Introduction

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Best Value was introduced on a voluntary basis in 1998 and became a statutory duty following the Local Government in Scotland Act 2003. Best Value is about ensuring that there is good governance and effective management of resources, with a focus on continuous improvement, to deliver the best possible outcomes for the public.

Local councils are under pressure with increasing demand for services, a real-terms reduction in funding, combined with high inflation and rising interest rates. Faced with these pressures and spending constraints it is essential that councils demonstrate they are indeed securing and delivering best value.

Since 2022, and as part of the Annual Audit, external auditors report annually to the Audit Commission on specific best value themes to facilitate the exchange of ideas and performance data across councils. The Best Value theme for 2022/23 was Leadership and the 2023/24 theme was Workforce Innovation. **Transformation** is the focus for the 2025 thematic review.

This report provides assurance to a diverse audience that Fife Council is complying with its duty of best value:

- external auditors,
- elected members,
- council officers, and
- the public

By providing an overview of the range of improvement activity, over the last year, across the 7 best value themes<sup>1</sup>:

1. Vision and leadership
2. Governance and accountability
3. Effective use of resources
4. Partnerships and collaborative working
5. Working with communities
6. Sustainability
7. Fairness and equality

Our second self-assessment helps to support ongoing dialogue around best value across services throughout the year. The report has been informed by a range of sources including:

- Controller of Audit Report, February 2025
- Best Value Thematic Review of Transformation 2024/25
- audit and inspection,
- committee papers,
- review of the annual code of corporate governance
- discussion with elected members

Previous reports from our external auditors are available here: [Best Value | Fife Council](#)

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<sup>1</sup> [Section 2 – Best Value Themes - Best Value: revised statutory guidance 2020 - gov.scot \(www.gov.scot\)](#)

# 1. Council vision and leadership

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## What is required?

In achieving Best Value, a local authority will be able to demonstrate the following:

- Members and senior managers have a clear vision for their area that is shared with citizens, key partners and other stakeholders.
- Members set strategic priorities that reflect the needs of communities and individual citizens, and that are aligned with the priorities of partners.
- Effective leadership drives continuous improvement and supports the achievement of strategic objectives.

In 2022/23, Fife Council's external auditors, Azets, concluded that the council had appropriate arrangements in place to demonstrate Best Value under the theme of Leadership: [2022/23 Best Value thematic review of Leadership](#).

## How are we doing?

In February 2025, the Accounts Commission published a Controller of Audit [Best Value Report on Fife Council](#). It recognised that Fife Council has been able to deliver services without having to make significant reduction in service costs in recent years, but that there is now change required. It also recognised that performance in delivering services is mixed, with service deterioration in key services such as social care, together with large overspends in this area.

Given the scale of future financial pressure, as highlighted in the Best Value report, the Council took a medium-term approach to setting the revenue budget in February 2025. Recurring savings were identified, some of which increased in value in the following 2 years as well as indicative council tax increase also being included to 2027-28. Both of these measures brought the assumed budget gap for 2027-28, down from £46m to £16m. It should also be noted that as well as closing the budget gap, additional budget was added to support additional investment in the capital investment plan, including 121 devices, ensuring that a sustainable, affordable capital investment programme was set. The Best Value report also noted that increased cost pressures within the Housing Revenue Account (HRA) had resulted in a reduced contribution from revenue to support the capital programme. However, the Council has recognised these financial challenges and set a balanced HRA budget that supported an increase in capital investment in affordable housing.

The Commission recognised that the Council has strong foundations, including strong engagement with local communities. The Council's innovative approach to workforce challenges was recognised, as was its developing three-year change plan process. Further work will now take place responding to the Commission's findings. The report was presented to full Council in May 2025 [Fife Council \(8th May 2025\) | Fife Council](#).

This year, all Councils will be assessed against the Best Value thematic review of Transformation. Essentially Transformation is about assessing how councils are

redesigning and delivering services to achieve planned outcomes in a financially sustainable way<sup>2</sup>.

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 cross-cutting programmes of work and the breadth of this ambition can be seen in service change plans. 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

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.

Three-year service change plans are now in place and these informed the setting of the revenue budget in February 2025. The Cabinet Report on 26 June 2025 contains a summary of major change within each directorate drawn from these plans. Monitoring will be via CET Reform Board, and financial monitoring reports to both Cabinet and Scrutiny committees throughout the year will include information on the progress of the savings via a savings tracker.

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, as exemplified through No Wrong Door and action to address the housing emergency. 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.

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. In terms of sustainability, Education 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.

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. A Greenspace Strategy is being developed with the aim of providing more focused strategic leadership for greenspace activity across Fife (to include better coordination of partnership working, greater alignment with climate change and adaptation priorities, nature-based finance opportunities, etc) whilst also improving operational alignment and cohesion of community facing activities.

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<sup>2</sup> Transformation in councils | Audit Scotland Source: Accounts Commission, Transformation in councils: Sector-led change and collaboration to achieve financial sustainability report, October 2024

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.

## **What's ahead?**

The Controller of Audit's recent report on best value at Fife Council stressed the importance of our 3-year change plans and the need for Fife to accelerate the pace of reform. While the Accounts Commission highlights that transformation is essential to meet financial challenges, both councillors and the leadership team are clear that it is also the only way we can maintain good quality services for people in most need.

Change planning is an iterative process. Building on the inclusion of change themes in Annual Service Review Reports (ASRR) in 2024, there will be greater integration of reporting of policy priorities, change projects, workforce plans and medium-term financial plans in 2025.

Progress against previous programmes of change has been assessed 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.

A three-year programme of public service collaboration, together with further Leadership Summit engagements with partners, will prepare the ground for the next 10-year plan for Fife in 2027.



## 2. Governance and accountability

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### What is required?

In achieving Best Value, a local authority will be able to demonstrate the following:

- A clear understanding and the application of the principles of good governance and transparency of decision-making at strategic, partnership and operational levels.
- The existence of robust arrangements for scrutiny and performance reporting.
- The existence of strategic service delivery and financial plans that align the allocation of resources with desired outcomes for the short, medium and long terms.

Fife Council is accountable to the public and other stakeholders for ensuring it has a sound system of governance. The Council is required to prepare and publish an annual governance statement (AGS) in accordance with statutory regulations.

### How are we doing?

The quality of governance arrangements is of paramount importance to enable councils to make decisions with high-quality information, and with a good understanding of risk.

The Annual Governance Statement, which is an integral part of the Annual Accounts, demonstrates that Fife Council has put in place appropriate management and reporting arrangements to enable it to satisfy itself that its approach to corporate governance is both adequate and effective in practice, and can greatly mitigate risks to achieving its objectives.

Our annual review of the system and processes of corporate governance helps us identify areas for improvement on an annual basis through corporate and directorate action plans. A benefit to the review is that it takes into account not just current demands, but also anticipated challenges. Progress on actions from the previous year are picked up in the relevant sections of this report.

The approach was further enhanced during 2024-25, with the roll out of an updated Corporate Governance Checklist which was considered / completed by Executive Directors in conjunction with their Directorate Leadership Teams and with the Council's ALEOS and Trusts. These returns were considered by the Corporate Governance group which has representatives from every directorate across the Council. A new part of the process for 2024-25 was that the themes were reviewed by the Council Executive Team before going to Standards, Audit and Risk Committee.

### Council decision-making

In 2024/25, Full Council considered and approved a review of its Financial Regulations, List of Officer Powers and List of Committee Powers. The review of the List of Committee Powers and Standing Orders was led by an elected member working group. Consequential changes to the latter documents were approved in December 2024. Full Council also completed a review of polling districts and polling places in December 2024 and commenced a review of the scheme of establishment for community councils in March 2025. These approaches will ensure openness and stakeholder engagement through the community council process.

Cabinet Committee continued to meet regularly – taking all strategic decisions not reserved to full Council. It also continued to monitor and control the Council's capital and revenue expenditure, approving the Treasury Management Strategy and receiving regular budget updates throughout the course of the year. Cabinet Committee also approved a number of policies and strategies, including the Common Good policy and the Procurement Strategy 2023-30, which will allow for transparent decision making and also performance reporting.

There was a focus on responding to the Housing Emergency as this was identified as a high risk for the Council, with an action plan and update and also the Strategic Housing Investment Plan 2025-30. Cabinet Committee also considered a paper on the governance of ALEOs given some member concerns about how the work of ALEOs links to the Council's outcomes.

The Scrutiny committees benefitted from a revised approach to performance reporting as well as continuing to consider inspection outcomes, such as from the Care Inspectorate and Education Scotland. The committees continued to develop their workplans, using horizon scanning approaches and considering how they might best consider areas where performance improvement could make the biggest impact.

Standards Audit and Risk Committee continued to receive reports on areas appropriate to its remit across audit, fraud, complaints, information requests, data protection and risk. The Committee received its first annual Corporate Fraud Team Activity and Performance Report, including whistleblowing in November 2024.

Finally, the important work of the seven Area Committees assists the Council in maintaining its focus on local decision making, scrutinising local delivery of services and shaping wider priorities, policies and programmes. This is particularly evident in the range of local reports that it receives in relation to people-based services (see section 7. Fairness and Equality).

## **What's ahead?**

To comply with revised guidance issued by CIPFA and recommendations made by internal audit with regard to the Annual Governance Statement (AGS) process, the Council will review the AGS process to ensure that it takes into account the approach set out by CIPFA, with a particular emphasis on CIPFA's suggested approach to evaluation, and develop an improved approach to considering third party regulatory assessments and the provision of training.

To support the evolution of the single system for strategic planning, change, performance improvement and reporting, Cabinet Committee will continue to receive reports on strategic change progressed by Directorates through existing reporting arrangements. Where business cases and more specific decisions are required, these will be reported separately to Cabinet for approval where appropriate.



## 3. Effective use of resources

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### What is required?

In achieving Best Value, a local authority will be able to demonstrate the following:

- It makes best use of its financial and other resources in all of its activities.
- Decisions on allocating resources are based on an integrated and strategic approach, are risk-aware and evidence-based, and contribute to the achievement of its strategic priorities.
- It has robust procedures and controls in place to ensure that resources are used appropriately and effectively, and are not misused.
- It works with its partners to maximise the use of their respective resources to achieve shared priorities and outcomes.

The Council has in place a number of components for the effective management of its resources, including a Medium-Term Financial Strategy, a Capital Strategy, a Procurement Strategy, a Risk Management Strategy, a Workforce strategy, and a range of HR policies.

In this section, we review improvement activity across six aspects of use of resources:

- 3.1 Workforce/Staff
- 3.2 Asset management
- 3.3 Information / Digital
- 3.4 Risk management
- 3.5 Financial management and planning
- 3.6 Performance

### 3.1 Workforce/Staff

#### How are we doing?

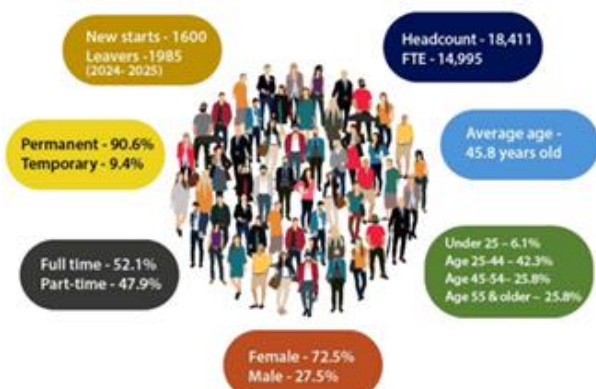
Our approach to workforce planning was assessed as part of the BV audit on Workforce Innovation (September 2024) with the auditors assessing that effective and appropriate arrangements are in place:

*“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”.*

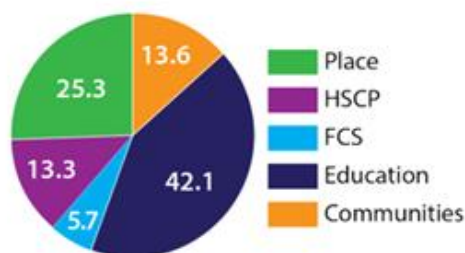
The Controller of Audit Report in February 2025, commended Fife Council for the innovative work in relation to our workforce, much of which is driven by recruitment, retention and capacity challenges.

# Our Current Workforce

Figures as at 1 April 2025



Percentage of employees (headcount)



The Council's workforce strategy, Our People Matter (OPM) 2022 - 2025, sets out our ambitions and commitment to providing a working environment in which employees can make an optimised contribution to delivering sustainable services, the Plan for Fife and other agreed priorities. The OPM describes our strategic workforce agenda and sets out the framework for how we recruit, manage, develop and support our workforce.

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. The OPM has brought together all areas of the council in working to support delivery of five key themes set out in Figure 3.2 below. We have seen improvement in the averaged maturity levels across all areas and 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.



**Figure 3.2 – Chart showing the increase in maturity levels (averaged within themes) across all Directorates on each aspect of the Our People Matter framework**

At the end of the first three-year term of our workforce strategy we are now moving to a more closely combined approach to corporate workforce planning and workforce strategy in the

new People Planning and Workforce Strategy 2025-2028 (Our People Matter). The OPM is aligned with our financial and change strategies and annual reports will be provided to both the Reform Board (May) and to the Cabinet Committee (June) to provide timely updates on progress with delivery.

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.

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 review reports, including workforce metrics as appropriate, are available at [www.fife.gov.uk/performance](http://www.fife.gov.uk/performance)

We continue to support Services to develop innovative approaches with hard to fill roles. During 2024-25, 49 life chances placements were offered by Fife Council across 11 service areas. In addition, 9 placements were offered in partnership with Fife Gingerbread to Pupil Support roles in schools. By the end of March 2025, 23 life chances participants had been employed by Fife Council and 18 had their placements extended to allow more time to assess their readiness for work. Our Workforce Youth Investment Funding supported the creation of 29 Apprenticeships and Traineeships during 2024-25. During 2024 we launched the First Line Managers' (FLM) Development Programme, and 60 Managers participated in the programme. Evaluation data shows improvements in the participants' leadership skills, confidence, and self-awareness.

## **What's ahead?**

Our OPM 2025-2028 work, both at a corporate and directorate level, will focus on the five workforce themes. These themes are culture and behaviours, leadership and management, engagement and development, safety and wellbeing and workforce planning. We'll continue to develop the maturity of both our corporate and service approach to workforce planning, including understanding and scoping future workforce needs, with the support of a new Talent Management Team. The identified workforce planning priorities as set out in the OPM will direct corporate actions in support of the work being undertaken at Service level. These priorities include succession planning, recruitment and retention and absence management.

Building on our innovative resourcing approaches, and continuing to work with partners, we will also focus our efforts on further developing the young workforce. During 2025, the First Line Managers' Development Programme will see a further 120 Managers complete this Programme and leadership development to support the change agenda will be available. There will continue to be a focus on developing coaching skills which improves communication and encourages a culture where we have conversations which build trust.

We will continue to provide support, resources and opportunities to digitally upskill the workforce and data skills will be a focus of our work. Wellbeing remains an important area of work with resources and tools being available to support employees and managers. The Attendance Support Unit's work will continue to engage regularly with leadership teams across the Council to identify ways to reduce absence and drive cultural change, informed by research on staff absence and wellbeing.

## 3.2 Asset Management

We need to ensure that we have the right assets in place to support future needs and priorities. We also need to meet our climate change and net zero obligations.

### How are we doing?

In supporting the Council's Capital Strategy, the Capital Investment Plans for both General Fund and the Housing Revenue Account (HRA), and the Plan for Fife, we work across a number of areas, many of which provide benefits across multiple themes and sectors. This includes targeted action plan to achieve Net Zero. We are continuing the move to a smaller network of integrated community and operational facilities - that contribute to Place and Community Wealth Building - and capitalise on opportunities for wider asset rationalisation and service integration with our public sector partners.

The new [Dunfermline Learning Campus](#) opened in August 2024, accommodating two secondary schools in a new building, and accommodation for our business and broader communities. The £122m campus is supported by funding from Phase 1 of the Scottish Government's Learning Estate Investment Programme, and has achieved Passivhaus accreditation for its design which meets rigorous standards for energy efficiency. The campus is the largest Passivhaus education facility in the world, as well as being an exemplar of Community Wealth Building and use of Modern Methods of Construction. The Dunfermline Learning Campus has created significant local economic growth through the project delivery and community benefits. The project delivered over £34m of Social, Local and Economic Value, including over £20m spend in local supply chain.

The new community hub at Abbeyview opened in November 2024 and work is continuing on the new community hub at Templehall. The development of Cupar Care Village and a new £88m [Caledonia High School](#) (replacing Inverkeithing High School) remain on programme.

Further improvements have been made to our corporate offices, building on the benefits being realised through Workstyles and through the sharing of accommodation with partner organisations, to include Police, NHS, Forestry Commission and Nature Scot.

Support for our Affordable Housing Programme continues apace, as does investment in new fit for purpose business accommodation at Levenmouth and at Fife Interchange North (Dunfermline) which is being funded by the I3 Programme which is part of the Edinburgh & SE Scotland City Deal.

### What's ahead?

A full review of the Capital Strategy is underway which will reflect both economic and financial conditions, as well as any changes to the Council's overall priorities and objectives.

A key change and improvement area is community and leisure facilities. We'll review the cost, breadth and relevance of the wide variety of buildings we own, and the different ways we manage them and run services in them. With better joint working across council services and the leisure trusts, consolidated operating arrangements in localities and more support for community and voluntary groups to use and run facilities, we will enable annual savings of £2million. However, we expect this may need some upfront investment - spending to save in the long-run. This work in turn forms part of our Sustainable Estate programme which aims to ensure that we continue to refine our use and management of property assets in

line with changing needs and demands, optimised within available budgets and aligned to other policy drivers such as climate change.

We have begun work on a place-based pilot programme which is centred on Kirkcaldy. With support from funding announced as part of the Comprehensive Spending Review in June 2025 we hope to secure funding that will begin to allow us to regenerate the town's high street and the waterfront with the long term aim of transforming Kirkcaldy into a vibrant, inclusive, and sustainable town centre by addressing deprivation, enhancing infrastructure, and fostering community-led development. We also aim to align regeneration of the town centre with nature-based greenspace strategies that improve the quality of the broader environment whilst also addressing the challenges of climate change. Similar place-based change programmes are being developed for Dunfermline, Levenmouth and Glenrothes.

Alongside the place-based changes we are reviewing the sustainability and stewardship of our property assets to include consideration of the potential creation of a 'corporate landlord' function.

### 3.3 Information / Digital

Maximising digital opportunity is a key consideration in the service change planning process. The Digital Programme is our response to the need to link digital opportunities to service needs and pressures and work is now advancing to explore those opportunities with services over the coming year.

#### **How are we doing?**

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.

The Council is committed to using data and project intelligence to deliver better outcomes and adoption and innovation in smart technologies to build on the progress made with digital approaches during the pandemic.

Directorates are building this approach into change planning and service delivery. Teams in Business Technology Solutions (BTS) and Human Resources (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.

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

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. Early insights indicate the biggest efficiency gains can be made by exploiting technologies the council has already adopted or made an initial investment in.



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. Work is currently focusing on two main areas of external customer service delivery improvement:

- 1) Upgrading the customer relationship management system to a fully cloud-based solution will improve end-to-end interactions for customers, and
- 2) Expanding the use of Artificial Intelligence (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.

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.

To help establish a new data operating model we are:

- evaluating the council's current data and reporting infrastructure
- developing a comprehensive data strategy
- drafting policy and guidance on the use of artificial intelligence (AI)
- exploring data platforms and analysis tools
- progressing specific data projects to support identified change and improvement priorities

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.

Work on replacing legacy systems continues and we have now replaced all but one module of our ageing COMIS system and continue to work with Housing to replace our legacy Housing platform (which is partially complete) and are in the planning stages of work to replace both our Council Tax and Corporate Document Management platforms. Our Liquid Logic Social Care solution is now implemented and follow-on work will ensure its use is maximised to meet Health & Social Care Partnership demands.

## **What's ahead?**

The Data Strategy will be developed and published in late 2025 and will consider and document the actions needed to ensure Fife can maximise the opportunities of becoming a data-driven Council. This will entail consideration of the skills, operating models and governance improvements required to achieve our aims in this area.

In February 2025 the Council approved investment in the revised Capital Plan 2025-35 to provide all teachers and pupils in P6-S6 year groups with iPads on a one to one basis under the Transforming Learning in Fife Strategy. This £34.5m capital investment over 10 years provides for the initial roll out of iPads and the investment in IT infrastructure to support, along with the funding required for future refresh of equipment. Work has begun on the deployment of digital devices to all P6-S6 pupils and teachers in Fife. Devices are on order and support is now lined up to ensure teachers can take advantage of the digital opportunities this will afford Fife learners. iPads will be distributed to all teaching staff before the end of the 2024-25 academic session, with roll out to pupils taking place from August 2025 to March 2026. The Strategy will bring a broad range of benefits associated with digital



inclusion. It will enable access to digital tools and resources to enhance the learning experience and will equip pupils with critical digital literacy and thinking skills essential for their future success.

No Wrong Door will transform the Communities Directorate and introduce new ways of working that will require innovative technology to underpin the approach, including a 360 view of the citizen of Fife to improve the quality of interactions and interventions with the objective of preventing more people from falling into crisis.

## 3.4 Risk Management

Risk management is a fundamental element of good governance and decision making in any organisation. The range of vital services delivered by the Council for individuals and businesses in Fife routinely result in a varied and complex risk profile. The Council's risk management arrangements are designed to support, on a continuous basis, the identification, assessment and management of risks as well as the monitoring, reviewing and reporting of them.

### How are we doing?

As a result of the work carried out to improve the Council's risk management arrangements over recent years, it is the first time in several years that risk management has not featured as a corporate governance improvement theme in the Council's Annual Governance Statement.

The Council's corporate risk management arrangements continued to mature during 2024/25, driven by the Risk Management Strategy Group and implementation of the Risk Management Improvement Plan. Key improvements include:

- Risk Appetite was agreed for all risks on the Council's Strategic Risk Register.
- Significant progress has been made towards implementing the Roll Out Plan, with the majority of services across the Council now having new risk registers in place.
- Development of an e-learning package on risk management to be launched 2025/26.
- All staff responsible for updating risks in the Ideagen system received training.
- Process maps developed to guide review / update strategic and service-level risks.
- A new Insurance and Risk Management Trainee post was established.
- A new Integrated Impact Assessment process, incorporating risk, which will be used to inform strategic-level decision making is being progressed.

Audit and Risk Management Service undertakes a risk-based annual programme of audit work approved by the Standards, Audit and Risk Committee. The Service Manager, Audit and Risk Management Services provides an annual report to the Members of Fife Council, Chief Executive and Executive Director of Finance and Corporate Services, including the internal audit opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and control framework. The overall audit opinion for the year to 31 March 2025 is that reasonable assurance can be placed upon the adequacy and effectiveness of the Council's framework of governance, risk management and control.

The annual Internal Audit Plan provides a summary of the areas where it is proposed that work will be carried out during the year. Audit work is planned to ensure that objectives are met, priorities are established, resources are targeted and used effectively, Best Value is achieved, and cognisance is taken of the risk(s) associated within each area. To confirm that management is discharging its responsibility in terms of implementing audit recommendations within the agreed timescales, Audit Services undertakes formal follow-up work and Post Audit Reviews (PARs). During 2024/25, Internal Audit activity covered a

diverse range of areas, including Recurring Payments, ICT Contract Management (Solutions Assurance Management), Purchasing Cards, Information Security Management, Regulated Procurement, Reconciliation Framework, Risk Management, Mutual Repairs, Health and Safety Induction, Homelessness, COBIT 5 Assessment Review Process, Community Equipment Service, Lone Working, Corporate Governance, Cyber Security, Council Tax Refunds, Festivals and Events, Climate, Devolved School Management and Business Continuity Planning.

## What's ahead?

Further improvements surrounding the Council's risk management arrangements are planned for 2025/26, including the following:

- Full implementation of the Roll Out Plan, with all services having new risk registers in place.
- The provision of risk management advice and guidance to Council ALEOs.
- Launch of the recently developed risk management e-learning package.
- Introduction of a new Integrated Impact Assessment process, incorporating risk.
- Finalisation of a new risk maturity model for use in Fife Council.

## 3.5 Financial Management and planning

Budget setting, asset plans and digital strategy are all aligned to strategic and local priorities. Our medium-term financial strategy provides a set of guiding principles that underpins financial planning, which outlines the financial challenge over the next three years and proposed strategies for dealing with these challenges, including the implementation of change programmes.

## How are we doing?

The last year has been another challenging year for the Council and the focus continues to be to ensure that support is provided to communities, individuals and businesses whilst safeguarding the Council's financial sustainability and maintaining service delivery.

	2024-25			2025-26
	Budget £m	Outturn £m	Variance £m	Budget £m
Education	446.142	445.723	(0.419)	444.689
Health & Social Care	234.638	248.108	13.470	249.722
Place	145.290	142.878	(2.412)	147.987
Communities	164.962	159.883	(5.079)	155.524
Finance & Corporate	64.921	60.709	(4.212)	68.650
Chief Executive	0.328	0.301	(0.027)	0.332
<b>Service Expenditure</b>	<b>1,056.281</b>	<b>1,057.602</b>	<b>1.321</b>	<b>1,066.904</b>
Loan Charges & CFCR	69.719	69.308	(0.411)	59.402
Contingencies	4.695	0.000	(4.695)	18.770
<b>Total Expenditure</b>	<b>1,130.695</b>	<b>1,126.910</b>	<b>(3.785)</b>	<b>1,145.076</b>
General Revenue Grant	(749.610)	(749.610)	0.000	(766.434)
Non-Domestic Rates	(143.486)	(144.442)	(0.956)	(171.736)
Council Tax Income	(195.936)	(194.348)	1.588	(210.150)
Transfer of Balances	(41.663)	(41.663)	0.000	3.244
<b>Contribution (To)/From Balances</b>	<b>(0.000)</b>	<b>(3.153)</b>	<b>(3.153)</b>	<b>0.000</b>

The table above shows the provisional outturn for 2024-25 along with the approved budget for 2025-26. An overspend for the Council was initially forecast early in 2024-25, which resulted in Directorates being requested through the Cabinet Monitoring Reports, to take action to manage their spend within budgets. With the exception of Health & Social Care, all Directorates did manage their spend within budget. Health & Social Care reported an overspend of £13.470m, which continues to be a risk for the Council, given the ongoing increase in demand and the level of savings that are in place for 2025-26.

The Controller of Audit Report noted that “Fife Council has demonstrated competent financial management over the years”. However, it recognised that the Council is reaching a turning point and that there were areas of concern such as the large overspends in Fife’s Integration Board (IJB) projected for 2024-25, the pressure faced by the Housing Revenue Account (HRA), and that significant reserves were utilised during 2023-24. It also noted that uncommitted general fund balances dipped below the Council’s rolling three-year target of 2%. During 2024-25 decisions were taken at Cabinet Committee to de-commit balances, resulting in the level of un-committed balances at the end of 2024-25 being above the policy level of 2%. The balances position is kept under continual review by the Section 95 Officer and reported regularly to the Cabinet Committee.

The report stated that the Council’s HRA “remains under financial pressure with £2.1m of reserves utilised in 2023-24” and that “Increased cost pressures on the HRA also resulted in a reduced contribution from revenue to support the capital programme for the second year in a row...which could impact affordability of the HRA Capital programme in the longer term”.

It is clear that the Council finances will be more challenged going forward as Service overspends have begun to emerge in some areas and some of the corporate mitigations applied over the last few years are no longer available. Strong financial management will be required in order to control and contain costs where possible. In particular, the Health & Social Care Partnership continues to face particular financial challenges.

The Council has acknowledged that a partnership approach is required to mitigate the level of financial risk within the Health and Social Care Partnership. Monthly meetings with senior finance staff across the partnership have been implemented to allow for greater scrutiny of financial controls and significant movements in budget, with a focus on the savings and their deliverability a priority.

The Council set its budget in February 2025 noting that it continues to operate in a climate of financial uncertainty, the enduring impacts of which remain unknown. The Council took a medium-term approach to setting the revenue budget in February 2025, with indicative Council Tax increases for years 2 and 3 as well as recurring savings which achieved a balanced budget for 2025-26. In addition, the approach brought the assumed budget gap for 2026-27 down to £5m and by 2027-28, down from £46m to £16m.

There was also a review of the Capital Investment Plan (the Plan) and a revised plan was also approved in February 2025. The Revenue Budget and the Plan are intrinsically linked, with financing costs/loan charges being met by the revenue budget. Additional capital financing budget was approved as part of the revenue budget, enabling the retention of capital projects within the Plan as well as significant investment in 121 devices, amongst other additional investments.

The Housing Revenue Account (HRA) faces its own financial challenges and as with the General Fund, the Capital Plan for the HRA is linked with its revenue budget. The budget for the HRA was approved in February 2025, with additional capital financing budget being approved to support additional investment in the HRA Capital Plan.

Three-year service change plans, covering the three-year period to 2027-28 are now in place and these informed the setting of the revenue budget in February 2025 which included £13.796m of savings over the period to 2027/28. As noted above, there is still an anticipated budget gap for 2026-27 and beyond, meaning that further savings will be required over the next three years and the change planned will support agreed savings and enable further savings.

The Monitoring & Evaluation Framework is being updated, taking into training and development requirements and improvements needed to systems and processes to plan, manage, approve, evaluate and coordinate grant allocations.

A Budget Update report was reported to Cabinet Committee in June 2025, which asked members to note the updated financial planning assumptions, the continuing uncertainty around those planning assumptions; and the planned approach to achieve a sustainable and balanced budget for 2026-27.

As noted above, the planning assumptions in the Council's Medium Term Financial Strategy were reviewed taking into account 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 2024.

The updated budget gap for the coming three years, including an assumed Council Tax increase of 5% / 5% / 3% - is £5m in 2026-27, rising to £36m by 2028-29. The impact of the Scottish Government's financial settlement will not be known until around December 2025 when a firmer indication of the budget gap will be known.

## **What's ahead?**

As noted above, a 3-year budget update report was reported to Cabinet in June 2025, which outlined the revised planning assumptions with a revised budget gap to 2028-29 of £36m. There is a level of uncertainty around any planning assumptions until the budget is announced later on in the year, with the impact for Scottish Local Authorities not usually known until December. Additional change proposals will be required in addition to those already agreed, to close the budget gap for 2026-27 and beyond. The intention is to take a strategic approach rather than asking services to identify change proposals at a more granular level. Given the level of financial uncertainty, the approach may have to be flexed depending on the outcome of the financial settlement in December.

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 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.

As savings were approved as part of the budget for 2025-26, Directorates will be responsible for ensuring that the savings are delivered and that overall budgets are managed. Budget holders now have access to self-service forecasts, which was rolled out during 2024-25. This enables budget holders to review their own financial data rather than relying on spreadsheets being sent from Finance. A savings tracker will also be used throughout 2025-26 which will allow reporting on delivery of savings to both Cabinet and Scrutiny committees.

Executive Directors will again be asked to identify plans to mitigate overspends in order to manage within overall service budgets and to ensure strong financial management. Any necessary mitigating actions will be scrutinised by both the Cabinet Committee and in more detail by Scrutiny Committees.

To mitigate the higher level of inherent financial risk within the Health and Social Care Partnership, monthly finance meetings will continue to take place with senior staff across the council, IJB and Health. For 2025-26 there will be a focus on volatile budgets and the levels of demand in the system. In addition, grip and control measures ensuring the continued scrutiny of care packages will be in place. Delivery of savings will be a key priority, and a recruitment panel will continue to scrutinise the filling of vacant posts.

Scrutiny committees have an important role to play 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.

The overall financial outlook continues to be extremely challenging and significant change will be needed to safeguard the financial sustainability of the Council.

## 3.6 Performance management

The Accounts Commission set out requirements on councils to publicly report their performance to their citizens and communities<sup>3</sup>. For 2024/25, each council is required to report a range of information covering SPI 1: Improving local services and local outcomes and SPI 2: Demonstrating best value. Councils are encouraged to improve such reporting in a way that reflects their local context, while recognising the benefits of reporting benchmarking information to the public.

### How are we doing?

All Services report annually to scrutiny committees on their performance. Service scorecards reflect Plan for Fife priorities, Local Governance Benchmarking Framework (LGBF), customer, resources and operational management.

Improvements have been made to the availability of performance information for both internal management purposes (through the development of Service Portals in the Council's performance and risk management system, Ideagen) and in the availability and timeliness of public performance information (through improvements to the Council Performance Page <https://www.fife.gov.uk/performance>).

A new approach to Annual Service Review Reports (ASRR) and performance reporting for the scrutiny committee cycle was agreed at CET on 5th June 2024 which brought Corporate Change Projects and 3 year rolling service plans into alignment.

New style annual Service review reports (ASRR) for services were rolled out from Autumn 2024, integrating change and improvement themes that will be developed through new service plans in the Spring of 2025. Stage 2 of the improvements to performance information

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<sup>3</sup> [The Publication of Information \(Standards of Performance\) Direction 2021 Statutory Performance Indicators \(audit.scot\)](#)



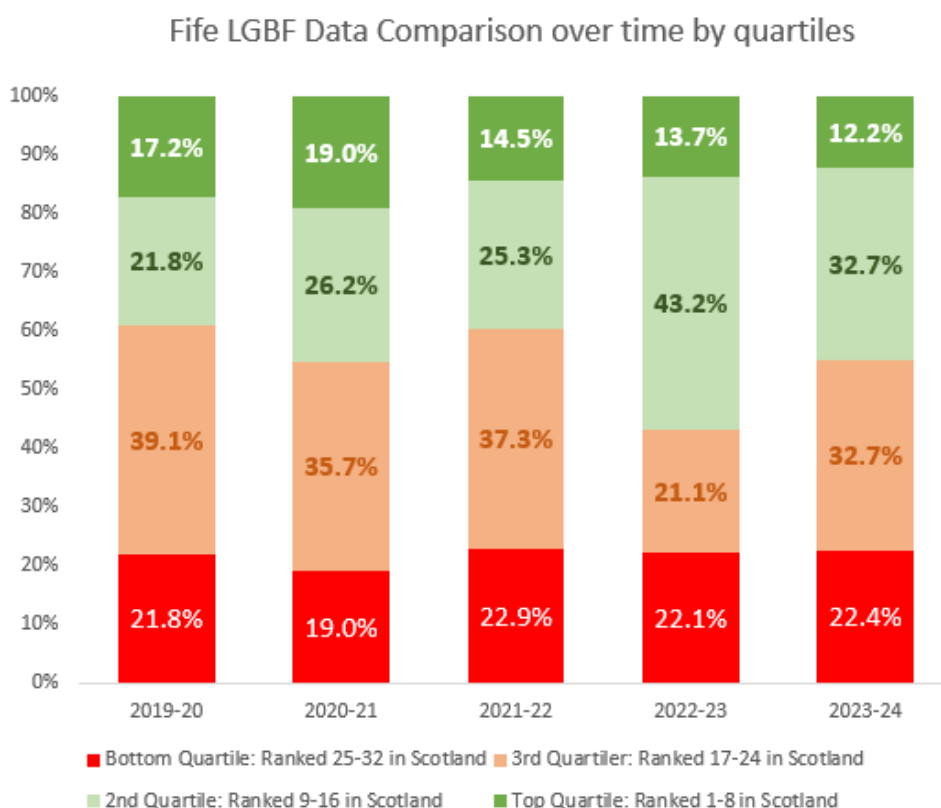
online will focus on improving the way plans, performance, project delivery, evidence of impact and community news are linked.

To strengthen Fife Council's compliance with SPI2: Demonstrating best value, we introduced our first annual [best value corporate self-assessment](#) in September 2024. This was highlighted as an example of good practice in guidance on the SPI direction 2024. As part of this work the Council developed a new set of Best Value Performance Indicators to provide quantitative measures that could be tracked over time in relation to the best value themes. These show relative overall improvement between 2023/24 and 2024/25 (see Section 8 – Best Value Performance Indicators).

## Local Government Benchmarking Framework

The [Local Government Benchmarking Framework \(LGBF\)](#) brings together a wide range of information about how all Scottish councils perform in delivering services to local communities. The national benchmarking overview report for 2023/24 highlights that councils are continuing to make savings and are facing increasingly difficult choices with their spending priorities. Expenditure within social care, education, and support for care experienced children continues to be sustained and enhanced. There are relative reductions in non-statutory services, in order to provide balance to statutory and ringfenced commitments elsewhere.

An overall comparison of LGBF performance across all 32 councils across Scotland shows year to year fluctuation in the number of indicators where Fife features in the top two quartiles. LGBF 2023/24 data shows that Fife had 44.9% of indicators in the top two quartiles.



**Figure 3.6.1 – LGBF data comparison across all 32 Councils by quartile (note analysis of LGBF data available as at May 2025)**

Note - Caution is needed in interpreting performance relating to 2020/21. As at 1 May 2025 there remained 10 of 108 LGBF indicators for which data is still to be published for 2023/24 which may change the overall position.



Figure 3.6.1 demonstrates that overall performance has remained consistent year on year, with a reduction in proportion of indicators in the top two quartiles compared to the previous year. However, caution is advised when interpreting data, due to issues such as, data availability, publication delays and some data only being collected on a biennial basis.

Since 2010/11 (base year), Fife has improved its overall performance on 63 (59%) of LGBF indicators. Between 2022/23 and 2023/24, overall, Fife's performance has improved on 38 (36%), stayed the same on 18 (17%) and deteriorated on 49 (47%) of LGBF indicators. While there has been an improvement in performance and cost indicators over time, recent performance is more mixed. Satisfaction indicators have shown little improvement. This reflects what is being seen nationally across all Councils. More detailed analysis is available in the [Fife LGBF report 2023/24](#).

## What's ahead?

The Accounts Commission's [Statutory Performance Information \(SPI\) Direction 2024](#) sets out requirements for Scottish councils to report and publish their performance information. This direction, which applies to performance information reported from 2025 onwards, aims to enhance transparency and accountability by enabling citizens and communities to understand how well their local councils are performing.

Action planned within 2025-26:

- Developing the integrated planning and performance model into a whole system approach focussed on outcomes
- Improving performance analysis, assessment and consistency reporting to support strategic decision-making
- Simplifying and bringing existing processes together to align corporate timetabling and integrate key business processes
- Further improve reporting formats to integrate planning and performance monitoring with change projects and key business processes from budget and workforce through to risk management
- Further develop the revised Annual Service Review Report (ASRR) approach
- Extending engagement with elected members and encouraging involvement in the design of the emerging new systems
- Developing tools and dashboards to inform live, strategic performance management and facilitate cross-cutting analysis
- Review and implement new SPI Direction 2024, building on improvements already delivered
- Link Plan for Fife more strongly to the integrated whole system as part of Plan 2027 development
- Explore opportunities to strengthen self-assessment practice across the organisation

An integrated approach to planning and reporting is being adopted to enhance strategic management capabilities and scrutiny. This approach involves aligning the Plan for Fife strategy, change planning, and service change plans with improved policy-based and service-driven performance analysis. This analysis is linked to operational management plans in key areas such as risk management, finance, workforce, and digital development. Performance information is used internally to ensure sound governance and management.

From 2025 onwards, our Annual Service Review Reports (ASRR) will be the one place where members and the public can see a complete picture of statement of service, context for delivery, improvement priorities and progress and outcomes in relation to strategic objectives.

## 4. Partnerships and collaborative working

### What is required?

In achieving Best Value, a local authority will be able to demonstrate the following:

- Members and senior managers have established and developed a culture that encourages collaborative working and service provision that will contribute to better and customer-focused outcomes.
- Effective governance arrangements for Community Planning Partnerships and other partnerships and collaborative arrangements are in place, including structures with clear lines of responsibility and accountability, clear roles and responsibilities, and agreement around targets and milestones.



Our overarching vision is for "a fairer Fife". The Plan for Fife is both the Partnership and the Councils' strategic plan, addressing inequalities by focusing on priorities of tackling poverty, addressing the climate emergency and leading economic recovery within an overarching community wealth building approach.

### How are we doing?

In May 2023, Fife Partnership agreed four leadership commitments to shape reform. 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.

A review exercise was undertaken in 2024 to reset plan priorities for 2024-2027, to improve co-ordination and delivery arrangements and inform preparations for a new plan in 2027. This involved extensive stakeholder engagement across the community planning system involving delivery leads, programme managers, partnership chairs, partnership co-ordinators group and one-to-one engagements.

The [Fife Strategic Assessment 2024](#) was a key input to the Plan for Fife review, highlighting that there are complex and persistent issues affecting Fife's communities, which can only be addressed through collaborative action across partners. This informed Fife Partnership Board decision in May 2024 to maintain focus and action against the existing Recovery & Renewal Priorities for 2024-2027.

Fife Partnership approved changes to partnership governance arrangements in August 2024, to improve focus on the delivery of current priorities. This including the merger of the Leading Economic Renewal Board with the Community Wealth Building Support Group to form the new Economy & Community Wealth Building Board, strengthening the alignment of delivery of the Fife Economic Strategy with Community Wealth Building.

Fife Partnership endorsed guidance on fair funding for the voluntary sector, which includes a commitment to longer term funding of organisations. This guidance supports a more strategic and equal relationship between public sector and voluntary sector partners and supports the delivery of key priorities and outcomes. The implementation of the Fair Funding provides the sector more security and the opportunity for longer term planning.

A Collaborative Programme for Fife Partnership was agreed around projects that could be scaled to enable us to deliver a greater impact against priorities, more quickly. including accelerating community wealth building benefits through procurement, maximizing life changes through joint progressive recruitment practices and creating sustainable places through whole-system place-based design and delivery.

The Life Chances progressive approach to recruitment surpassed its target of 60 paid placements in 2024/25, providing opportunities for 77 individuals who received placements in Fife Council services, the third sector or NHS Fife. 23 have now moved into employment with Fife Council, 18 have had their placements extended, and 2 have gone into further / higher education.

## **What's ahead?**

The Fife Partnership Board have 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. A wider group of leaders has begun the task of shaping the next Plan for 2027.

The Fife Local Development is being developed over a similar timeframe as the new community plan providing opportunity to align policy, asset and land use more deliberately and ways to better support community wealth building and priority objectives.

## 5. Working with communities

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### What is required?

In achieving Best Value, a local authority will be able to demonstrate the following:

- Early and meaningful engagement and effective collaboration with communities to identify and understand local needs, and in decisions that affect the planning and delivery of services.
- A commitment to reducing inequalities and empowering communities to effect change and deliver better local outcomes.
- That engagement with communities has influenced strategic planning processes, the setting of priorities and the development of locality plans.

Community empowerment is at the heart of the Plan for Fife and underpins our work to develop a no wrong door approach, place-based delivery, decentralisation and local community planning. Councillors and managers work with communities on an ongoing basis through local community planning and area committee arrangements to reflect citizen priorities in planning and decision making.

### How are we doing?

We're continuing to encourage communities to play an active role in designing and producing services – from Local Place Plans and regeneration projects that will define whole areas, to participatory budgeting processes, employability projects and facility improvements that meet the specific needs of target groups.

The council is preparing a new Local Development Plan (LDP) which will be shaped by the views and aspirations of communities across Fife. The success of the Local Development Plan depends on the participation of the people who live in Fife as they understand where they live the best. Place Matters, a call for sites and ideas ran for 14 weeks from November 2024 to 24 February 2025, and submissions are now being assessed and analysed.

We are designing more locally responsive services, supporting community-led initiatives and providing funding to local groups so they can use their assets to meet community needs. This includes proactive Community Asset Transfer (CAT), leases, and Common Good dialogue with communities and elected members, and 89 Warm and welcoming places have helped bring people together, reduce isolation and improve connectedness.

In developing a new [Community Learning and Development Plan 2024 to 2027](#) we took account of the National Review of CLD Learning for All for Life. Given the recommendations that will be actioned as part of the National Review, and the CLD Plan Guidance relating to this, it was agreed that this would be a bridging plan that will focus on our year one actions. These will be updated by 1st September 2025 and will be further informed and strengthened by learner voices.

In 2024/25 Youth Action Fife (Youth Led Action Group (YLAG)) were involved in strategic development work with other LAG areas, and with SG and Scottish Rural Action and the Rural Youth Action Network. Their development/discussion weekend in Aviemore with groups from Cairngorm, Forth Valley and Lomond and 2 groups from Finland was beneficial and enlightening for them. They discussed the issues they experienced in their areas and shared ideas as to how to resolve them. Their focus on problem solving and maintaining

rural areas as attractive, enjoyable and rewarding places to live and work is really inspiring. Over the year, Youth Action Fife deepened its commitment to youth-led funding and participatory grant-making by coordinating one funding round and distributing £23,105.57 to local projects and individuals. Funded projects included initiatives supporting climate action, mental health, arts and creativity, and rural inclusion. The funding process also served as a training ground for members to learn about ethical grant making, budgeting, and community accountability.

As part of our overall community engagement improvement plan, we introduced advanced digital engagement tools. During 2024/25 we launched our new Consultation Hub - [Have your say](#) - testing out Citizen Space as a corporate engagement solution with wide application from surveys, polls and online conversations, to mapping and analytics. Fife Council staff worked with a community led steering group to support a successful Participatory Budgeting (PB) exercise in Kirkcaldy and Citizen Space was used as one of the key tools for voting. Over 5,000 votes were recorded and £300,000 distributed to a range of local projects.

### **Spotlight on Participatory Budgeting (PB)**

2024/25 represents the first large scale delivery of small grants PB processes in Fife since the COVID-19 pandemic, with local people in Cowdenbeath, Kirkcaldy and Glenrothes areas having a say in the allocation of a proportion of Community Recovery Funding in their areas. Local people were involved in planning PB processes (through steering groups for Areas), putting forward project proposals, and voting to inform the allocation of funds.

#### **Cowdenbeath Area – You Decide / Cardenden Can**

8 PB events took place between May and October 2024, one in each of the local towns and villages that make up the Cowdenbeath Area. The budget of £96k (£48k from CRF, £48k from local community planning budget) was split by population, from £4,400 available in Lumphinnans to £20k+ available in Cowdenbeath. Community workers carried out community profiling exercises as well as community conversations to look at what local people think would make their area a better place to live. Groups, organisations, and local people were then encouraged to apply for PB monies on things that will 'improve' their community by making a physical improvement or enhancing an offer to the community.

#### **Kirkcaldy Area – You Decide**

In Kirkcaldy Area, a citizen led steering group were supported by the area team to develop a framework and progress with the allocation of £300K. There were 21 people in the steering group. 94 project proposals were received from local groups. 33 projects were successfully in achieving funding through the public vote in March 2025. 500 people attended the in-person voting event, and 5,499 people voted in total. The process used both in-person polling cards and an online platform (Citizen Space) to ensure accessibility and transparency. The steering group played a key role in shaping communications, supporting applicants, and helping to deliver a celebration event for the winning projects.

#### **Glenrothes Area – Youth Decide**

In January 2024, the Area Committee awarded £130k (from CRF) for a PB exercise covering all three high schools in the Glenrothes area. Three steering groups (one from each high school) met three times between October 2024 and Feb 2025, 15 young people per group, 45 total. In March 2025 all three groups came together to agree and finalise plans for wider school population consultation and voting. Three steering groups generated 3 themes through engagement process, then developed ideas under each theme. School voting took place week beginning 16<sup>th</sup> June using Citizen Space, with a total of 726 young people voting on project ideas. Projects will be commissioned for successful ideas between July and October 2025.



## What's ahead?

The Dunfermline New City Assembly is a new initiative about the future of Dunfermline, local people at the heart of it. The Electoral Reform Society Scotland, Fife Council and the Scottish Government are working in partnership with local people, community groups and institutions, to bring together a Citizens' Assembly to help set the agenda and shape plans for the city in the years ahead. Following the recruitment of assembly members in Autumn 2025, the assembly will meet over three weekends between January and March 2026 to deliberate on priorities for the City of Dunfermline. To raise awareness of this exciting project and develop engagement with the city as a whole, a cross-section of groups and individuals who are engaged in their areas came together to construct the [Dunfermline declaration](#):

### **The Dunfermline Declaration**

*"The people best placed to make the decisions about the future of Dunfermline are the people who live here. People like you. That is why we are supporting a Citizens' Assembly for the city. It will bring together a group of people, drawn from the public, who are representative of all backgrounds. This will be an exciting opportunity to learn, to discuss and then to set out big ideas for Dunfermline."*

*"We know that it is easy to feel powerless, and that things often happen to us, rather than with us. We know that there are lots of pressures on our daily lives. But it is also true that when we make our voices heard, we can change things for the better. This project is a chance to reconnect people with power. It is about fostering the knowledge of our communities so that they can be involved in making decisions about the place we are proud to call home."*

Also in City of Dunfermline Area, a PB exercise is planned for 2025/26 with the local community in the Abbeyview area deciding on the allocation of £30k of Community Recovery funding. The focus is on encouraging community involvement following the demolition of Windmill HS and St Columba's RC secondary school and the opening of the new Abbeyview Community Hub.

As part of next steps in the development of a new local development plan, all sites and ideas submitted will have to be processed and analysed using our site assessment criteria, as well as referencing national and local planning policies, and an emerging spatial strategy. We need to ensure they are required and suitable for development. This is a lengthy internal process, which will result in some sites and ideas being included in the Proposed Local Development Plan.

A public consultation on the Proposed Plan will run for a minimum of 12 weeks and will give everyone the opportunity to comment on the content of the Plan, including sites and ideas. It is anticipated that the Proposed Plan consultation will begin in June 2026.

Since 2016, we have been tracking the relative need for improvement in different aspects of our places and spaces, for Fife and each of the 7 areas. In Autumn 2025 we will run the biannual Our Place Survey, asking members of Fife People's Panel, and the wider public, to rate the need for improvement in 14 different aspects of place (on a scale from 1 to 7, with 1 needing lots of improvement, and 7 needing little improvement). This will give us a good overview of community perceptions of need for improvement in place, and how place and wellbeing outcomes are changing over time.



## 6. Sustainability

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### What is required?

In achieving Best Value, a local authority will be able to demonstrate the following:

- Sustainable development is reflected in its vision and strategic priorities.
- Sustainable development considerations are embedded in its governance arrangements.
- Resources are planned and used in a way that contributes to sustainable development.
- Sustainable development is effectively promoted through partnership working.

The Climate Change Act (Scotland) 2009 introduced mandatory duties for local authorities to contribute to climate change mitigation and to climate change adaptation, and to act sustainably. This has been integral to Fife Council's priorities in the Plan for Fife and associated governance, and in previous strategic plans.

The Plan for Fife includes "Addressing the Climate Emergency" as one of its key objectives, Governance is through the Addressing the Climate Emergency (ACE) Board which provides a focus for partnership working.

### How are we doing?

The [Climate Fife strategy](#) sets out six themes of climate actions and three big moves. The big moves are key transformations that we need to make over the period of the strategy, including where we need to agree or change policy, develop new delivery models, and adopt a place-based approach.

The Big Moves for Energy, Resilience and Community continue to be progressed, developing collaborative routes to transformational climate actions, including identifying policy changes to support the transformations.

The [Local Heat and Energy Efficiency Strategy](#) (LHEES) is a strategic framework developed by Fife Council to support the transition to net zero emissions by 2045. The strategy is place-based and locally led, tailored to Fife's specific needs.

An Energy Vision Prospectus was carried out in Dunfermline and Rosyth Area to highlight a scenario for heat network and energy which best meets local needs. This area was chosen as there is already an existing heat network which can be expanded and has multiple new developments – both social and industrial – which would benefit from and/or contribute to this energy plan.

Grid assessments are being conducted at three priority locations to progress renewable energy and battery storage projects, supporting decarbonisation and potential heat network zones. This initiative will integrate with other models, including Fife Council's energy business model work, rather than functioning as a standalone project.

In 2024/25 a trial Reuse Hub was created to remove usable items from the waste stream and create local community benefits and skills opportunities. Lessons from this will inform deployment from 2025 onwards.

To enhance climate resilience and improve our capacity to withstand and recover from climate impacts, we are currently evaluating our resilience maturity using the Adaptation

Capability Framework. This tool will not only determine our maturity level but also identify strengths, weaknesses, and necessary measures for improvement.

Work continues to deliver on the Local and Flood Risk Management Plans and progressing with Surface Water Management Plans, as well as progressing towards a coastal change adaptation plan, all challenged by the increasing impacts of storms and sudden deluges exacerbated by climate impacts.

A 2024/25 Coastal Change Adaptation case study funded by Scottish Government is informing Fife Council's understanding of coastal value in terms of health and wellbeing. This will also inform future communication of coastal adaptation and how Fife Council responds to that.

The Fife Climate Forest (FCF) is an initiative to combat climate change and protect nature in the Fife region by planting trees, hedges, and restoring woodlands. It supports Fife Council's Forest & Woodland Strategy and wider climate goals, including enhancing resilience and linking fragmented woodland habitats per Fife's Biodiversity Action Plan

The next stage is the Proposed Plan which will set out where development could go, how places could change and the policies to support that change. There will be consultation on that with local communities, informed by local place plans.

## **What's ahead?**

The Delivery Plan for the Local Heat and Energy Efficiency Strategy sets out strategic steps to reduce energy demand and decarbonise energy supply throughout Fife. By summer 2025, Fife Council will have developed a full heat network vision and Dunfermline & Rosyth Energy Plan.

Embedding Climate Action Plan across partners is a key change priority for the Place Directorate. 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.

We are preparing a new Local Development Plan. This will be known as Fife's Place Plan. Once adopted, Fife's Place Plan will replace the existing Local Development Plan ([FIFEplan](#)). It will also replace the Supplementary Guidance on Affordable Housing, Low Carbon Fife, Making Fife's Places, and Minerals. Along with the Scottish Government's [National Planning Framework 4](#) (NPF4), it will form the statutory development plan for Fife. It will set out the planning policies and proposals for the use and development of land across Fife for the next 10 to 20 years.

Building on the Edinburgh and South-east Scotland City Deal programme, Fife Council is playing a lead role in developing the regional approach to both climate change mitigation and adaptation through the Regional Prosperity Framework. Working with other local authorities and partners in the region, the work includes the Climate Ready South East Scotland regional adaptation partnership (a key deliverable of the Scottish National Adaptation Plan) and the Regional Energy Masterplan. In 2025/26 we aim to build on this through a regional Energy and Resilience Investment Prospectus to identify, and attract funding for, key climate infrastructure projects.

## 7. Fairness and equality

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### What is required?

In achieving Best Value, a local authority will be able to demonstrate the following:

- That equality and equity considerations lie at the heart of strategic planning and service delivery.
- A commitment to tackling discrimination, advancing equality of opportunity and promoting good relations both within its own organisation and the wider community.
- That equality, diversity and human rights are embedded in its vision and strategic direction and throughout all of its work, including its collaborative and integrated community planning and other partnership arrangements.
- A culture that encourages equal opportunities and is working towards the elimination of discrimination.

Fife Council is committed to making inclusive, evidence-informed decisions in shaping services and allocating resources. We use equality impact assessments as part of our policy development and committee reporting / decision making process.

Fairness is at the heart of the vision of the Plan for Fife, and reflected in our priorities of tackling poverty, leading economic recovery, and ensuring a just transition as part of addressing the climate emergency.

### How are we doing?

Fife Council has reviewed and developed new Equality outcomes in 2025. The revised outcomes cover the four year period 2025-2029.

The four outcomes are:

1. Access to information and services;
2. Inclusive communities;
3. A working environment where inclusion is and promoted and
4. Raising educational achievement and attainment.

Ongoing engagement with equality groups and individuals through partnership with Fife Centre for Equalities ensures that qualitative feedback is received on an ongoing basis allowing gaps and priorities to be identified.

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. We are developing the trial further and will provide guidance to staff on providing machine readable translations.

Equality Impact Assessments are a requirement of the formal budget process and these were completed for specific saving proposals before they were presented for decision ahead of the budget setting process in February 2025. Further assessments will be carried out in relation to change that is being designed over the course of 2025/26 and beyond.

A range of work continues to deliver on our focus to reduce inequalities, from preventing homelessness to closing the attainment gap. Local area committees receive regular reports on progress with the local community plan, area housing plans, educational attainment and area anti-poverty initiatives.

Our vision of a No Wrong Door approach to support individuals and families will start to be delivered from July, with a new triage model going live in the Cowdenbeath area. The aim is to provide co-ordinated local household support, prevent duplication and help households become self-sufficient and less reliant on repeated interventions.

Priority is being given to delivering the Scottish Welfare Fund differently with early support built in to ensure there is preventative action for those reaching financial crisis points.

Benefit take up campaigns are bringing significant financial gain for local people - a campaign promoting the new Carers Support payment ran in 2024/25 and brought in £1.9 million for unpaid carers in Fife.

## **What's ahead?**

Fife is now part of the Fairer Scotland Pathfinder work with the Scottish Government, which is supporting work across the country, to redesign how public services work locally to tackle child poverty. The Fife pathfinder is focussed on Cowdenbeath to complement the No Wrong Door work. By early 2026 we should have a system of frontline support to roll out across other local areas.

In partnership with Migration Policy Scotland and Fife Centre for Equalities (FCE), the Council is involved in research to understand the changing needs of people coming to Fife.

To strengthen inclusive and evidence-informed decision-making about the allocation of resources and design of services, an Integrated Impact Assessment (IIA) framework has been developed that will embed a wide range of considerations including equality, children's rights and wellbeing, socio-economic inequality (Fairer Scotland Duty), environmental impact, and consumer duty into our decision-making processes. This comprehensive approach will ensure that transformation activities are assessed holistically, with a focus on mitigating negative impacts and enhancing positive outcomes for all communities.

As part of the Education Directorate's 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.

In 2015, the Fairer Fife Commission set out 40 recommendations for Fife Council and its partners to tackle poverty. Ten years on, we will be reviewing the progress that has been made, and reporting on this to Fife Partnership in November 2025.

This will inform leadership discussions with partners on the Plan for Fife design 2027 process, building on the commitment that partnership action on the social determinants of health will be at the heart of community planning strategy and delivery of public services in Fife.

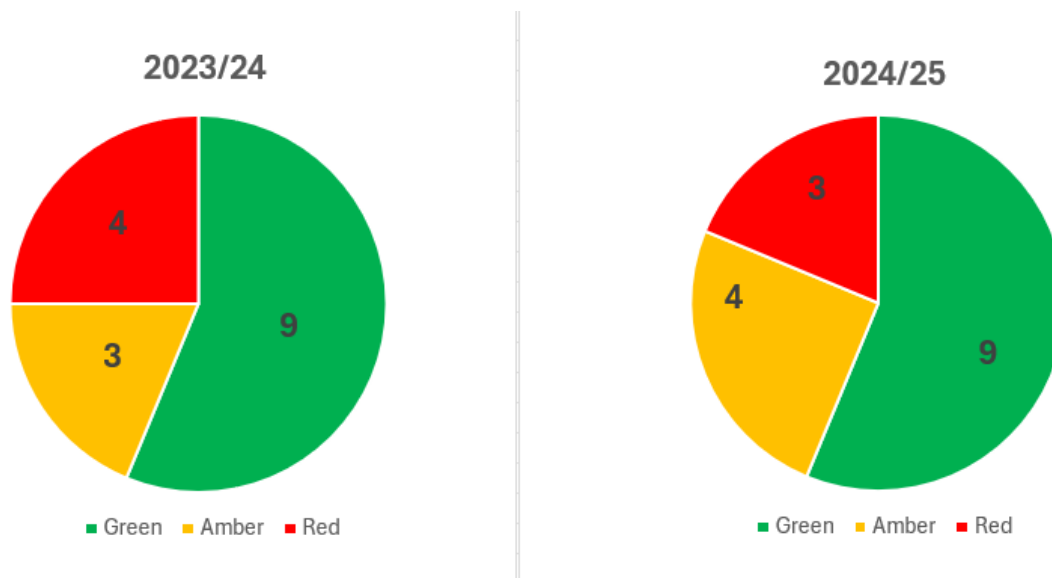
## 8. Best Value Performance Indicators (BVPI)

Our Best Value Performance Indicators (BVPIs) are a focused set of organisational performance indicators which help to assess on an annual basis how well we are doing in delivering best value to our communities and are used for both internal management and public accountability.

Best Value theme	PI code / name	Value	Annual change	Target	RAG	Long Trend
Workforce/Staff	Education (Teachers) – Average Working Days Lost per FTE	8.42	-0.86	9.2		Improving
	Fife Council – Average Working Days Lost per FTE	14.75	-0.19	14.8		Improving
Asset Management	Proportion of operational buildings that are suitable for current use (%)	83.8%	0.0%	85.5%		Improving
	Percentage of internal floor area of operational buildings in satisfactory condition	91.1%	0.0%	89.8%		Improving
Financial Management and Planning	Percentage of income due from Council Tax received by the end of the year	95.2%	-0.6%	95.5%		Improving
	Invoices sampled that were paid within 30 days (%)	97.1%	0.7%	95.2%		Improving
	Actual Outturn as a % of budgeted expenditure	99.1%	6.6%	99.6%		Improving
	Uncommitted General Fund Balance as a % of annual budgeted net revenue	1.3%	-2.5%	2.3%		Declining
	Support services as a % of total gross expenditure	3.9%	0.0%	4.1%		Improving
Fairness & Equalities	Gender Pay Gap	0.16%	-1.0%	1.74%		Improving
	Proportion of highest paid 5% employees who are women	61.7%	0.7%	59.8%		Improving
Customer responsiveness	Stage 1 Complaints actioned < 5 days	83%	-3.0%	90%		Declining
	Stage 2 Complaints actioned < 20 days	75%	0.0%	85%		Declining
	Call Volume - % of Contacts Answered – Contact Centre	92.3%	1.3%	90%		Improving
Digital / information	% Freedom of Information requests completed on time	86.7%	-1.3%	90%		Declining
Sustainability / Climate	Total Fife Council Carbon Footprint – tCO <sub>2</sub> e	52,197	3,091	73,573		Improving
RAG status	 Green  Amber  Red					

## Key changes in best value performance indicators 2023/24 to 2024/25

Assessing performance against our own improvement targets for 2024/25, 9 of the core set of 16 best value indicators have a green RAG status, 4 are amber and 3 are red, showing relative improvement overall between 2023/24 and 2024/25.



### Workforce / staff

While Fife is ranked 28 of 32 for sickness absence (non-teaching) in LGBF 2023/24, the overall council position is showing improvement in 2024/25, with a slight decrease in average working days lost, primarily due to reductions in teaching staff absences. Absence levels among other employee groups have shown marginal improvements. Efforts are ongoing to address this issue through proactive early interventions, heightened focus on long-term absences, research into Fife's health demographics, and targeted initiatives for services with high working days lost.

### Asset Management

There has been no change in the proportion of operational buildings that are suitable for current use, or the percentage of internal floor area of operational buildings in satisfactory condition.

### Financial management and planning

There have been improvements in Invoices sampled that were paid within 30 days (%), and Support services as a % of total gross expenditure. There has been a slight reduction in the percentage of income due from Council Tax by the end of the year.

The improvement in actual outturn as a % of budgeted expenditure demonstrates a reduction in underspend from the previous year, showing that resources are once again, becoming tighter. Whilst there has been a marked decline in the Uncommitted General Fund Balance as a % of annual budgeted net revenue (from 3.8% to 1.28%), positive action was taken during 2024-25 to decommit balances. This resulted in the level of committed balances being £23m (as reported to Cabinet on 26<sup>th</sup> June 2025), which is above the policy minimum of 2%.

### Fairness and equalities

The Gender Pay Gap, and the proportion of highest paid 5% employees who are women both continue to improve.



## **Customer responsiveness**

While there have been improvements in call volume (% of contacts answered by the contact centre), performance has declined in relation to both Stage 1 Complaints (actioned < 5 days) and Stage 2 Complaints (actioned < 20 days). The 5 and 20 working days are target timescales and the procedure allows for extensions to these targets. Increasingly complaints are becoming more complex requiring additional time to respond, that complicated by responding officers with increased workloads. When figures are compiled to include extensions that are a valid application of the procedure, the Council responds to 93.8% of all complaints within the timescales allowed.

## **Digital / information**

There has been a reduction in the percentage of freedom of information requests completed on time. This is mainly down to a persistent increase in the number and complexity of requests, along with services under strain leading to tighter response times. Many complex requests are ad hoc and stem from customer dissatisfaction. However, efforts are being made to publish frequently requested information to reduce generic requests. The ICT Governance Board are provided with detailed information to support continued monitoring and oversight to ensure regulatory compliance.

## **Sustainability / climate**

The Total Fife Council Carbon Footprint (tCO<sub>2e</sub>) continues to be within target and remains on track to achieve target for 2030 of a reduction of least 75%.

# **Conclusion**

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The findings of this self-assessment review work undertaken for 2024/25 indicate that the council has appropriate arrangements for leadership of the organisation, financial planning and strategy – with strong engagement with local communities and an innovative approach to workforce challenge.

It has good awareness of financial pressures and planning requirements, specific challenges in relation to Health and Social Care and the potential for overspends in other areas due to increasing demand and rising costs and the need for implementation of reform.

An area for development and improvement is in the integration of reporting on policy priorities, change projects, workforce plans and medium-term financial plans; maximising digital opportunities to support reform and to strengthen connections between plans, community engagement and the design of change.

Tracking of a focused set of Best Value Performance Indicators (BVPIs), is helping to assess on an annual basis how well Fife Council is doing as an organisation in delivering best value to our communities.

The report provides assurance of the Council's commitment to both self-assessment and continuous improvement in delivering best value to a range of stakeholders, including elected members, the public and our external auditors.

The next self-assessment annual report in September 2026 will include how the council has responded to recommendations arising from the thematic review work on transformation, the Annual Audit 24/25 and Audit Scotland's Controller of Audit report (February 2025).