

# Finance, Economy and Corporate Services Scrutiny Committee



Committee Room 2, 5th Floor, Fife House, North Street,  
Glenrothes (Blended Meeting)

Thursday 21 November 2024 - 10.00 am

## AGENDA

### Page Nos.

1. **APOLOGIES FOR ABSENCE**
2. **DECLARATIONS OF INTEREST** – In terms of Section 5 of the Code of Conduct Members of the Committee are asked to declare any interest(s) in particular items on the agenda and the nature of the interest(s) at this stage.
3. **MINUTE** – Minute of Finance, Economy and Corporate Services Scrutiny committee meeting of 29 August 2024 4 – 8
4. **CHANGE IN MEMBERSHIP** – committee to note that Councillor Patrick Browne replaces Councillor Graeme Downie as a member of this scrutiny committee.
5. **FINANCE & CORPORATE SERVICES DIRECTORATE PERFORMANCE REPORT.** – Report by the Executive Director Finance & Corporate Services 9 – 37
6. **BAD DEBTS 2023-2024** – Joint Report by the Head of Revenue & Commercial Services and the Head of Housing Services 38 – 48
7. **OPPORTUNITIES FIFE PARTNERSHIP (OFF) EMPLOYABILITY PATHWAY 2023-24 – ANNUAL PERFORMANCE UPDATE.** – Report by the Service Manager, Place, Programmes and Policies 49 – 63
8. **OPPORTUNITIES FIFE PARTNERSHIP (OFF) – ESF EMPLOYABILITY PROGRAMME 2015-2022 FINAL POSITION** – Report by the Service Manager, Place, Programmes and Policies 64 – 73
9. **BUSINESS GATEWAY FIFE ANNUAL PERFORMANCE** – Report by the Executive Director - Place 74 – 81
10. **BUSINESS & EMPLOYABILITY SERVICES – ANNUAL SERVICE REVIEW REPORT 2023/2024** – Report by the Executive Director - Place 82 – 105
11. **2024/25 REVENUE MONITORING PROJECTED OUTTURN - PLANNING SERVICE, BUSINESS AND EMPLOYABILITY SERVICE** – Joint Report by the Executive Director Finance & Corporate Services and the Executive Director Place 106 – 109
12. **2024/25 CAPITAL MONITORING PROJECTED OUTTURN - BUSINESS AND EMPLOYABILITY SERVICE** – Joint Report by the Executive Director Finance & Corporate Services and the Executive Director Place 110 – 114

- |     |  |           |
|-----|--|-----------|
| 13. | <b>2024/25 REVENUE MONITORING PROJECTED OUTTURN – FINANCE AND CORPORATE SERVICES</b> – Report by the Executive Director Finance & Corporate Services       | 115 – 123 |
| 14. | <b>2024/25 CAPITAL MONITORING PROJECTED OUTTURN - FINANCE AND CORPORATE SERVICES</b> – Report by the Executive Director Finance & Corporate Services       | 124 – 127 |
| 15. | <b>FINANCE, ECONOMY &amp; CORPORATE SERVICES SCRUTINY COMMITTEE FORWARD WORK PROGRAMME</b> – Report by the Executive Director Finance & Corporate Services | 122 – 125 |

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

Lindsay Thomson  
Head of Legal and Democratic Services  
Finance and Corporate Services

Fife House  
North Street  
Glenrothes  
Fife, KY7 5LT

14 November, 2024

If telephoning, please ask for:  
Michelle Hyslop, Committee Officer, Fife House 06 ( Main Building )  
Telephone: 03451 555555, ext. 445279; email: [Michelle.Hyslop@fife.gov.uk](mailto:Michelle.Hyslop@fife.gov.uk)

Agendas and papers for all Committee meetings can be accessed on  
[www.fife.gov.uk/committees](http://www.fife.gov.uk/committees)

## **BLENDED MEETING NOTICE**

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

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

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

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

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

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

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

**THE FIFE COUNCIL - FINANCE, ECONOMY AND CORPORATE SERVICES SCRUTINY  
COMMITTEE – BLENDED MEETING**

**Committee Room 2, 5th Floor, Fife House, North Street, Glenrothes**

**29 August 2024**

**10.00 am – 12.45 pm**

**PRESENT:** Councillors Allan Knox (Convener), Alistair Bain, Lynn Ballantyne-Wardlaw, Auxi Barrera, Ian Cameron, Rod Cavanagh, Colin Davidson, Sean Dillon, Graeme Downie, Bailey-Lee Robb (substituting for Cllr Stefan Hoggan), Gary Holt, Robin Lawson, James Leslie, Gordon Pryde, Alistair Suttie and Ann Verner.

**ATTENDING:** Eileen Rowand, Executive Director (Finance and Corporate Services); Pam Ewen, Head of Planning, Alan Blackie, Lead Officer, Development Management; Mary Stewart, Service Manager - Major Business and Customer Service, Planning Services; Michael O'Gorman, Service Manager - Estates and Asset Management, Property Services; Stevie Murray, HR Service Manager, Steven Michie, Lead Officer - Health and Safety, Health Safety and Wellbeing, Human Resources Service; Tracy Hirst, Finance Operations Manager, Jackie Johnstone, Accountant and Michelle Hyslop, Committee Officer, Legal and Democratic Services, Finance and Corporate Services.

**111. DECLARATIONS OF INTEREST**

No declarations of interest were submitted in terms of Standing Order No. 22.

**112. MINUTE**

The committee considered the minute of the Finance, Economy and Corporate Services Scrutiny committee of 13 June 2024.

**Decision**

The committee agreed to approve the minute.

**113. ASSET AND ESTATES UPDATE**

The committee considered a report by the Head of Property Services outlining some of the key activities undertaken by the teams responsible for property acquisition, disposal, property management, and strategic oversight of council assets over the past year.

**Decision**

The committee:

- (1) considered the information contained in the report; and



(2) noted the performance of the service in relation to: -

- Asset Strategy including asset utilisation;
- vacant property and
- capital receipts.

**114. ANNUAL HEALTH AND SAFETY REPORT 2023-24**

The committee considered a report by the Head of Human Resources updating members on the annual Health and Safety activity for 2023-2024.

**Decision**

The committee: -

- (1) reviewed the performance activity for the 2023-2024 financial year;
- (2) noted the progress made regarding improving workforce practices and performance in the organisation; and
- (3) endorsed the continued focus on the identified priorities.

**115. PLANNING SERVICES - ANNUAL SERVICE REVIEW REPORT 2023-2024**

The committee considered a report by the Head of Planning Services providing an overview of the Service detail in relation to service planning, change and improvement works undertaken in 2023/24. The report focuses on the planning functions of the service and notes that the climate change functions would be reported to the Environment, Transportation and Climate Change Scrutiny Committee in November 2024.

**Decision**

The committee: -

- (1) reviewed the progress and performance of Planning Services for 2023/2024 and the activity undertaken to date in 2024/25;
- (2) noted the assessment and improvements identified through the National Planning Improvement Framework assessment (June 2024);
- (3) noted the service planning objections for 2024/25 and the three-year direction of travel; and
- (4) noted the remodelled 'annual service review' report format.

*The meeting adjourned at 11.30 am and reconvened at 11.40 am.*

*Cllr Alistair Bain left the meeting prior to consideration of the following item.*

**116. MANAGEMENT OF DEVELOPER OBLIGATION FUNDS**

The committee considered a report by the Head of Planning Services providing an update on the review of the process for management of Developer Obligation Funds, which was approved by the committee on 15 June 2024. At that meeting

the scrutiny committee agreed that the Planning Services would lead a review of the process for management of Developer Obligation Funds and examine the options for utilising Historic Developer Obligation Funds.

**Decision**

The committee: -

- (1) noted the progress made in implementing the Planning Obligations Review Action Plan and the timescales identified for its completion; and
- (2) agreed that an update report on the management of developer obligations and Section 75 agreements would be presented in 1 years' time and annually thereafter.

**117. 2023/24 - REVENUE MONITORING PROVISIONAL OUTTURN - PLANNING SERVICE, BUSINESS AND EMPLOYABILITY SERVICE**

The committee considered a joint report by the Executive Director (Finance and Corporate Services) and Executive Director (Place) updating members on the provisional outturn financial position for the 2023/24 financial year for the areas in scope of the Finance, Economy and Corporate Services Scrutiny committee.

**Decision**

The committee noted the current financial performance and activity as detailed in the report.

**118. 2024/25 - REVENUE MONITORING PROJECTED OUTTURN - PLANNING SERVICE, BUSINESS AND EMPLOYABILITY SERVICE**

The committee considered a joint report by the Executive Director (Finance and Corporate Services) and Executive Director (Place) updating members on the projected outturn financial position for the 2024/25 financial year for the areas in scope of the Finance, Economy and Corporate Services Scrutiny committee.

**Decision**

The committee noted the current financial performance and activity as detailed in the report.

**119. 2023/24 CAPITAL MONITORING PROVISIONAL OUTTURN - BUSINESS AND EMPLOYABILITY SERVICE**

The committee considered a joint report by the Executive Director (Finance and Corporate Services) and Executive Director (Place) updating members on the Capital Investment Plan and advising on the provisional financial position for the 2023/24 financial year for the areas in scope of the Finance, Economy and Corporate Services Scrutiny committee.

**Decision**

The committee noted the current financial performance and activity as detailed in the report.

**120. 2024/25 - CAPITAL MONITORING PROJECTED OUTTURN - BUSINESS AND EMPLOYABILITY SERVICE**

The committee considered a joint report by the Executive Director (Finance and Corporate Services) and Executive Director (Place) updating members on the Capital Investment Plan and advising on the projected financial position for the 2024/25 financial year for the areas in scope of the Finance, Economy and Corporate Services Scrutiny committee.

**Decision**

The committee noted the current financial performance and activity as detailed in the report.

**121. 2023/24 REVENUE MONITORING PROVISIONAL OUTTURN - FINANCE AND CORPORATE SERVICES**

The committee considered a report by the Executive Director (Finance and Corporate Services) updating members on the provisional outturn financial position for the 2023/24 financial year for the Finance and Corporate Services Directorate.

**Decision**

The committee noted the current financial performance and activity as detailed in the report.

**122. 2024/25 REVENUE MONITORING PROJECTED OUTTURN – FINANCE AND CORPORATE SERVICES**

The committee considered a report by the Executive Director (Finance and Corporate Services) updating members on the projected outturn financial position for the 2024/25 financial year for the Finance and Corporate Services Directorate.

**Decision**

The committee noted the current financial performance and activity as detailed in the report.

**123. 2023/24 CAPITAL MONITORING PROVISIONAL OUTTURN - FINANCE AND CORPORATE SERVICES**

The committee considered a report by the Executive Director (Finance and Corporate Services) updating members on the Capital Investment Plan and advising on the provisional financial position for the 2023/24 financial year for the areas in scope of the Finance and Corporate Services Directorate.

**Decision**

The committee noted the current financial performance and activity as detailed in the report.

**124. 2024/25 CAPITAL MONITORING PROJECTED OUTTURN - FINANCE AND CORPORATE SERVICES**

The committee considered a report by the Executive Director (Finance and Corporate Services) updating members on the Capital Investment Plan and advising on the projected financial position for the 2024/25 financial year for the areas in scope of the Finance and Corporate Services Directorate.

**Decision**

The committee noted the current financial performance and activity as detailed in the report.

**125. FINANCE, ECONOMY & CORPORATE SERVICES FORWARD WORK PLAN**

The committee considered a report by the Executive Director (Finance and Corporate Services) outlining a draft workplan for future meetings of this committee.

**Decision**

The committee: -

- (1) noted the current Finance, Economy and Corporate Services Scrutiny Work Plan; and
- (2) agreed that a report on the developments in Artificial Intelligence within Fife Council to be brought to a future meeting of the committee in 2025.

21 November 2024

Agenda Item No. 5

---

## FINANCE & CORPORATE SERVICES – ANNUAL SERVICE REVIEW REPORT 2023/2024

---

**Report by:** Eileen Rowand, Executive Director of Finance & Corporate Services

---

**Wards Affected:** N/A

---

### Purpose

---

To present an overview of the Directorate, detail the service planning, change and improvement work undertaken in 2023/24 and provide an assessment of performance to inform scrutiny and future service planning.

### Recommendation(s)

---

The scrutiny committee is asked to:

- review the progress and performance of the Finance & Corporate Services Directorate for 2023/24 and the activity undertaken in 2024/25 to date;
- note the Service planning objectives for 2024/25 and the three-year direction of travel; and
- consider and comment on the remodelled 'annual service review' report format.

### Resource Implications

---

There are no resource implications arising from this report.

### Legal & Risk Implications

---

There are risks in not meeting Best Value requirements that can lead to additional monitoring/audit, external intervention and/or loss of public confidence.

### Impact Assessment

---

An EqIA is not required as this report does not propose any changes to policies or services.

### Consultation

---

Consultation is not required as the report does not propose a change to existing policies and practices.

## 1.0 Purpose

---

- 1.1 This is the Finance & Corporate Services Directorate Annual Review for 2023-24. It looks back over the previous year and assesses how the Directorate has performed in relation to its priorities and challenges and looks forward to the changes and improvements that need to be considered next and the Directorate's priorities for the next 12 months.
- 1.2 In the report you will find:
- An overview of the Directorate's roles and responsibilities
  - Budget and workforce information to put service delivery into context
  - The key priorities the Directorate has been working to and how these relate to the Plan for Fife and council reforms
  - An assessment of how the Directorate has performed in relation to these priorities
  - Objectives and themes for service delivery, change and/or improvement going forward
  - Case studies showing examples of best practice and Service improvement

This information is then used to inform annual service planning and the strategic direction of the Directorate over the next three years.

- 1.3 This approach to annual review and reporting is part of the Council's updated public performance reporting and scrutiny arrangements. More information on that and how the Council performs and compares with other local authorities can be found online here [www.fife.gov.uk/performance](http://www.fife.gov.uk/performance).
- 1.4 Performance information and related case studies for Finance and Corporate Services will be available online at [www.fife.gov.uk/performance](http://www.fife.gov.uk/performance).

## 2.0 Service Overview

---

### Key roles and responsibilities 2023/24

- 2.1 Our directorate predominately provides support and professional advice to other Services within the Council. We also oversee the pension fund and the Assessor plays an important role with the valuation of domestic dwellings and non-domestic properties. We aim to provide consistent, quality support to council colleagues, based on professional expertise and commitment to excellence.
- 2.2 **HR Service**
- Provides strategic workforce advice and information to the Administration, Committees and Services of the Council
  - Enables managers to manage and support their staff through employment policies, guidance and provision, including business partnering services, resourcing, change management, learning and development and health and safety
  - Works in partnership with recognised Trade Unions to ensure effective support for managers and staff

### 2.3 **BTS (Business Technology Solutions)**

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

### 2.4 **Finance Service**

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

### 2.5 **Legal & Democratic Services** is made up of the following teams:

- **Legal:** Provides comprehensive in-house legal services to all Fife Council services and some trusts, including property, contracts, litigation and regulatory activities
- **Licensing:** Manages alcohol and civic licensing and supports the corporate events team
- **Committee and Members Services:** Provides all committee services, leads on the Council's governance frameworks and supports 75 elected members
- **Elections:** Manages electoral registration for the population of Fife (circa 300k voters) and delivers all electoral events, including community ballots
- **Data Protection:** Offers proactive advice to support new ways of working and professional support for data breach instances
- Includes the Council's Monitoring Officer, Depute Returning Officer and Data Protection Officer functions

### 2.6 **Revenue & Commercial Services** is made up of the following teams:

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

### 2.7 **Assessor Service**

- Undertakes statutory valuations of domestic and non-domestic properties across Fife for local taxation purposes
- Reports to the Executive Director of Finance & Corporate Services but carries out an independent statutory function

## Budget breakdown 2023/24

- 2.8 The Finance and Corporate Services budget overview is set out in Table One below. The main areas of spend within the Directorate are employee costs (77%) and supplies and services (23%). It should be noted that the majority of the supplies and services budget (£10.8m) relates to Council-wide IT contracts and software that are managed centrally by BTS.

**Table One: Finance & Corporate Services Budget**

|   | Net Expenditure by<br>Business Area | Provisional<br>Outturn | Variance      | Budgeted FTE<br>by Business<br>Area |
|---|-------------------------------------|------------------------|---------------|-------------------------------------|
|   | 23/24                               | 23/24                  | 23/24         | 23/24                               |
|   | £m                                  | £m                     | £m            | FTE                                 |
| Finance & Corporate Services Management | 1.795                               | 1.859                  | 0.065         | 7.00                                |
| Assessors Service                       | 2.007                               | 2.092                  | 0.085         | 45.00                               |
| Finance                                 | 4.036                               | 3.466                  | -0.571        | 106.47                              |
| Revenue & Commercial Services           | 17.033                              | 15.968                 | -1.065        | 545.65                              |
| Human Resources                         | 7.445                               | 6.394                  | -1.050        | 89.87                               |
| Business Technology Solutions           | 19.400                              | 19.895                 | 0.495         | 206.91                              |
| Legal & Democratic Services             | 4.412                               | 4.449                  | 0.037         | 58.44                               |
| <b>Total Net Expenditure</b>            | <b>56.127</b>                       | <b>54.124</b>          | <b>-2.003</b> | <b>1,059.34</b>                     |

|                               | Gross Expenditure | Provisional<br>Outturn | Variance      |
|-------------------------------|-------------------|------------------------|---------------|
|                               | 23/24             | 23/24                  | 23/24         |
|                               | £m                | £m                     | £m            |
| Employee Costs                | 49.367            | 46.365                 | -3.003        |
| Premises related expenditure  | 0.027             | 0.047                  | 0.020         |
| Transport Related Expenditure | 0.101             | 0.148                  | 0.047         |
| Supplies and Services         | 14.464            | 15.845                 | 1.381         |
| Third Party Payments          | 0.069             | 0.060                  | -0.009        |
| Support Services Charges      | 0.000             | 0.015                  | 0.015         |
|                               | <b>64.028</b>     | <b>62.479</b>          | <b>-1.549</b> |

|                 | Gross Income  | Provisional<br>Outturn | Variance      |
|-----------------|---------------|------------------------|---------------|
|                 | 23/24         | 23/24                  | 23/24         |
|                 | £m            | £m                     | £m            |
| Internal Income | -6.354        | -6.791                 | -0.437        |
| External Income | -1.548        | -1.564                 | -0.016        |
|                 | <b>-7.901</b> | <b>-8.355</b>          | <b>-0.454</b> |

The majority of the underspend is due to staffing. Services are facing challenges in recruiting and retaining staff, especially in Business Support.



## Workforce profile 2023/24

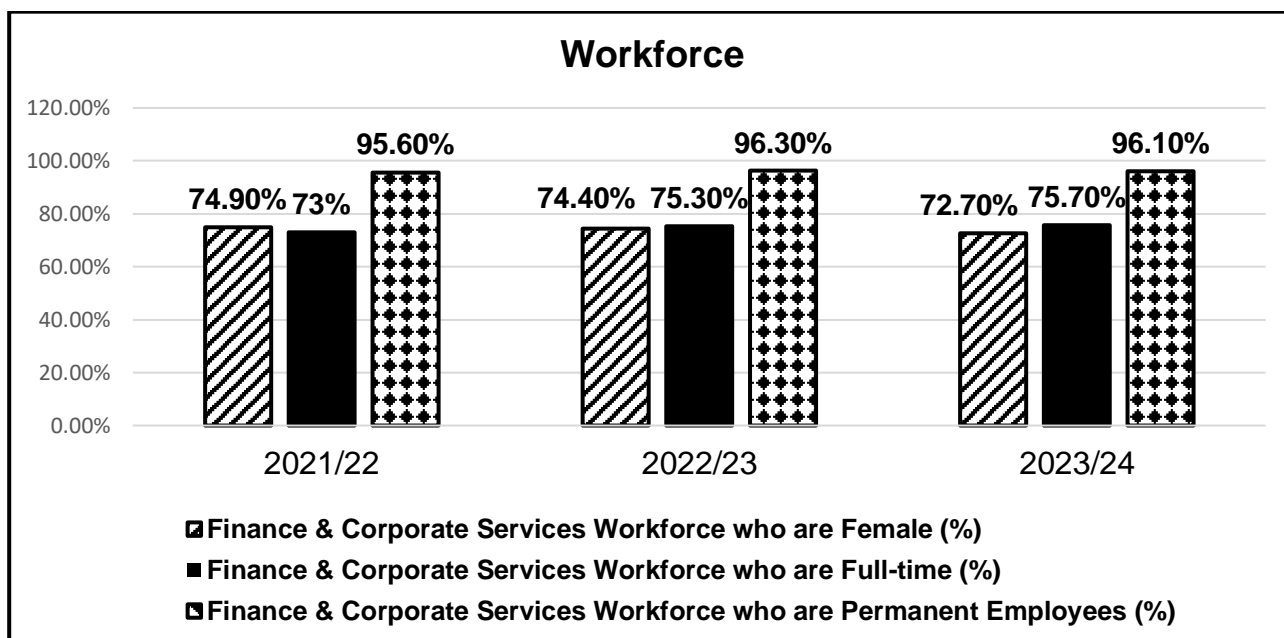
- 2.9 The headcount in the Directorate was 1,068 as of 31 March 2024. This is down from 1,202 the previous year. The difference is mainly due to the transfer of employees from Revenue & Commercial Services to Customer & Online Services in the Communities Directorate.

Trends against key workforce performance indicators are shown below.

Table two below shows that the percentage of employees who are female has dropped slightly from 74.4% to 72.7%. This is not unexpected as the group of employees transferred out of the Directorate (mentioned above) are predominantly female.

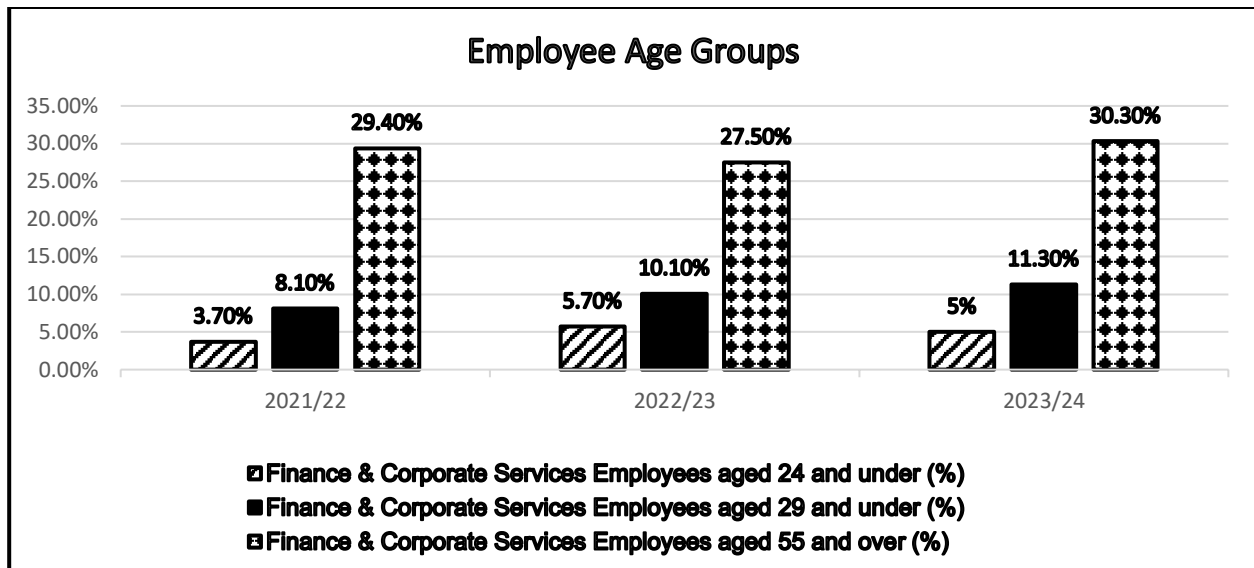
The percentage of the workforce who are full-time and the percentage who are permanent employees has remained static when compared to last year.

**Table Two: Workforce Details**



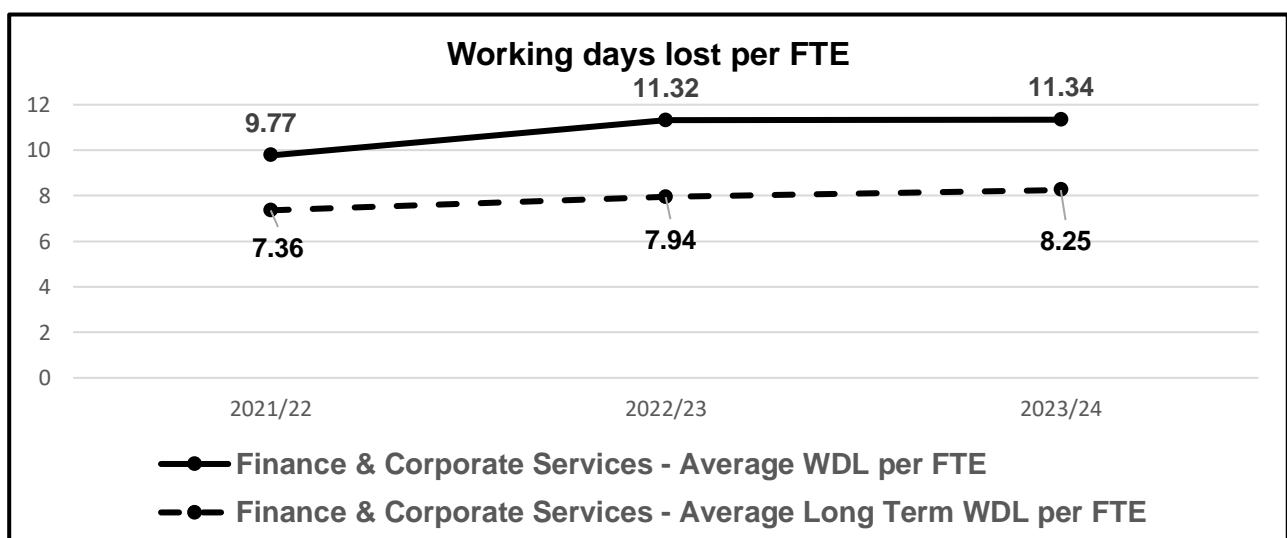
- 2.10 Table three below shows a continued increase in employees aged 55 and over. There is a significant risk with an aging workforce that key knowledge and skills are lost before there is an opportunity to attract and develop new employees. Services across the Directorate have identified the age profile of the workforce as a priority area of concern within their Service People Plans and are considering how this can be addressed using 'grow our own' approaches, investing in employee development, retaining our talent and creating flexibility across roles and how we do things and considering more innovative workforce planning approaches.

**Table Three: Employees Age Groups**



- 2.11 Table four below shows that over the last year absence levels have remained relatively consistent although there has been a slight increase in the number of working days lost per FTE due to long-term absence.
- 2.12 The top two reasons for absence based on average working days lost across the Directorate are due to mental health or personal stress. In relation to minimising any work-related stress, Services have developed Stress Risk Assessments and will deliver associated action plans before the end of March 2025 and a Directorate level assessment and action plan is also being developed. Services are working with the Wellbeing Information Advisor to provide wellbeing sessions and Managers are attending the Mentally Healthy Workplaces Training.
- 2.13 Support is also being provided by the Attendance Support Unit with teams involved in the early pilot areas around engagement, managerial compliance and upskilling. Enhanced reporting is being used at directorate, service and team levels to inform discussions and next steps.

**Table Four: Working Days Lost (WDL) per FTE**



## 3.0 Priorities and Performance

---

### Service Priorities 2023/24 and How We Delivered

3.1 The Directorate report outlines the strategic priorities for the year 2023/24.

#### 3.1.1 HR

There are two strategic workforce risks and these are set out below. There are actions in place to mitigate these risks:

- **FC013 Failure to Effectively Discharge Statutory Health and Safety Obligation** - (Managing to minimise) the risk of accident, injury or harm to a member of staff, service user, contractor, or other 3rd parties
- **FC014 Workforce Challenges** – a range of factors at national and local level which combine to create a more competitive labour market and potentially a more challenging organisation to resource and develop in keeping with the Council's vision

#### Priority 1: Our People Matter Workforce Strategy and Workforce Planning

##### What we said

The Council's workforce strategy, Our People Matter (OPM) 2022 - 2025, sets out our ambitions and our 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. It was agreed to deliver several actions across all the five priority themes within the OPM, to increase the maturity of our approach and to enable delivery of the strategy over its three-year timeframe.

##### What we achieved

An annual self-assessment process is undertaken at both corporate and directorate level to assess progress against delivering the strategy. This self-assessment showed that good progress had been made across all the priority themes. OPM progress, actions and our performance in respect of the success measures are reported annually to the Cabinet Committee, 12 September 2024 (item 11) - [download-document-sharepoint \(fife.gov.uk\)](#).

##### How we know

The self-assessment undertaken also showed performance against the OPM success measures. From the 17 success measures, we have met 11 measures, there are 5 measures where there is insufficient evidence currently and there is one measure which we have not met. See Cabinet Committee report (12 September 2024) accessed via the link above.

The recent Best Value annual thematic audit on workforce innovation focussed on how the council's workforce plans integrated with strategic plans and priorities. It was confirmed that although there is still work to be done, the council has effective and appropriate arrangements in place.

## **Priority 2: Improving Attendance**

### **What we said**

To sustain a long-term improvement in levels of absence across the Council we said that we would establish an Attendance Support Unit in HR to provide early support and intervention for both managers and employees. Our overall aim is to improve attendance management, reduce absence levels and support employee wellbeing through a combination of early interventions, training and robust monitoring.

Our ambition is to move away from the bottom quartile in terms of our statutory performance indicators (SPI) to see an improvement in our absence levels by 31<sup>st</sup> October 2025 and some of the key steps we said we would take included:

- Training & Development – introduce modular training for managers on attendance management, develop a new induction program for new employees and managers and develop training modules for managing short-term and long-term absence
- Wellbeing Initiatives - look at preventative actions to support employee wellbeing and consider the introduction of self-service referrals for physiotherapy
- Monitoring & Reporting – development of a power BI Dashboard for tracing absences cases and managerial actions and provide regular updates and reviews to ensure compliant and identify areas for improvement
- Pilot Programs – introduce pilots in specific directorates to test new approaches and gather data for broader implementation

### **What we achieved**

The ASU was established earlier this year and progress to date includes:

- Programme of training developed and deployed for managers, including the introduction of mandatory training for all new all managers
- Attendance Management Induction video introduced for all new employees
- Deployment of pilot projects within areas of the Council, where absence levels are comparatively high
- Enhanced reporting capabilities and the introduction of a Power BI Dashboard which helps to monitor compliance and identify areas needing improvement
- Established governance group with senior leaders from across the Council for improving attendance focus
- Additionally, a Health, Safety & Wellbeing pulse/survey ran in January 2024. Survey data has been collated in a Power BI dashboard to help inform action planning within Services

Further corporate work has commenced to address areas for improvement and tackle issues such as work-related stress, physical well-being and health and safety compliance. Since the last survey in 2022, there have been moderate improvements in a range of areas, and we will continue to build on those improvements.

Directorate and Service Stress risk assessments have been promoted by the Stress Overview Group and it has been agreed that all Directorates must have carried out the assessments and developed action plans by September 2024, with action plans to be delivered by 31 March 2025.

## How we know

The SPI figures are published in early 2025, we will be able to report whether we have achieved an improvement in absence levels at a national level and at a Council level.

Results from the pilot areas have helped to inform new approaches and will continue to evolve as we target different areas.

Feedback from both employees and managers in areas we are supporting to reduce absence levels has been constructive.

400 managers have completed the mandatory induction training. To date 48 colleagues have attended our frequent absence training and a further 46 are signed up for our next session in November.

The development of the power BI dashboard has enabled further analysis of absence levels across the Council to inform directorates of hot spot areas and has been shared with all leadership teams across the Council.

Health, Safety & Wellbeing Survey results have been shared with services and provides them with their results and areas where there have been improvements and areas for them to focus.

## Priority 3: Recruitment & Retention

### What we said

We said we would reduce the number of unfilled vacancies across the Council and help identify areas of potential improvement, using a range of recruitment initiatives and targeted methods to attract applicants to our most hard-to-fill posts.

### What we achieved

We have carried out work in a range of areas as we seek to reduce the number of unfilled vacancies. Initiatives have included, but are not limited to:

- Working in close partnership with the Department of Work and Pensions (DWP) and Employability Service to reach local people who might not apply for our roles. A range of initiatives which promote diversity and inclusion, including job events, life chances placements and apprenticeship opportunities have been offered
- In May, we hosted a second jobs fair which was extremely successful, with over 700 people coming along to find out about working with Fife Council in May 2024 and a further event will be held at Glen Pavilion in Pittencrieff Park, Dunfermline on 30<sup>th</sup> October to promote the wide range of job vacancies and career opportunities. We have also held bespoke events within DWP premises and in our Care Homes
- We promote selected vacancies on platforms including @fifecounciljobs on social media, LinkedIn and Indeed. This is supplemented with targeted communications including Down Your Streets quarterly newsletter for council tenants, engagement with schools and colleges and we update the internal workforce via our intranet
- The shared service recruitment team are now supporting us with posting to a range of sites including DWP Find a Job, Forces Families and Opportunities Fife
- We continue to develop our Career Site content, including service specific information which allows jobseekers to better understand the opportunities available within Fife Council

- We acted on feedback from Hiring Managers and made improvements to the process/guidance – we created new hub content, updated the advert template for managers and guided learning has now been added to the requisition page. We will run another survey in 2025
- We have further developed our reporting information from Oracle to enable us to assess the impact of our work on candidate sources and filling vacancies

### How we know

Although we still face difficulties recruiting to some vacancies, data shows that overall, the number of applicants and hires is improving. Insights below have been taken from our recruitment dashboard which is based on live data.

**Table Five: Recruitment Data**

| FY     | Requisitions | Applicants | Hires | Unfilled | % Reqs unfilled | Av applicants per requisition |
|--------|--------------|------------|-------|----------|-----------------|-------------------------------|
| 2023/4 | 3400         | 34400      | 4300  | 770      | 22.6            | 10.24                         |
| 2022/3 | 4000         | 29700      | 4500  | 1100     | 27.5            | 7.43                          |

Although variations between directorates and hard to fill roles continue to exist, council wide, our data shows some positive trends between 2022/3 and 2023/4:

- The overall number of applicants has increased. Applicants are coming from a broad range of sources showing that our approach to advertising outlined above is having an impact
- The number of hires as a proportion of requisitions raised has increased
- The % of unfilled requisitions have reduced by almost 5%
- The average number of applicants per requisition increased from 7.43 - 10.24

Life Chances has now been fully implemented in partnership with employability service and is having a positive impact on filling our entry level hard to fill vacancies.

Within the 2024/5 financial year to date, we have offered 20 placements within Fife Council Services with a further 17 allocated. Of these, 6 participants have been offered ongoing employment within Grounds Maintenance, Building Services, Waste Operations and Matrix Fife. This programme is having a positive impact on our hard to fill vacancies and is providing opportunities to people who would have otherwise struggled to find employment with Fife Council due to personal barriers.

Retention strategies include the provision of employee support through initiatives including the Attendance Support Unit, wellbeing programs and career development opportunities for internal mobility.

### Priority 4: Health & Safety

#### What we said

We said we would be committed to safeguarding employees, contractors and service users through proactive measures and ongoing monitoring of health and safety processes.

## **What we achieved**

We continued to develop a positive health and safety culture through continuous monitoring and improvement of working practices whilst supporting learning and development and effective health and safety communications.

## **How we know**

Our identified priorities which include work related stress, musculoskeletal disorders, tackling Violence and Aggression and ensuring implementation of an effective health and safety management system are all measured using comparative data within the published annual Health and Safety report for the period 2023- 2024 presented to the Finance Economy and Corporate Scrutiny committee on the 29<sup>th</sup> of August 2024. Our KPI's are also updated and include comparative data for previous years.

### **Priority 5: Pay Strategy**

## **What we said**

We said we will ensure we have a pay structure and terms & conditions of employment which are fair and fit for the future.

## **What we achieved**

Through the Pay Strategy project, we are focusing on removing any residual equal pay risks, integrating pay and terms and conditions for Craft and Single Status employees and developing a pay structure that is future-proofed. This includes taking account of pressures created as a result of national pay agreements; "bottom-loading" of pay awards and the aspiration to pay a minimum rate of £15 per hour by March 2026. We are actively influencing national discussions through membership of the £15 per hour roadmap working group.

## **How we know**

We have re-focused the Pay Strategy project and are making good progress on Phase 1 which includes integrated pay and terms and conditions. This is being reported into CET.

### **3.1.2 BTS**

### **Priority 6: Shaping and delivering the Digital Portfolio and Programme**

## **What we said**

We said we would start to develop a portfolio approach and programme which ensured we were taking forward the right digital priorities and investments and that we would shape a Digital Programme to meet the future needs of the Council.

## **What we achieved**

We have now established a Portfolio Board as a key decision-making body to drive our digital ambitions. It is the intention that all Council-wide digital investments and priorities are scrutinised and directed by that Board and that is in place. However, further work is required to ensure that all projects and requests are raised under the current annual process. Service awareness of the process still seems to vary.

The Digital Programme has now been constructed and shaped within 4 Workstreams:

- Implementing Digital Ways of Working
- Digital Service Delivery

- Data and Analytics
- Digital Innovation

An initial set of proposals and projects are now being developed to support the outcomes of each Workstream.

### How we know

The Digital Portfolio Board has agreed on the initial Programme approach and structure. Work continues gathering a finalised set of proposals for the forward Investment and Business Case development.

This will be evidenced through an improved delivery of service for the customer and by reducing spending.

### Priority 7: Legacy Replacement activities

#### What we said

Continue to move our large and critical systems away from legacy platforms to modern, flexible cloud solutions as a platform to drive future change.

#### What we achieved

We have undertaken the following Legacy Replacements this year:

- Completed the deployment of the Liquid Logic platform for Social Care to replace the ageing SWIFT system
- We have partially replaced the Housing System to move away from the legacy Genero solution. This work has slipped from original plans and will continue through 2025 and possibly into 2026
- We have partially replaced the COMIS system by providing a new solution for Small Plant & Tool and Projects & Costing. Difficulties with this work mean that further work required to replace both Works Management and Inventory/Stores systems, is delayed and is currently scheduled to run until mid-2025
- We have commenced initial planning on the replacement of the Legacy Council tax solutions

In addition to the work above, the Council has over 350 other solutions in use of various sizes and many of these (typically around 80 per year) will require replacement over the coming year due to contractual ends or solutions being removed from the market by suppliers.

### How we know

We have replaced legacy systems and have more modern systems that are cloud based. Updates are provided through project deployment and documentation.

### Priority 8: Ensuring Operational Continuity

#### What we said

We have a continual and ongoing responsibility to:

- Secure and assure the Council's ICT environment
- Continue to run cost-efficient services and optimise where we can
- Provide support and advice to Services in the use and development of Technology



- Develop, maintain and update our infrastructure and devices to maintain fitness for purpose
- Consider and progress service requests for new technology and digital solutions
- Upgrade and renew systems
- Develop and extend our use of strategic investments and platforms

### What we achieved

- Secure and assure the Council's ICT environment:
  - We have completed cyber improvement work, including delivery of a fully managed Security Operations Centre with a noted Scottish cyber security practice, protecting the Council's vital digital infrastructure
  - We have deployed regular Microsoft, Apple and Android updates and patches to over 50,000 Council-managed devices in line with best-practice cyber security requirements
- Continue to run cost-efficient services and optimise where we can:
  - As a result of equipment ordering and deployment efficiencies, Technical & Hosting have already proposed savings of up to £100k for 2024/25 and a further £50k beyond that although this is still to be confirmed
  - We are now deploying "Zero Touch" build devices which can be delivered straight to the Services concerned and built remotely. 1,000 devices have been rolled out using this new and innovative approach
- Provide support and advice to Services in the use and development of technology
- Consider and progress service requests for new technology and digital solutions:
  - We have progressed over 12,000 support calls and 68,000 requests for service in the 10 months to October 2024
  - Our last full year, 2023, figures were similar with over 14,600 support requests and 82,000 service requests
- Develop maintain and update our infrastructure and devices to maintain fitness-for-purpose:
  - We completed deployment of the new Council network and are now well through deployment of our new Wifi system which improves coverage, capacity and speed of Wifi across Fife Council Sites and Schools as well as improving public/guest access securely
- Upgrade and renew systems:
  - We have a continual programme of upgrades and renewals across the 350+ solutions in use in the Council as well as on-going device refresh plans across all Council Services and Schools. This accounts for the majority of the 50-60 concurrent project activities we have in train at any given time
- Develop and extend our use of strategic investments and platforms:
  - We have rolled out 4 major releases to our Oracle ERP platform successfully and implemented new Risk Management and Guided Learning capabilities
  - We have continued to expand our support for Digital Champions to improve knowledge and the use of Microsoft products such as Power BI

- We have delivered a new Council website and new online services through the use of our Verint/Lagan Customer Management platform and have also moved this to the cloud

### How we know

We have resilience against system failure based on business continuity plans, allowing us to continue to operate and deliver services to the citizens of Fife and others.

Evidence is in project documentation and plans for project-level activities.

Power BI representations of Assyst (First Contact) information are used for support and request activity.

Other systems and infrastructure management tools provide information on the deployment of Council-managed devices and infrastructure.

### 3.1.3 Finance

#### Priority 9: Investing in our People/Workforce Planning

#### What we said

The age profile in our service is challenging and we have recognised that we need to plan to ensure key knowledge and skills are not lost. We are conscious that in an environment of reducing resources and increasing demand and pressure that investing in our current and future workforce is vital.

#### What we achieved

- Two modern apprenticeships are in place and funding is secured for an additional two
- Plans are in place for a Technician Accounting training programme
- Funding secured from the Workforce Youth Investment Fund to support the establishment of two new posts
- A full review of the structure of Internal Audit and Corporate Fraud, including consideration of demand versus resource available which resulted in a new structure including:
  - An additional Audit Team Manager, appointed during 2023/24
  - Agreement to establish a new Corporate Fraud Lead Officer post
- Appointment of a second, full-time, dedicated Risk Management Co-ordinator
- An annual development meeting will be held for all employees as well as a commitment to regular one to one discussion for all team members

#### How we know

- Employee survey, results were largely positive. A further pulse survey has been issued and the results will provide an indication of the trends over time.
- Newly recruited staff in position and a number of vacancies are currently going through the recruitment process.

## **Priority 10: Developments in Embedding Risk Management**

### **What we said**

With the aim of embedding risk management in the organisation, further development, driven by the Council's corporate Risk Management Strategy Group and Risk Management Improvement Plan, was planned for 2023/24, including development of a new Strategic Risk Register.

### **What we achieved**

- Development and approval of a new Strategic Risk Register and defining corresponding risk appetite levels
- Established formal horizon scanning and risk escalation processes
- Appointment of a second full time Risk Management Co-ordinator
- Secured funding via the Workforce Youth Investment Fund to establish and recruit a new Insurance and Risk Management Trainee post
- Established a corporate Ideagen Governance Group
- Made progress towards implementing the corporate Roll Out Plan, supporting Services to develop, implement and embed effective risk management arrangements locally, including development of Service-level risk registers
- Implemented the new risk impact assessment matrix
- Delivered training and awareness sessions, including an awareness session for the extended Council Leadership Team and CPD events
- Continued development of risk management e-learning solutions in consultation with HR colleagues
- Became a member of the recently established national Risk Management Sub-Group of the Scottish Local Authorities Chief Internal Auditors Group (SLACIAG)

### **How we know**

An evidence pack was pulled together to demonstrate achievement of the risk management improvements noted above. The pack was reviewed by External Audit colleagues as part of the annual audit process.

## **Priority 11: Developments in Fraud Governance and Anti-Corruption**

### **What we said**

Take steps to improve the Council's fraud governance and anti-corruption arrangements, including, in conjunction with colleagues from HR and Legal and Democratic Services, the development and implementation of a revised whistleblowing policy, with supporting processes and procedures.

### **What we achieved**

- A new standalone Whistleblowing Policy was developed collaboratively by HR, Legal & Democratic Services and Audit & Risk Management Services. The following supporting working practices and procedures were also established during the year:
  - A new dedicated whistleblowing email address was established with restricted access arrangements
  - An online referral form was developed and launched

- Tripartite approach to consider and respond to concerns and quarterly monitoring meetings to ensure continued oversight of cases
- Secure, central reporting and recording process
- The Council's Internet and Intranet pages were developed as a central source of related procedures, guidance and support
- Obtained agreement to establish a new Corporate Fraud Lead Officer post
- Drafted a Corporate Fraud Improvement Plan
- Development and launch of a new mandatory Corporate Fraud e-learning package
- Development and delivery of corporate fraud awareness raising sessions
- Participation in a working group alongside NHS Fife colleagues providing assurances to the Fife IJB surrounding the Council's enhanced whistleblowing arrangements

### How we know

An evidence pack was pulled together to demonstrate achievement of the fraud governance and anti-corruption improvements noted above. The pack was reviewed by External Audit colleagues as part of the annual audit process.

## Priority 12: Support Transformation and Change across Directorates

### What we said

We will provide quality professional financial support and advice in relation to any major change across the Council, supporting Directorates in managing the financial aspects of any change/transformation.

### What we achieved

- **Dunfermline Learning Campus (DLC)** - Supported the Education Directorate to provide new secondary schools to replace Woodmill and St Columba's RC High Schools through the provision of the Dunfermline Learning Campus. Involved in supporting the directorate in the preparation of the bid to the Scottish Government for financial support via their Learning Estate Investment Programme and being part of the project board overseeing the delivery of the schools, which is one of the largest Passivhaus projects built to date
- **Primary Teachers Workforce Planning** - Supported the Education Directorate to actively manage the Primary teaching workforce to enable newly qualified teachers and those in temporary posts, to be appointed to permanent teaching posts. This was achieved through supporting the premature retirement of a number of teachers where it was cost effective to do so
- **Levenmouth Railway** – supported the service to manage the £10m Levenmouth Reconnected Programme Grant Fund to maximise the social, economic and environmental benefits of the Levenmouth Rail Link
- **Climate Change** – Working with Services to take forward the development and implementation of a plan to meet Fife Council Net Zero obligations in relation to non-domestic buildings

### How we know

- The DLC opened August 2024 and the funding from Scottish Government is now in place, with the first payment received in September 2024

- The Primary Teachers Workforce Planning exercise enabled the desired movement in teachers, achieved a saving and potentially strengthened the teacher supply pool with experienced teachers (if some of those retiring wish to continue to work on a supply basis)
- We have paid out large grants totalling £2.4m and small grants of £0.075m during 2023/24 from the Levenmouth Reconnected Programme Grant Fund
- Climate Change representative now on Investment Strategy Group to ensure net zero obligations are considered with approving new projects and programmes

### **Priority 13: Streamline Processes**

#### **What we said**

We would review our processes and identify where improvements can be made to help mitigate increasing demand.

#### **What we achieved**

A full review of our revenue forecasting process and improvements identified and implemented for both the system and the business process.

#### **How we know**

Set up time for forecasting reduced from 2 days to 1 day and timetabled forecasting period reduced by up to 2 additional days, allowing time for more value-added support to services.

### **Priority 14: Pension Fund Valuation/Investment Strategy**

#### **What we said**

We will work with the actuary to provide data, validations and checks to complete the actuarial valuation, set employer's contribution rates and produce the funding strategy statement. Aligned to this we agreed to update the fund's Investment Strategy.

#### **What we achieved**

The actuarial valuation was completed on time and a report was presented to Pensions Committee in March 2024. Employers were advised of revised contribution rates and these have been implemented from 01 April 2024. The Funding Strategy Statement was also reviewed and shared with Employers. Working with our partners and advisors the Investment strategy for the Fife Pension Fund assets was also reviewed and agreed by Committee in March 2024.

#### **How we know**

Reports were presented to Pensions Committee covering the valuation, Funding Strategy Statement and Investment Strategy.

### **Priority 15: Manage the Strategic Risk – Financial Instability**

#### **What we said**

Finance manages the strategic risk of Financial Instability that has the risk that the Council and its partners fail to deliver Plan for Fife ambitions. The Council's financial sustainability is compromised.

Managing finances within the current economic climate can be challenging with pressures such as inflationary increases impacting on both revenue and capital budgets. The budget position and financial monitoring are reported to the Cabinet and the Scrutiny Committees.

#### **What we achieved**

- All internal controls and actions were reviewed and updated
- Capital Strategy agreed
- Risk further developed as part of the Strategic Risk Review 2023. New scoring reflects the use of PESTELO model to assess risk impacts

#### **How we know**

- Ideagen updated with all actions
- Council's financial position at end of 2023/24 stable, however it is recognised that there are more challenging times ahead and that this risk will continue to need strong internal controls

### **3.1.4 Legal & Democratic Services**

#### **Priority 16: Legislative Changes to the delivery of elections**

##### **What we said**

We would prepare for the legislative changes to the delivery of elections.

##### **What we achieved**

We carried out extensive preparation in anticipation of the general election and we delivered that election in July 2024.

We also delivered the election for community councils across Fife. This process was delivered in accordance with the Scheme of Establishment for Community Councils. One community council applied to delay their election and we then used our learning from the first round of election to design process improvements for the second. We will use this learning to take forward a review of the Scheme in advance of the next round of elections for community councils.

##### **How we know**

While there were national issues around the postal vote process and the timing of the election posed additional logistical challenges, we did deliver the general election with the new statutory provisions and in challenging circumstances, supporting the electorate to cast their ballot, allowing candidates to have confidence in the process and providing accurate results.

A member of Parliament was elected and we have community councils re-established and inducted.

#### **Priority 17: Annual Governance**

##### **What we said**

We would deliver the improvement actions identified as part of the Annual Governance (AG) statement.

## What we achieved

We focussed on the governance framework, preparing new Standing Orders for Council approval and delivering on our Annual Governance commitments.

## How we know

We had revised governance documents approved by full Council. We track and monitor improvement actions through the governance working group and then report on actions through our Annual Governance Statement to the Standards, Audit and Risk Committee.

### 3.1.5 Revenues and Commercial Services

#### Priority 18: Financial Savings and Benefits

## What we said

We would identify and pursue any opportunities to enable financial efficiencies via procurement activity.

## What we achieved

Procurement report benefits achieved on a quarterly basis to Finance through an established Benefits Realisation Policy.

## How we know

Procurement benefits for the financial year 2023/24 have been verified at £12.702m as illustrated below:

**Table Six: Verified Procurement Benefits (Quarterly Summary)**

| Total Benefits               |              |              |              |              |               |
|------------------------------|--------------|--------------|--------------|--------------|---------------|
| 2023-24 Procurement Benefits |              |              |              |              |               |
|                              | Qtr 1<br>£m  | Qtr2<br>£m   | Qtr 3<br>£m  | Qtr 4<br>£m  | Total<br>£m   |
| <b>Delivered</b>             | <b>1.533</b> | <b>2.703</b> | <b>6.365</b> | <b>2.101</b> | <b>12.702</b> |
| Cashable                     | 0.641        | 0.593        | 0.957        | 0.614        | 2.805         |
| Cost Avoidance               | 0.891        | 2.11         | 5.409        | 1.487        | 9.897         |

Further breakdown by budget type is provided below:

**Table Seven: Verified Procurement Benefits (Budget Type)**

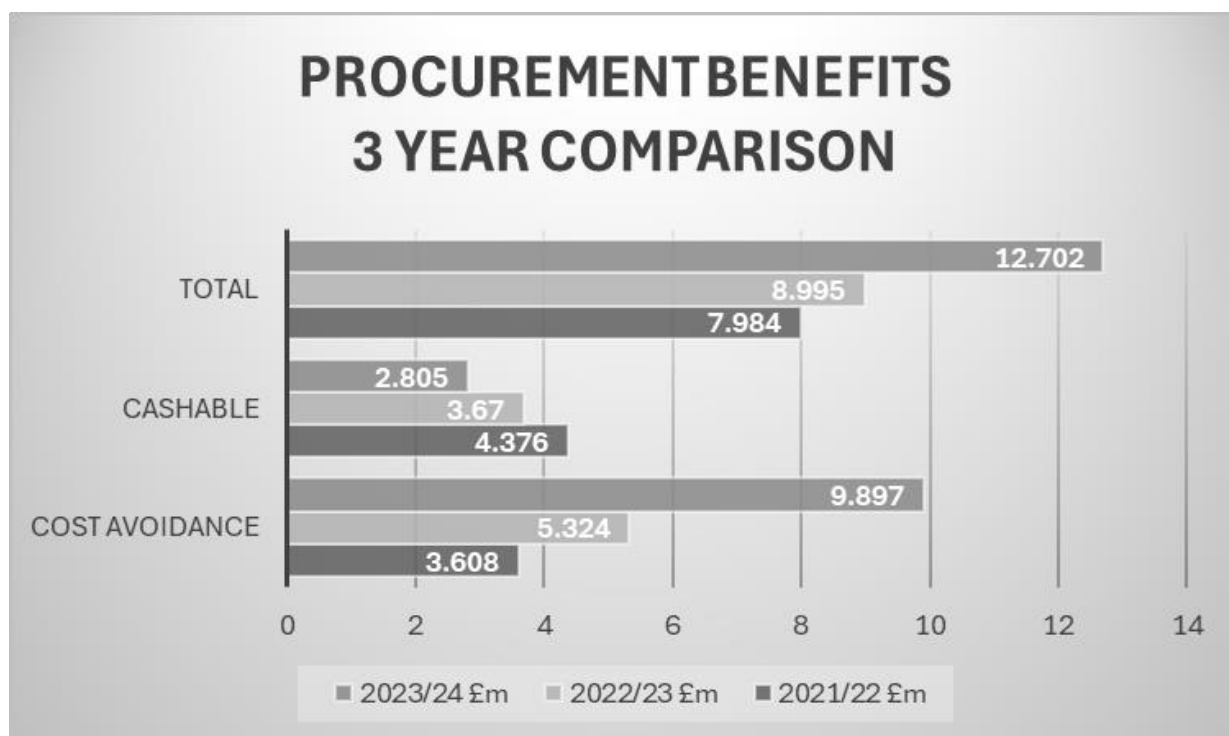
| 2023-24 Procurement Benefits |               |               |           |                               |       |             |
|------------------------------|---------------|---------------|-----------|-------------------------------|-------|-------------|
|                              | Revenue<br>£m | Capital<br>£m | HRA<br>£m | H&SC TRUST/ALEO<br>£m      £m |       | Total<br>£m |
|                              |               |               |           |                               |       |             |
| Delivered                    | 6.779         | 5.675         | 0.212     | 0.024                         | 0.012 | 12.702      |
| Cashable                     | 2.498         | 0.250         | 0.020     | 0.024                         | 0.012 | 2.805       |
| Cost Avoidance               | 4.281         | 5.425         | 0.191     | 0.000                         | 0.000 | 9.897       |



It should be noted that within the reported benefits, there will be multi-year contracts. The benefits will be recurring for the length of these contracts; therefore, some benefits may already have been reported in previous years.

Comparison of prior year benefits are reviewed on an annual basis through the Annual Procurement Report. Comparisons of benefits reported over the last 3 years illustrate almost £30m of benefits have been realised.

**Diagram One: Procurement Benefits 3-year comparison**



### Priority 19: Community Wealth Building (Spending Pillar)

#### What we said

We continue to make effort to improve access to public contracts for Small and Medium Enterprises (SMEs), the third sector and supported businesses and aim to utilise local contractors where this represents best value.

We promote fair work within our contracts and strive to ensure that the Real Living Wage is paid to our contractor's employees.

We take account of climate and circular economy considerations by incorporating environmental issues/outcomes in our procurement activity.

We shall continue to explore opportunities to incorporate community benefits into contracts to generate additional value for the wider Fife community.

#### What we achieved

We incorporate Fair Work First into procurement exercises where relevant and proportionate to do so. Some contracts that we utilise are not owned by Fife Council, so scope does not always allow us to consider. The majority of contractors who were awarded a contract in the last financial year committed to payment of the Real Living Wage. Further detail will be provided in the aforementioned Annual Procurement Report.



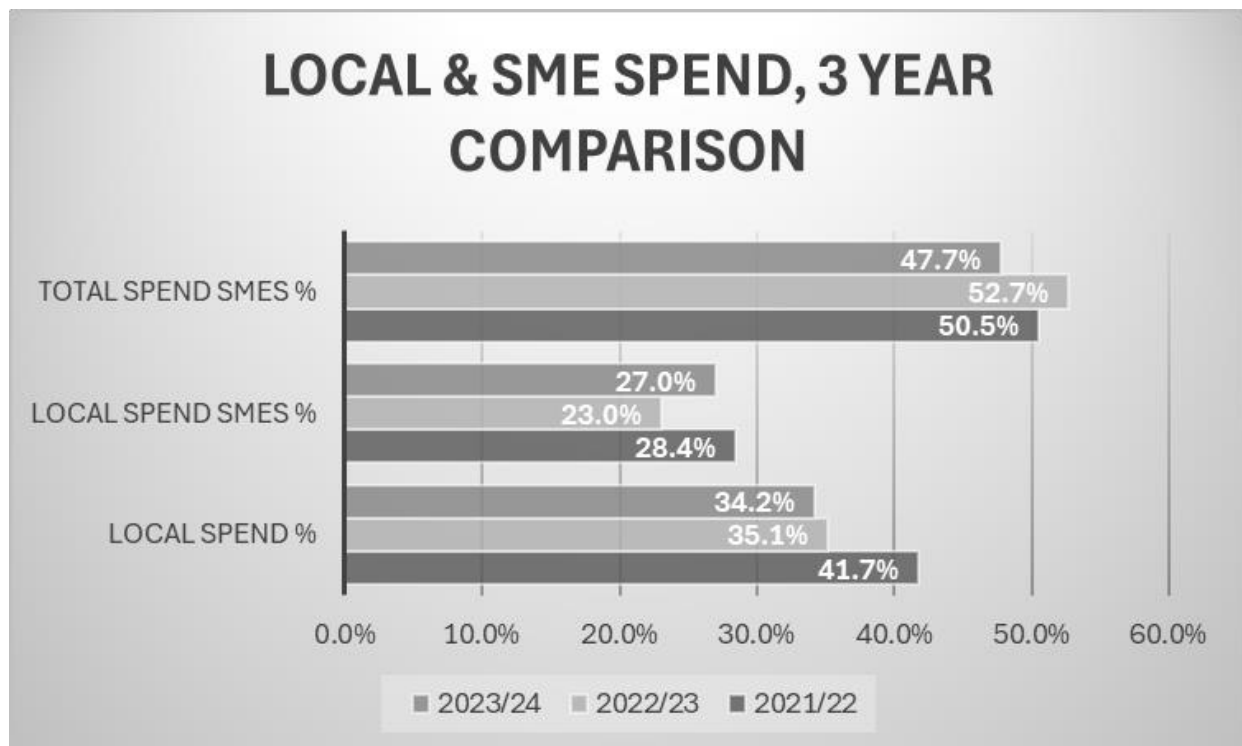
Climate and circular economy considerations are included at the outset of a procurement exercise, i.e. at contract strategy stage as part of the scoping of contract specification and/or award criteria development. Some key areas of ongoing work and improvements in this regard will be provided within the Annual Procurement Report.

Community benefits are sought and contractually committed in contracts in a proportionate manner. These are varied in their nature but include over 70 reports of employment, 21 apprenticeships, £26m of onward local supply chain and over £120k worth of donations.

#### How we know

Over 34% of procurement spend was with Fife based suppliers. Whilst this is a reduction in previous years, it should be noted that the overall spend with Fife suppliers has increased by over £21m. An increase of total spend of £76.7m has been reported, making year on year percentage comparison less accurate. Additional analysis and findings will be reported in the council's Annual Procurement Report, tabled to be presented to this committee in January 2025.

**Diagram Two: Local & SME Spend 3-year comparison**



Evolving enhanced reporting provides an opportunity for comparison and opportunity identification.

#### 3.1.6 Assessors

##### Priority 20: Delivering Statutory Valuation Functions

#### What we said

- A transformation of Service operations to deliver Non-Domestic Rating Reform
- Implement a new two-stage appeal system for non-domestic properties
- Support the transfer of the Valuation Appeal Committee functions to the Scottish Courts and Tribunals Service

- Tackle recruitment challenges through training
- Implement a new IT software system

### What we achieved

- Delivered revaluation 2023 with a one-year tone (valuation) date
- Logged all non-domestic proposals for revaluation 2023
- Successfully transferred all appeals sitting with the Valuation Appeal Committee to the Scottish Courts and Tribunals Service within the required timescales
- Established a training lead for the Service
- A new software system went live in December 2023

### How we know

- Revaluation 2023 delivered
- Proposals logged and acknowledged
- Scottish Courts and Tribunals Service received the transferred appeals
- Progression has been made with training plans
- Development work on new IT system still required but system now operational

## 3.2 Wider operational performance

3.2.1 Finance & Corporate Services is responsible for 10 Local Government Benchmarking Framework (LGBF) indicators. The latest set of LGBF data published covers 2022/23. Detailed below is some content on pertinent points.

**Table Eight: LGBF Indicators**

| LGBF   | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
|--|---------|---------|---------|---------|---------|
| Support services as a % of total gross expenditure (LGBF)      | 4.74%   | 5.69%   | 4.5%    | 4.02%   | 3.91%   |
| % of highest paid 5% employees who are women (LGBF)            | 57.1%   | 57.7%   | 59.2%   | 60.7%   | 61%     |
| The Gender Pay Gap (%) (LGBF)                                  | 1.93%   | -0.65%  | 1.79%   | 1.69%   | 1.13%   |
| Sickness Absence Days per Employee (excl. teachers) (LGBF)     | 13.1    | 13.86   | 11.83   | 15.29   | 15.85   |
| Procurement spent on local small/medium enterprises (%) (LGBF) | 35.5%   | 31.9%   | 37.2%   | 40.2%   | 33.9%   |
| Useable reserves as a % of annual budgeted revenue (LGBF)      | 7.8%    | 8.4%    | 19.9%   | 22.5%   | 24.8%   |
| GF Balance as a % of annual budgeted net revenue (LGBF)        | 1.8%    | 2.3%    | 5.4%    | 3.3%    | 3.8%    |
| Financing Costs to Net Revenue Stream - GF (LGBF)              | 8.37%   | 7.79%   | 6.1%    | 6.39%   | 1.27%   |
| Financing Costs to Net Revenue Stream - HRA (LGBF)             | 20.23%  | 21.54%  | 22%     | 22.04%  | 23.77%  |
| Actual outturn as a % of budgeted expenditure (LGBF)           | 100.29% | 99.6%   | 91.98%  | 93.64%  | 92.49%  |

### **3.2.2 Working days lost (WDL) per FTE**

The number of WDL (for all employees including Teachers) has risen again during 2022/23 to an average of 14.02 WDL. In terms of other councils, we were ranked joint 30th (technically an improved ranking). The LGBF Performance Indicator measures sickness absence days per employee (excluding Teachers) and was 15.8 days in 2022/23.

Unfortunately, the most recent data shows that there is a continued rise in absence during 2023/24 (this SPI figure will be published early 2025). However, from 2023/24 all Covid absence was included where previously this was captured under other provisions.

The Attendance Support Unit is now in place and the strategy, which underpins all activity to improve attendance, is to get the basics right. Targeting higher absence level areas with early offers of support and encouraging improved policy compliance will enable us to identify and compare teams to understand which practices combine to be most effective. These can then be deployed more widely along with associated improvement targets.

### **3.2.3 Gender Pay Gap**

At 1.10% the gender pay gap continues to be lower than the Scottish Local Authority average (2.5%), although we do still see areas of occupational segregation within areas of the workforce. We continue work to challenge traditional perceptions and stereotypes for example by using recruitment adverts showing male employees in early years settings.

### **3.2.4 Highest Paid 5% of Employees who are Women**

We continue to see a rising number of women in the top 5% of earners. At 61%, this is higher than the Scottish Local Authority average (58.9%). Through our work towards Equally Safe at Work accreditation, we have been focussing on gender equity in the workplace and have spotlighted female leadership within the Council.

### **3.2.5 Useable reserves as a percentage of annual budgeted revenue**

Application of the revised accounting guidance in respect of Service Concession arrangements resulted in a significant underspend in Loan Charges budget which made a significant contribution to the balances position. This accounts for the increase in the level of useable reserve as a percentage of budgeted revenue from 22.50% in 2021/22 to 24.80% in 2022/23. These will be used to fund additional capital expenditure and will reduce over time.

### **3.2.6 GF Balance as a percentage of annual budgeted revenue**

Application of the revised accounting guidance in respect of Service Concession arrangements resulted in a significant underspend in Loan Charges budget which made a significant contribution to the general fund balances position. This accounts for the percentage increase from 3.30% to 3.80%, which has offset where balances have been used.

### 3.2.7 Financing costs to net revenue stream – GF

Application of the revised accounting guidance in respect of Service Concession arrangements resulted in a reduction in the cost of borrowing for 2022/23 as the benefits generated were realised in year. As a result of this cost reduction, the percentage to net revenue stream has reduced significantly from 6.39% to 1.27%. The percentage is expected to increase again in future years reflecting the levels of borrowing required to finance the capital plan.

### 3.2.8 Financing costs to net revenue stream – HRA

This financing costs to Net Revenue Stream (HRA) indicator has steadily increased reflecting increased capital expenditure on HRA and Affordable Housing, therefore there is an increased cost of covering the borrowing associated with these projects. This remains fairly constant at 23.77% for 2022/23 and is in line with the agreed levels per the HRA Business Plan.

### 3.2.9 Actual Outturn as a percentage of budgeted expenditure

The actual outturn as a % of budgeted expenditure prior to 2021 was around 100% reflecting that Directorates managed expenditure to their overall budgets. In 2020/21 the percentage decreased to 91.98% which reflected the impact of the Pandemic. In addition, a significant amount of government funding was received late in 2020/21 and had to be carried forward. The percentage of 92% reflects continued levels of one-off government funding that is held in committed balances plus a change in accounting treatment for some ring-fenced grants and Service Concession arrangements as noted above.

3.2.10 Fife Council is committed to ensuring that businesses are paid on time and aims to pay business promptly once a service has been performed or goods are delivered. During the reporting period there has been an improvement in performance to Invoices paid within 30 days.

**Table Nine: Invoice Payment Performance**

|                                  | <b>2022/23</b> | <b>2023/24</b> | <b>Difference</b> |
|----------------------------------|----------------|----------------|-------------------|
| No of invoices processed         | <b>332,670</b> | <b>577,421</b> | +244,751          |
| Invoices paid within 30 days (%) | <b>92.5%</b>   | <b>96.41%</b>  | +3.91%            |

3.2.11 In 2023 new technology known as Intelligent Document Recognition (IDR) was implemented to enhance the invoice payment process. By automating part of the manual process within Accounts Payable there has been a notable improvement in the efficiency of invoices being paid within 30 days.

## 4.0 Directorate Priorities Ahead

---

- 4.1 In 2024/25 the Directorate will focus on the change and improvement areas as outlined below whilst ensuring statutory services are delivered to an adequate level.
- 4.2 **Digital Advancement of Services:** We will optimise value from digital solutions and embrace future technologies such as AI and process mining tools, to change the way services are delivered. This approach will allow us to make the most out of existing resources and enhance our agility in responding to change.
- 4.3 **Supporting the Community Wealth Building Agenda:** We will continue to increase local procurement and community benefits.
- 4.4 **Optimising Service Delivery:** We aim to meet demand efficiently by eliminating non-value-added tasks, automating processes and enhancing self-service options. We are reviewing how the Directorate is structured and how responsibilities are shared, this will be shaped by the future organisational model adopted by the Council.
- 4.5 **Aligning resources with Council Priorities:** We will standardise service offerings to ensure capacity can meet demand effectively.
- 4.6 **Driving Data-Driven Decision Making:** We will adopt data-driven ways of working to make informed decisions, enhance service quality and improve resource allocation.
- 4.7 **Balancing Service Delivery with Financial Sustainability:** We will invest in skills development to ensure our services are resilient and adaptable.
- 4.8 The most significant challenge faced by the Directorate in the coming years is the age profile of the Service and the ability to ensure that key knowledge and skills are not lost before having the opportunity to bring in, train and develop skills of younger members of staff as well as developing and retaining our existing talent.
- 4.9 The Best Value annual thematic audit on workforce innovation confirmed that effective and appropriate workforce plans are in place. However, it recognised that there is still work to be done, at a service level and corporately, to further develop our workforce planning maturity. Work will be undertaken to refresh our OPM and develop a Corporate People Plan for the period 2025-2028 and to consider how this work aligns with the revised approach to service planning and performance management.
- 4.10 Supporting reduced attendance across the Council will continue to be a priority for 2024/25 and beyond. The 2022/23 National Benchmarking Overview Report provides context as to the extent of the challenge in managing absence for all Councils and ensuring Leaders are clear in their role in having an engaged and empowered workforce has never been so important.

## 5.0 Conclusion

---

- 5.1 The report outlines the progress in service planning, change and improvement work within the Finance and Corporate Services Directorate for 2023/24. We have identified our main priorities at a service level and provided an update on the extensive activities that we have delivered.

Our performance has been good in comparison to other councils, there are areas we do need to make improvements in, particularly in the level of staff absence, retention and recruitment. With an ageing workforce, our Services are developing their people plans to ensure continued delivery of the required services. Moving forward, we have clear priorities and our change activities will be strategically focussed on these areas.

### Report contacts

Eileen Rowand, Executive Director of Finance & Corporate Services

### Appendices

1. Case Study Life Chances
2. Case Study Community Benefits

## Appendix 1

### Case Study 1 - Life Chances – Sometimes all people need is a chance

The Council's Life Chances approach to employability and recruitment was introduced in June 2023 as part of the Council's commitment to Community Wealth Building (CWB).

Life Chances is a progressive recruitment approach to support those who find it difficult to overcome labour market challenges by providing access to vacancies with the Council and helping them to sustain employment within those vacancies. Implementation of Life Chances has been driven by Business Employability and Human Resources. The approach and necessary policy changes were agreed by our Joint Trade Unions and they remain engaged as we progress with the approach.

Through Life Chances, employability clients are assessed as ready for work and are offered supported placements (normally for 13 weeks) which provide them with valuable work experience that helps them to transition into work. Placements are usually entry-level positions with a small number of essential criteria and regular job vacancies which are often harder to fill. During the placement individuals are paid the real living wage as a minimum and they are provided with dedicated employability support.

Placements can be extended if they need extra time in a supported environment. During the first phase of the programme, those completing the placement were offered a guaranteed interview for existing vacancies. After a successful transition into employment, an offer of dedicated employability support continued for 12 months.

Under the guaranteed interview pilot in 2023, there were 20 placements within Fife Council.

#### More recent developments

Following the success of this first phase of the programme, work progressed to implement the next phase of the Life Chances approach to evolve beyond the offer of a guaranteed interview to offering a ringfenced or guaranteed job.

To shape the next step of the model HR and Employability hosted a workshop for services and Trade Unions. From this came a consensus that to tackle the poverty agenda set out in the Plan for Fife there needed to be greater sustainability. The revised approach sees Services committing funding for existing vacancies within their service for at least 12 months. This means that at the end of the 13-week programme, successful participants will be offered a transition interview into the identified job and will be employed for at least 12 months.

The guaranteed job phase of the programme was launched earlier this year and so far there have been 15 placements in Fife Council with 5 jobs offered to date. There are also discussions ongoing with other Services across the Council about offering Life Chances placements.

## What the programme is delivering

Through Life Chances there has been closer alignment and more collaborative working across Employability and HR to deliver community wealth building in action. It is an example of how the Council are rethinking our approach to prioritise local people and places. The model gives Services an alternative route and an untapped pool of potential resources to fill their vacancies. From an employability perspective, it gives to those who find it difficult to overcome labour market challenges (such as long-term unemployment, little or no work experience or living in a jobless household), to progress into fair, sustainable work. This enables a step change in their circumstances and support for the local economy.

Participants of the Life Chances placement helped them:

- gain confidence
- gain workplace knowledge
- overcome and address personal anxiety and lack of confidence
- apply for a job as the Life Chances application is much easier than standard Council one
- be happy with the new career pathway.

Feedback from one of the Services offering placements said: Life Chances has been an important change in recruitment policy for our Directorate. It works very well and produces quick results, where we get access to people, we would never have reached. We have transitioned participants into seasonal and permanent posts from our Life Chances pool.

Information about the programme as well as personal stories from those involved is being promoted to encourage Services across the Council to consider the Life Chances approach to entry-level jobs they may be struggling to fill.



## Appendix 2

### Case Study 2 – Community Benefits

Fife Council recognises the potential of public procurement contracts and their associated spend to deliver significant social and economic benefits, particularly in enhancing employment opportunities. Aligned with the Sustainable Procurement Duty, Community Benefits (Community Wealth Building principles and the Progressive Procurement Pillar), the Council is committed to leveraging procurement to achieve these objectives.

**Highlights of the community benefits delivered during the period April 2023 to March 2024 is provided below.**



21<sup>st</sup> November 2024  
Agenda Item No. 6

---

## Bad Debts 2023-24

---

**Report by:** Les Robertson, Head of Revenue and Commercial Services and John Mills,  
Head of Housing Services.

---

**Wards Affected:** All

---

### Purpose

---

This report summarises the irrecoverable bad debts that have been written off during 2023-24 by the Finance and Corporate Services Directorate and Housing Services.

### Recommendation

---

Members are requested to note the content of this report which must be presented annually to this Committee as per the Council's Financial Regulations.

### Resource Implications

---

There are no further resource implications as all bad debts written off have been fully accounted for within the Council's overall provision.

### Legal & Risk Implications

---

There are no legal implications in writing off irrecoverable debts.

### Impact Assessment

---

An Equality Impact Assessment (EqIA) is not needed as there are no changes to existing service delivery and policy.

### Consultation

---

Consultation will be undertaken with tenants around the Housing Revenue Account written off rent debt to meet the requirements of the HRA guidance and best practice.

# 1.0 Background

## 1.1 Bad Debts

- 1.1.1 This report details the debts that have been written off during 2023-24 in relation to council tax, sundry debtors, non-domestic rates, and rental income. The Council must review the debt that is outstanding on the 31st of March 2024 and write off any debt that is uncollectible from a prudent management perspective.
- 1.1.2 The Council budgets for a level of bad debts in the form of a bad debts provision as there will always be a small percentage of debt which will not be collected, usually between 1% to 2.5% of charges raised. All write-offs listed within this report have already been accounted for within the debt provision or in the case of temporary accommodation within the existing service budget.

## 1.2 Write-off Process

- 1.2.1 Debt is pursued proactively by the Council and a variety of actions will have been exhausted before write-off is considered. Collection staff collaborate closely with colleagues in legal services and external debt collection agencies to ensure that all options are pursued. Write-off is only considered where there is no realistic hope of recovery or where it is not economic to pursue recovery further. Debt which has been written off may still be pursued should a debtor's circumstances change in the future. This means that the fact that a debt has been written off does not necessarily always mean that the collection process ends.
- 1.2.2 Fife Council applies a "fair collection policy" towards debt recovery which aims to give support where households are identified as vulnerable and taking robust recovery action against those who do not engage or elect not to pay their debts. To this end, debt relief is given to vulnerable households where certain criteria are met and there no reasonable prospect to recovery the outstanding arrears (i.e., the debts are considered irrecoverable). These schemes are known as the Council Tax Allowance scheme and the Rent Allowance scheme, and all write offs using these schemes are approved by senior officers from within the relevant service and are included in the total write off figure presented within this report.
- 1.2.3 The amount of debt that has been written off is always significant, however, this needs to be viewed in the context of the total charges levied and the Council's performance on the collection of the debt. The overall gross amount billed for each debt stream in 2023-24 is detailed below in Table 1: -

**Table 1 – Gross Amount Billed 2023-24**

|                      | <b>Council Tax</b> | <b>Non-Domestic Rates (Inc. BID Levy)</b> | <b>Sundry Income</b> | <b>Rents</b>   | <b>Total</b>   |
|----------------------|--------------------|---|----------------------|----------------|----------------|
|                      | <b>£'000</b>       | <b>£'000</b>                              | <b>£'000</b>         | <b>£'000</b>   | <b>£'000</b>   |
| <b>Amount Billed</b> | <b>337,128*</b>    | <b>218,499</b>                            | <b>88,280</b>        | <b>129,686</b> | <b>773,593</b> |

\*Includes Water Service Charges and Statutory Penalties.

- 1.2.4 The total write-off presented in this report is just over 1.08% of the total gross amount billed for 2023-24 and the total written off is well within the provision for bad debt already provided for within our financial accounts.

### **1.3 Economic Climate – Effect on Collection of Debt**

- 1.3.1 The collection of debt is more difficult when households are facing increased costs due to the current economic climate. Within the “fair collection” ethos, Fife Council strives to support households struggling to meet their obligations through the allowance schemes (Rent and Council Tax). In addition to these schemes, officers work closely with our third sector partners to use income maximisation strategy with targeted take-up campaigns being run. The main campaigns run so far have concentrated on the most underclaimed benefits such as Pension Credit and Council Tax Reduction. The Council has also invested via the Tackling Poverty and Prevention Board in advanced software Low Income Family Tracker (LIFT) which uses data to show households that may not be claiming all benefits to which they are entitled and gives data on the overall poverty within Fife. We have also introduced an online Benefit calculator which not only highlights national benefit entitlement but also local benefit entitlement such as Scottish Welfare Fund. In 2024 (April to September) the checker was used by 6045 customers and 3525 of this reached completion (71.65%) and the annual benefit identified that had not been claimed was more than £36 million (annualised figure).
- 1.3.2 The Council also has several sub-groups such as the Welfare Delivery Planning Group and the Debt and Income Maximisation Group which oversee the delivery of welfare support in the kingdom. These groups promote take-up of benefit to our residents and monitor ongoing issues with debt collection. These groups have representation from Fife’s voluntary sector, CARF, DWP and Scottish Social Security to ensure all campaigns, issues and intelligence are shared not just internally within Fife Council but with our delivery partners in Fife.
- 1.3.3 The Council in conjunction with our partners have carried out the following take up campaigns over the last 12 months: -
- Young Carers Grant
  - Unpaid Carers (targeted with Lift data)
  - 5 Family Payments (all Social Security Scotland administered)
  - Best Start foods- extended criteria launch
  - Health Related Benefits (ADP, Attendance Allowance, Child Disability Payment)
  - Help with the cost of childcare (tax free childcare & UC childcare element)
  - Job Start Payment (young people & care leavers)
  - School Age children (free School meals, Clothing grants, best start grant- school age payment)
  - Carer Support Payment (new benefit roll out)
  - Pension Credit & Fuel Payments (targeted with LIFT data)
  - The above also target Council Tax Reduction awards.
- 1.3.4 In addition to this the groups have introduced much closer working between organisations in line with the “No Wrong Door” approach to support the most vulnerable households who engage with the Council or any of our partners to ensure the appropriate level of support is provided. We also monitor the trends in presentations, provide training and identify issues, such as illegal money lending, so staff on the front line have better understanding on how best to provide the necessary support required.

## 2.0 Bad Debts Written Off

### 2.1 Summary Analysis

- 2.1.1 A summary of the amounts written-off in 202-24 and a comparison to the previous four years is shown below in Table 2: -

**Table 2 – Bad Debt Written Off**

|                      | 2023-24      | 2022-23      | 2021-22      | 2020-21      | 2019-20      | 2018-19      |
|----------------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                      | £'000        | £'000        | £'000        | £'000        | £'000        | £'000        |
| Council Tax          | 2,795        | 2,826        | 2,657        | 1,792        | 2,402        | 1,337        |
| Rents-<br>Mainstream | 982          | 317          | 963          | 1,520        | 1,153        | 1,393        |
| Rents -<br>Supported | 1,486        | 1,110        | 1,175        | 772          | 946          | 1,367        |
| Sundry Debt          | 1,791        | 633          | 762          | 1,177        | 1,186        | 1,176        |
| Rates                | 1,314        | 572          | 1,386        | 678          | 1,552        | 1,347        |
| <b>Total</b>         | <b>8,368</b> | <b>5,458</b> | <b>6,943</b> | <b>5,939</b> | <b>7,239</b> | <b>6,734</b> |

- 2.1.2 A more detailed analysis of the debt write-off is included within Appendix 1 of this report. This analysis outlines the reasons for write-offs under each debt stream. It should be noted that whilst we compare written off debt with the current year charges, the debt written off has been accumulated over a period of over 20 years, dependant on the debt stream.
- 2.1.3 Overall, there is a 53.31% increase in the total debt written off for 2023-24 in comparison with the previous year. The increase is mainly attributed to very low write off's done in previous years due to reduced activity following Covid. In addition, the Sundry Debt team have carried out a write off exercise during 2023/24 to identify all debt the has prescribed and thus is uncollectable. This exercise had not been carried out for the previous 2 years thus the write off figure in this debt stream has almost trebled from the previous year.
- 2.1.4 Fuller details of each debt stream are contained in this report from section 2.2 onwards. Irrecoverable debt also should be viewed in context of overall collection performance as detailed in the following table 3 below.
- 2.1.5 The overall collection rates across all debt streams have shown acceptable performance, giving the ongoing challenges detailed in this report. The two areas to show a slight decline in in-year collection were within the Rates and Council Tax streams. The following table illustrates the in-year collection performance over the last 5 years: -

**Table 3 – In Year Collection Performance**

|             | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 |
|-------------|---------|---------|---------|---------|---------|---------|
|             | %       | %       | %       | %       | %       | %       |
| Council Tax | 95.2    | 95.8    | 95.31   | 94.4    | 95.3    | 95.7    |
| Rents       | 100.1   | 98.7    | 98.05   | 99.48   | 99.96   | 97.9    |
| Sundry Debt | 89.1    | 89.0    | 87.60   | 89.9    | 86.1    | 87.3    |
| Rates       | 96.6    | 97.6    | 98.2    | 98.7    | 98.2    | 98.4    |

- 2.1.6 Officers keep debt under constant review, and we benchmark our performance and look to make improvements in the collection process wherever possible. The overall results achieved in-year collection have been kept/improved against pressures both on resources deployed to collect debts which have been reduced to meet budget savings and the external environment which continues to see challenges from post pandemic recovery and the ongoing cost-of-living crisis.
- 2.1.7 Each debt stream is further analysed below giving further details of the overall collection of debt but not limited to the in-year collection said in table 3 above. The emphasis for debt collection has moved away from the “in-year” collection rate and the team are focusing efforts on collection of all debt (all years not just in-year), concentrating on collection in relation to total income in terms of actual cash value collected.

## **2.2 Council Tax**

- 2.2.1 The overall write off for Council Tax has decreased from £2.826 million to £2.795 million which is an overall reduction amounting to £0.031 million. Whilst there is a slight decrease in comparison with last year, overall, the write off figure has been consistent over several years. The current write-off represents just 0.82% of the gross amount billed (was 0.89% in 22/23) and is well within the bad-debt provision set for 2023-24.
- 2.2.2 The in-year collection of Council Tax has decreased in 2023-24 compared with the highest ever in-year collection level set in 2022-23 (95.2% compared with 95.8%). This mirrors the national trend in Council Tax collection where the Scottish average collection was 95.5% compared with 96.2% in the previous year.
- 2.2.3 The team continue to develop generic collection staff who deal with all debt streams and dedicated recovery who officers specialise in the recovery specific debt streams.
- 2.2.4 Work continues to ensure the collection service is as efficient and customer focussed as possible incorporating new digital channels as noted below. To take this forward, operational responsibility for collection is now the responsibility of the Customer and Online Service within the Communities Directorate to ensure the customer contact is rationalised into one service. The team still focus on improving the move to services to be digitally enabled. Key updates are noted below: -

- **Online Account:**

Work continues to promote the uptake of online access to Council Tax accounts. There are now 25,957 households who have registered (this is a 9,960 decrease on the previously reported figure of 35,917) out of a total of 183,296 domestic dwellings in Fife. The reduction is a result of a data error as the previously reported figure contained registrations which were “live” but were not attached to any property in Fife, these were removed from the data following annual billing in April 2024 after a reconciliation identified the issue.

- **Direct Debit Uptake:**

By far the cheapest means of collection is Direct Debit and the latest figures show an increase in the number of Households paying by this method. Overall, 69.32% of households pay Council Tax by DD (compared to 69.22% at the same time last year). Staff continue to constantly promote the uptake of DD as the Council’s preferred payment method and offer multiple different dates and frequencies to the customer.

2.2.5 The overall cost of administration of Council tax dramatically decreased in 2023-24 to -£0.14 per dwelling from £1.53 per dwelling in 2022-23. The overall cost continues to be the lowest in Scotland. The decrease on cost per dwelling has four distinct reasons:

a) The income derived from collection of Council Tax from Statutory Penalties increased in 23/24 to £1.779 million compared with £1.507 million in 22/23.

b) The income paid by Scottish Water under the current billing order increased in 23/24 to £1.380 million compared with £1.223 million in 22/23.

c) The overall cost of providing the service decreased in 23/24 to £3.133 million compared with £3.199 million in 22/23.

d) The number of dwellings charged in 23/23 increased to 183,296 compared with 182,021 in 22/23.

Thus the total income received is in excess of the total cost of service provision which results in a negative cost per dwelling.

## **2.3 Sundry Debtors**

2.3.1 The level of debt written off in 2023-24 for Sundry Debtors amounted to £ 1.791 million which is a significant increase on the previous year of £1.158 million from last year's write off figure of £0.633 million. The main reason for this increase (as stated in paragraph 2.1.3) is because an exercise to identify and write off prescribed debt which is statutorily deemed as uncollectable which had not been carried out in the previous two years.

2.3.2 The overall debt billed from sundry invoices increased from £ 78,874 million in 2023-24 to £ 88.280 million. The number of invoices issued also increased with 66,682 which was a 5,804 increase on the previous year. The team continues to work with the organisation to try to reduce the number of invoices issued in line with the agreed payment strategy, and this will be given further attention in the coming year.

2.3.3 The collection rate for the year has increased from 89.00% in 2022-23 to 89.10% in 2023-24. This is a testament to the excellent work the collection service adopts in recovery of income due to the Council.

2.3.4 The costs of raising an invoice decreased slightly. In 2022-23 the cost was £4.78 per invoice raised which is compared with an overall cost of £4.21 in 2023-24. The decrease was a direct result of the increase in the number of invoices raised as overall costs of collection of Sundry Debt remained static.

## **2.4 Non-Domestic Rates**

2.4.1 The level of debt written off in 2023-24 amounts to £3.314 million which is an increase from the 2022-23 write off amount of £0.572 million. The actual write off in 2023-24 brings the amount written off more in line with previous years.

2.4.2 The non-domestic rates collection rate decreased to 96.6% in 2023-24 compared with the 2022-23 collection rate of 97.6%. The reduction in collection rates is showing a worrying trend over the last three years and is a sign that businesses are taking time to recover from the drop in trade because of the covid pandemic and cost of living crisis. In addition to the fact that businesses may be seeing reduced turnover – there are other factors which have resulted in an overall reduction:

- (a) The Scottish Government made a policy decision not to award Retail, Hospitality and Leisure relief (except in the 4 island areas) whereas in the rest of the UK such businesses were afforded 75% relief for the past two years.
- (b) April 2023 was the start of the 3 yearly general revaluation, and at the same time, the Scottish Government also reviewed and reduced the Small Business Bonus Relief (SBBR) thresholds, which has resulted in a number of businesses previously awarded full relief, having to start to pay rates after a number of years. In carrying out the exercise, all businesses had to reapply in April 2023 for their SBBR and SBBR Transitional Relief (which limited the rates paid to £600 per annum in 23/24), however, a number of businesses did not reapply and as such their relief was removed effective from April 2023. The team actively worked during 2023/24 and now in this year to identify and contact such businesses, but we believe around 5% of eligible businesses may not have applied for the relief.

- 2.4.3 The rates team continue to promote the online account and Direct Debit facilities for businesses but uptake on both has continues to be lower than expected and enhanced efforts, including working with the Scottish Government, Digital Office, and Improvement Service to enhance the digital offering nationally for Non-Domestic Rates.
- 2.4.4 The cost for the delivery of the service continued to decrease in 2023-24 to **-£0.57** per property compared with £ 1.96 in 2022-23. The overall reduction per property is directly attributed to an increase in the 10% statutory penalty imposed which increased from £497,584 in 2022-23 to £ 687,584 in 2023-24. Again, this is another indicator of the fact that businesses are struggling with pandemic recovery and increased energy costs.
- 2.4.5 To support businesses in Fife, the Rates team and Economic Development Service worked together to deliver a rates hardship scheme which allowed businesses to apply for hardship relief of rates of up to 50% (capped at £20,000). Fife Council covers the first 25% of such relief awarded with the NDR Pool picking up the other 75% of the cost of awarding the relief. In 2023-24 the hardship scheme awarded a total of £469,601 in relief to 49 successful applications (with 4 applications rejected). This helped the businesses awarded relief to continue to employ 1781 fife-based jobs.

## **2.5 Bad debts over £50,000**

- 2.5.1 The Council's financial regulations state that members must be informed where a sum written off is more than £50,000 for any individual debtor. During 2023-24 there were three companies where the total write off was £214,911. This compared with 1 company in 2022-23 with a total write off amounting to £182,191.

In 2023-24 the three companies ceased trading and two were dissolved and the other was liquidated. Fife Council has, as is standard practice, submitted the appropriate claims to the trustees but the likelihood of any dividend payable is small.

## **2.6 Rents**

### **2.6.1 Mainstream Housing**

The total write-off for mainstream tenants (both current and former tenant) is £0.982 million in 2023-24 which is an increase of £0.665 million from 2022-23 where the debt written off was £0.317 million. The full reasons for the write-off are contained as a separate listing within Appendix 1. The write off amount equates to less than 0.75% of the total rent due in 2022-23 and is within the limits of affordability set out in the Housing Revenue Account (HRA) Business Plan and within the provision available within the HRA already set aside to meet the debt write off.



- 2.6.2 The reduction in written off debt in 2022-23 was significantly lower than what would be normally expected and as such the increase in write-off in 2023-24 (and in future years) is likely to continue as the team “catch-up” on the reduced activity in the collection process during covid and the subsequent cost-of-living issues.

### **2.6.3 Temporary Accommodation**

Appendix 1 also includes a summary of temporary homeless accommodation rents that were written off in 2023-24. The overall write off for last year was £1.486 million which is an increase of £0.376 million on the 2022-23 write off which was £1.110 million.

This write off will be contained within the overall provision provided within the general fund housing budget.

- 2.6.4 The overall increase in the temporary accommodation write off is attributed to the fact that Fife Council is in the midst of a declared housing emergency and as such there is an overall increase in overall temporary accommodation provision and our tenants are residing longer of this accommodation and thus building up debts that are deemed as irrecoverable.

### **2.6.4 Overall Rent Collection**

Rent collection for 2023-24 continues the positive trend of overall increase. The collection rate last year was 100.1% (compared with 98.7% in 2022-23). The service continues to prioritise the collection of rent at the same time as providing support to vulnerable households which was expanded to help tenants with heating costs allowing tenants' the ability to meet their rental payments. Overall, the collection performance is excellent given the challenges the team faced during 2023-24.

## **3.0 Post Covid 19 Recovery and Cost-of Living Implications on Collection of Debt**

---

- 3.1 In earlier annual debt write off reports it was highlighted that collections rates would likely reduce given the stretched households budgets. This has been the case in both Council Tax and Rates collections, whilst the sundry debt collection has remained relatively stable and Rent collection has improved to pre-pandemic levels.
- 3.2 As said earlier in this report, the Revenue Service continues to apply a “fair collections policy” when dealing with our customers. Clearly the support provided to vulnerable households is aiding results within the collection rates.
- 3.3 We continue to collaborate with our partners to ensure, wherever possible, support is provided to households through income maximisation, money advice and budgeting support. This work is being enhanced through the work of the Tackling Poverty and Prevention Board and a recently formed Income Maximisation and Debt Group which meets on a regular basis to show trends and types of Households affected. The Board and debt group have introduced schemes of debt relief for Rent and Council Tax where circumstances show that the debt is likely to be considered irrecoverable, this relief allows households the ability to move forward to pay their ongoing liability without large historical debt also being chased.

## 4.0 Conclusions

---

- 4.1 The level of bad debts written off within 2023-24 is £8.368 million which is an increase of £2.910 million compared with 2022-23 (53% increase), where the amount written off was £5.458 million. The detailed reasons for the increase are contained in this report but the overall write-off is within the normal level expected given the fact that the figures in the last two previous years were lower than normal due to less activity following the Covid pandemic.
- 4.2 When reviewing debt write off, it is important that this is considered alongside debt collection performance and that the level of debt written off within 2023-24 accounts represents just 1.08% of the gross amount billed.
- 4.3 The impact of Covid19/Cost of living on ongoing collection rates is set out in this report. What is clearly not included is the potential for a serious impact of the reduction in household incomes on collection rates and increased debt going forward. Regular ongoing review of debt write offs and collections rates is undertaken by officers.
- 4.4 The consistent message from Fife Council is to offer support to vulnerable customers who need it and taking robust action against those who choose not to meet their obligations continues to have a positive impact on overall collection rates.
- 4.5 The Council actively pursues the collection of all debt. However, debt write off is unavoidable and occurs when individuals and businesses cannot pay their debts, and it is an accepted best practice to ensure that irrecoverable debt is written off from our accounts from a prudent management perspective. All debt written off is within the provisions made or within the service budgets set.
- 4.6 All debt that is written off, if circumstances of the debtor changes, may be reviewed and debts can and will be written-on and pursued.

### List of Appendices

1. Bad Debts Written Off 2023-24

### Background Papers

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

- Local Government (Finance) Act 1992 and subordinate legislation.
- Prescription and Limitations (Scotland) Act 1973

### Report Contact

Les Robertson  
Head of Revenues and Commercial Services  
Fife House  
Glenrothes  
Tel: (Mobile) 07803 283085  
Email: [Les.Robertson@fife.gov.uk](mailto:Les.Robertson@fife.gov.uk)

## Bad Debts Written Off 2023-24 (Excluding Rents)

|                            | Council Tax             | Debtors                 | Non-Domestic<br>Rates   | Total                   |
|----------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                            | £                       | £                       | £                       | £                       |
| Sequestration /Liquidation | 584,450                 | 175,539                 | 344,944                 | 1,104,933               |
| Uncollectable              | 1,336,385               | 1,182,410               | 864,410                 | 3,383,205               |
| Deceased                   | 655,509                 | 386,014                 | 0                       | 1,041,523               |
| Untraceable                | 89,550                  | 3,770                   | 92,871                  | 186,191                 |
| Small Balances/Other       | 129,465                 | 43,413                  | 11,835                  | 184,713                 |
| <b>Total</b>               | <b><u>2,795,359</u></b> | <b><u>1,791,146</u></b> | <b><u>1,314,060</u></b> | <b><u>5,900,565</u></b> |

## Bad Debts Written Off 2023/24 – Rents

| 2023-24<br>£000s                          |                   |                         | 2022-23<br>£000s |
|---|-------------------|-------------------------|------------------|
| MAINSTREAM - HOUSE RENTS                  |                   |                         |                  |
| 157                                       | Former Tenants    | Category A (Moved)      | 9                |
| 143                                       | Former Tenants    | Category B (Absconded)  | 4                |
| 18  | Former Tenants    | Category C (Evicted)    | -9               |
| 61  | Former Tenants    | Category D (Deceased)   | -7               |
| 70  | Former Tenants    | Category Miscellaneous  | 4                |
| 251                                       | Former Tenants    | Sequestration           | 156              |
| 265                                       | Current Tenants   |                         | 156              |
| 965                                       |                   |                         | 313              |
| MAINSTREAM - GARAGE RENTS                 |                   |                         |                  |
| 17  | Former Tenants    | All Categories          | 4                |
| 982                                       | NET OVERALL TOTAL |                         | 317              |
| TEMPORARY & SUPPORTED ACCOMMODATION RENTS |                   |                         |                  |
| 315                                       | Former Tenants    | Housing Revenue Account | 178              |
| 1,171                                     | Former Tenants    | General Fund Housing    | 932              |
| 1,486                                     |                   |                         | 1,110            |

21 November 2024

Agenda Item No. 7

---

## Opportunities Fife Partnership (OFP) Employability Pathway 2023-24 – Annual Performance Update.

---

**Report by:** Morag Millar – Service Manager Place, Programmes and Policies

---

**Wards Affected:** All Fife

---

### Purpose

---

The report provides a performance update from the Opportunities Fife Partnership (OFP) on the delivery of the Fife Employability Pathway in 2023 -24.

### Recommendation(s)

---

Committee is asked to:

1. Review the progress and performance of the Opportunities Fife Partnership (OFP) Employability Pathway in 2023-24; and
2. Note the priorities ahead.

### Resource Implications

---

There are no resource implications arising from this report.

### Legal & Risk Implications

---

There are no legal implications associated with this report. There are risks in not meeting Best Value requirements that can lead to additional monitoring/audit, external intervention, and/or loss of public confidence.

### Impact Assessment

---

An EqIA is not required as this report does not propose any changes to policies or services.

### Consultation

---

Consultation is not required as the report does not propose a change to existing policies and practices.

## 1.0 Background

---

- 1.1 The Opportunities Fife Partnership is Fife's Local Employability Partnership (LEP), part of the Fife Partnership. Since 2018 and the Scottish and Local Government Partnership Working Agreement for Employability, it has been responsible for the delivery of Fife's Employability Pathway. It is also the oversight body for Fife's No One Left Behind Delivery Plan and the People & Skills Investment Priority within Fife's UK Shared Prosperity Investment Plan.
- 1.2 Local Authorities manage funding on behalf of the Local Employability Partnership and the alignment with the Shared Measurement Framework and Service Standards and policy intent.
- 1.3 In June 2023, the Cabinet Committee approved the Opportunities Fife Partnership's commissioning approach for the Employability Pathway 2022-2025. This included the People & Skills Investment Priority within Fife's UK Shared Prosperity Investment Plan 2022-2025, in addition to the Scottish Government's annual allocation of No One Left Behind Delivery Plan funding, which had previously been approved in June 2022.
- 1.4 The Opportunities Fife Partnership (OFP) reports to the Tackling Poverty and Preventing Crisis Board since August 2024. Its Mission is: *"To shape and drive responsive, sustainable approaches to skills and employability services that reflect current and future aspirations of individuals and employers"*
- 1.5 The OFP commissions employability provision to support services to adapt to:
  - the unique needs of individuals, focusing on those who tend to be 'left behind,'
  - the economic and labour market context in Fife and beyond.
- 1.6 "Employability" is affected by factors relating to an individual's personal strengths and capacities and the social and economic context in which they live. No two individuals' journeys to work will ever be the same. Delivery providers are expected to support people to navigate both internal and external barriers and become more likely to achieve healthy and sustainable employment outcomes.
- 1.7 The Cabinet Committee report in June 2023 set out the demographics of unemployment and inequality in Fife. Some of these are included in 1.11 Table 1.
- 1.8 The OFP's Employability Pathway delivery model uses a Human Rights Based approach to ensure that delivery is inclusive of all groups with protected characteristics and those at greater disadvantage in the labour market. The voice of lived experience has been key in developing services in Fife. By involving people who use the services, frontline staff and employers in service planning, design, and delivery OFP has developed services that are responsive and relevant.
- 1.9 Since 2020, a No One Left Behind Oversight and Scrutiny Group, with representatives from the Opportunities Fife Partners, including DWP, Skills Development Scotland, Fife Council, Fife College, Fife Voluntary Action, and NHS Fife has monitored NOLB activity in Fife. This group developed the framework of support which forms the basis for commissioning since 2021. The group was the OFP Delivery and Oversight Group in 2023.
- 1.10 PHIRST (Public Health Intervention Responsive Studies Team) carried out an independent evaluation of the commissioning process in 2020. Their recommendations, the impact of the Covid-19 pandemic on delivery, and feedback from the delivery partner

network, informed the review and refresh the OFP Commissioning Framework for 2023-2025. Two major issues were the need for greater clarity on budgets and the need for a multi-year approach. However, each financial year the approach is still dependant on the quantum of funding available.

- 1.11 The outcomes for Scottish Employability services agreed by Scottish Government and Scottish Local Authorities 2022 are set out in Table 1. The data to measure performance for these is very complex so OFP used more readily available data to baseline demand for its commissioning approach.

**Table 1: Scottish Employability Outcomes 2022**

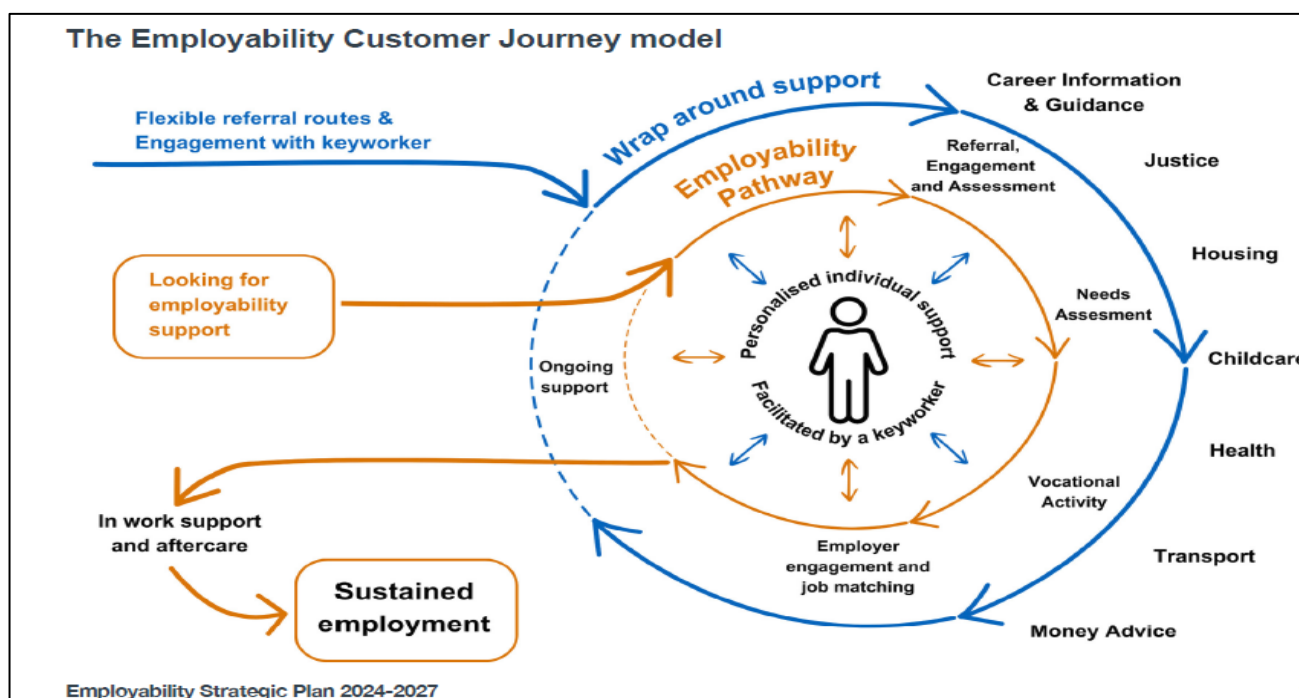
| <b>Priority Outcomes</b>            | <b>Position In 2022</b>   | <b>Ambition</b>   |
|-------------------------------------|---|---|
| Halve the Disability Employment Gap | Unemployment rate aged 16-64 (not Equality Act 2010 core or work-limiting disabled in Fife) estimated 10,000 people in 2020/21.<br><br>The rate of 7.7% in Fife high compared to Scotland (4.3%).<br><br>(Annual Population Survey Apr 2020 – Mar 2021, NOMIS)                                      | By 2030, we aim to achieve an employment rate of disabled people of 60%.<br><br>(now 50% reduction by 2038).  |
| Reduce the Gender Pay gap           | 6,000 Economically inactive women in Fife who wish to work.<br><br>(Annual Population Survey Jun 2019 - July 2020)  | 2023 – Scotland Earnings by place of residence:   |
| Reduce the Race Pay Gap             | Unemployed from a minority ethnic background in Fife estimated at 4,100 people (Male: 2,000; Female: 2,600).<br><br>Unemployment rates for minority ethnic females are high in Fife: 65% compared to 36% nationally.<br><br>For males this is 29.4%, compared to 18.6% nationally. (2020/21 Nomis). | OFP commissions activity with a focus on supporting Black or Minority Ethnic adults, including those from migrant and/or refugee communities.                                 |
| Tackle Child Poverty                | In 2018-19 there were 13,238 children living relative or absolute poverty in Fife. (Scottish Household Survey, 2019).<br><br>And 11,900 Lone Parent Households in Fife.<br><br>(Child Poverty in Scotland: priority groups - lone-parent families - healthscotland.scot)                            | To commission activity specifically aimed at supporting lone parent, low income, or workless families throughout Fife. Services that provides holistic, whole family support. |

- 1.12 In September 2024, the Scottish Government and Scotland's Local Authorities published a revised No One Left Behind Employability Strategic Plan 2024-27. The priorities for Local Employability Partnerships are now:

- Continuing to improve the employability system – with better outcomes for participants achieved from Partnership at the heart of services; services work for participants; services treat people with dignity and respect; and services learn and improve.
- Increasing awareness and uptake of employability support.
- Tackling child poverty by increasing parental income from employment.
- Supporting disabled people and those with a long-term health condition.
- Delivering jointly with wider public services; and the emerging priorities.
- Working with Employers to improve outcomes
- Just transition to net zero.

1.13 The Strategic Plan 2024-27 also updated the best practice Employability Customer journey model as outlined in Diagram 1 below.

**Diagram 1: The Employability Customer Journey Model**



## 2.0 Opportunities Fife Delivery Plan 2023-2024

### Budget Breakdown

- 2.1 An allocation of **£5.923m** for Fife's No One Left Behind Delivery Plan was confirmed by Scottish Government for the period 2023-2024. Allocation is split between:
- All-Age Employability Support - £2,080m
  - Tackling Child Poverty (previously Parental Employability Support Fund) - £3.014m
  - Tackling Child Poverty General Revenue Grant (GRG) - £0.829m
- 2.2 A further allocation of **£1.592m** has been provided by the UK Government through Fife's UK Shared Prosperity Investment Plan for the People & Skills Investment Priority for the 4th Quarter of 2023-2024. This allocation is divided between the following Interventions:
- S31: Employment Activity support for economically inactive people - £0.481m
  - S33: Enrichment & volunteering activities - £0.238m



- S36: Local areas to fund local skills need - £0.329m
- S37: Green skills courses - £0.174m
- S39: Education & Skills targeting the vulnerable leaving school - £0.370m

The above is matched by **£0.2m** from Opportunities Fife's Budget.

- 2.3 For 2024-2025, the total budget is approximately £7m to support employability activities. The project budgets, set out in Appendix 1 have been allocated to successful delivery partners after a competitive commissioning process February - April 2023.
- 2.4 For 2023-2024 unallocated budget of £0.400m from MULTIPLY was transferred over to People and Skills to extend provisions within S31 and S36.
- 2.5 Additional allocation for staffing was received through the General Revenue Grant (GRG), this was used to fund part of the staffing for EASYP and Positive Pathways as they were delivered by the Fife Council's Employability Team, it allowed us to use the grant funding specifically on resources for the clients.

## Priorities and Performance

- 2.6 2023-2024 is the second year of the 3-year framework approved by the Council and the Opportunities Fife Partnership. All funding allocated by Scottish Government is given as a total commitment over the life of the No One Left Behind programme. However, these funding allocations are agreed annually and may be subject to change.
- 2.7 Scottish and Local Government committed to a partnership approach in the delivery of employability services for the benefit of people who need them. However, all recognise that to be effective the approach must harness the combined strengths of the range of third, private and public sector partners nationally and locally to deliver a strong, vibrant, and successful employability system.
- 2.8 The Opportunities Fife delivery plan and commissioning framework is organised into:
- Adult Provision
  - Provision for Young People 16 – 24
  - Specialist Provision, which includes a ringfenced allocation for family specific support.
- 2.9 The commissioning approach aims to ensure there is core delivery available in each of Fife's seven areas with a particular focus on areas of multiple deprivation and "Mid-Fife" (Cowdenbeath, Kirkcaldy, Glenrothes and Levenmouth) Local Areas.
- 2.10 In 2023-2024 the Employability Pathway was made up of twenty-four projects, four of which are led by Fife Council. In terms of funding allocation, the Fife Council led projects accounted for 31% of the total allocation for the year.

**Table 2: Employability Pathway Performance Highlights 2022-2024:**

|                   | 22/23         |        |  |                    |        |  | 23/24         |        |  |                    |        |  | Total 2022-24 |        |  |                    |        |  |
|-------------------|---------------|--------|--|--------------------|--------|--|---------------|--------|--|--------------------|--------|--|---------------|--------|--|--------------------|--------|--|
|                   | Registrations |        |  | Entered Employment |        |  | Registrations |        |  | Entered Employment |        |  | Registrations |        |  | Entered Employment |        |  |
|                   | Actual        | Target |  | Actual             | Target |  | Actual        | Target |  | Actual             | Target |  | Actual        | Target |  | Actual             | Target |  |
| <b>Total NOLB</b> | 1,349         | 1,436  |  | 495                | 461    |  | 1,658         | 1,734  |  | 571                | 458    |  | 3,007         | 3,170  |  | 1,066              | 919    |  |
|                   |               |        |  |                    |        |  |               |        |  |                    |        |  |               |        |  |                    |        |  |

|             |  |   |   |  |   |   |  |     |     |  |     |     |  |     |     |  |     |     |
|-------------|--|---|---|--|---|---|--|-----|-----|--|-----|-----|--|-----|-----|--|-----|-----|
| TOTAL UKSPF |  | 0 | 0 |  | 0 | 0 |  | 787 | 898 |  | 319 | 317 |  | 787 | 898 |  | 319 | 317 |
|-------------|--|---|---|--|---|---|--|-----|-----|--|-----|-----|--|-----|-----|--|-----|-----|

|               |  |       |       |  |     |     |  |       |       |  |     |     |  |       |       |  |       |       |
|---------------|--|-------|-------|--|-----|-----|--|-------|-------|--|-----|-----|--|-------|-------|--|-------|-------|
| PATHWAY TOTAL |  | 1,349 | ,1436 |  | 495 | 461 |  | 2,445 | 2,632 |  | 890 | 775 |  | 3,794 | 4,068 |  | 1,385 | 1,236 |
|---------------|--|-------|-------|--|-----|-----|--|-------|-------|--|-----|-----|--|-------|-------|--|-------|-------|

- 2.11 Table 2 above outlines two of the key performance indicators for the Employability Pathway. In 2023-24, with the introduction of additional activity funded through UKSFP, 2,445 clients were registered, against a target of 2,632 (93% achieved). These are the new clients registered in the year. Due to the nature of the services, many clients registered in 2022-23 also required continued support into 2023-24.
- 2.12 Of the 3,794 clients registered during the two years, 37% (1,385) were able to access employment. This is slightly ahead of target. It builds on the partnership working developed during the previous European Programme (2015/22).
- 2.13 Key achievements for 2023/24 are summarised in Table 3 below.

**Table 3: Achievements 2023/24**

| Client Group  | Target Outputs                               | Target Outcomes                   | Achieved   |
|---|--|-----------------------------------|--|
| Adult Provision   | NOLB:<br>440 Adults accessing support        | NOLB:<br>175 Entering Employment  | NOLB:<br>557 Adults Accessed Support (127%)<br>210 Entered Employment (120%)       |
|   | UKSPF:<br>446 Adults accessing Support       | UKSPF:<br>250 Entering Employment | UKSPF:<br>520 Adults Accessed Support (117%)<br>252 Entered Employment (100%)      |
| Young People 16-24<br><br>(NOLB provision is aimed at 19-24 year olds)<br>(UKSPF is aimed at 16-18 year olds) | NOLB:<br>475 Young people accessing support  | NOLB:<br>130 Entering Employment  | NOLB:<br>536 Young people accessed support (113%)<br>191 Entered Employment (147%) |
|   | UKSPF:<br>164 Young people accessing support | UKSPF:<br>22 Entering Employment  | UKSPF:<br>113 Young people accessed support (69%)<br>6 Entered Employment (27%)    |
| Specialist services   | NOLB:<br>819 People accessing support        | NOLB:<br>153 Entering Employment  | NOLB:<br>565 People accessed support (69%)<br>170 Entered Employment (111%)        |
|   | UKSPF:<br>288 People accessing support       | UKSPF:<br>45 Entering Employment  | UKSPF:<br>154 People accessed support (53%)<br>61 Entered Employment (135%)        |
|   |  |                                   |  |
| Total NOLB  | 1734 People accessing support                | 458 Entering Employment           | 1658 People accessed Support (96%)<br>571 Entered Employment (125%)                |

|                             |                               |                         |   |
|-----------------------------|-------------------------------|-------------------------|---|
| Total UKSPF                 | 898 People accessing support  | 317 Entering Employment | 787 People accessed Support (88%)<br>319 Entered Employment (100%)  |
| Employability Pathway Total | 2632 People accessing support | 775 Entering Employment | 2445 People accessed Support (93%)<br>890 Entered Employment (115%) |

2.14 The Employability Pathway achieved 93% of its target for people accessing support and exceeded the target for the number of people entering employment by 15%. The Employability Pathway supported 36% of people into employment. This is a high level of performance, considering the client groups have significant challenges to overcome.

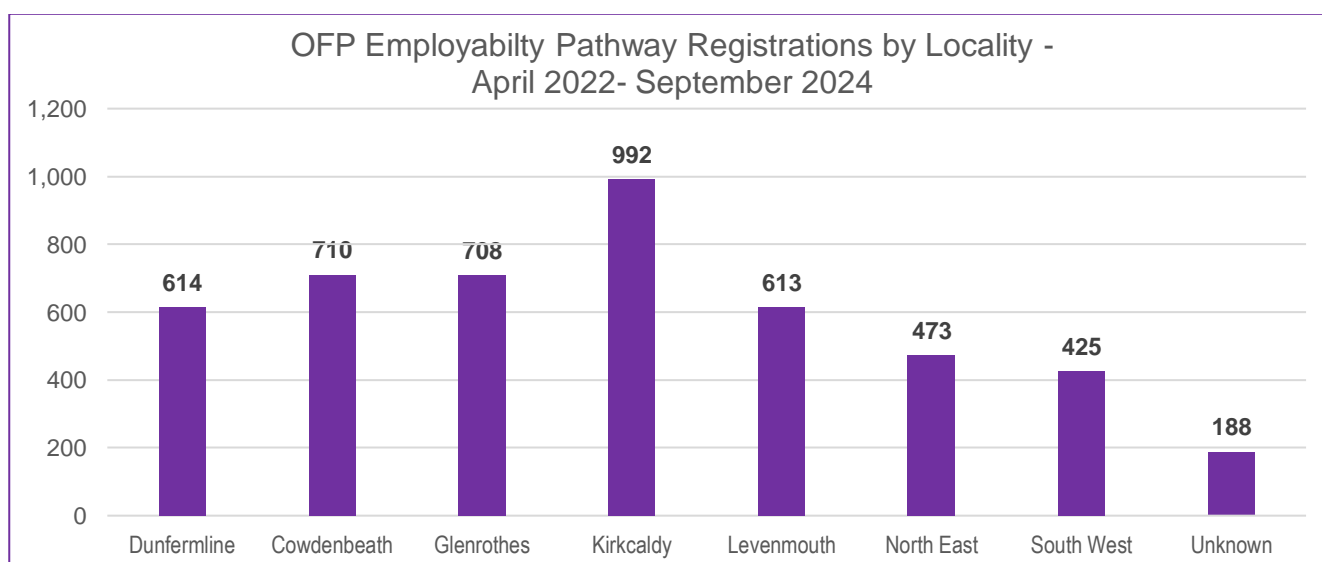
2.15 These performance indicators are only part of the range of positive outcomes and progressions that the OFP Delivery and Oversight Group monitor to assess the health of Pathway delivery. The other positive outcomes include:

- Entered accredited training, formal education or training, full-time education; higher education
- Entered Foundation Apprenticeship, Modern Apprenticeship
- Gained accredited qualification, qualification (non-accredited)
- Improved Labour Market Situation
- Progression along employability Pipeline
- Volunteering, work Experience

2.16 The OFP delivery plan is supported by an infrastructure programme of marketing, staff training and development, evaluation, capture of good practice and use of software for outcome and equalities monitoring.

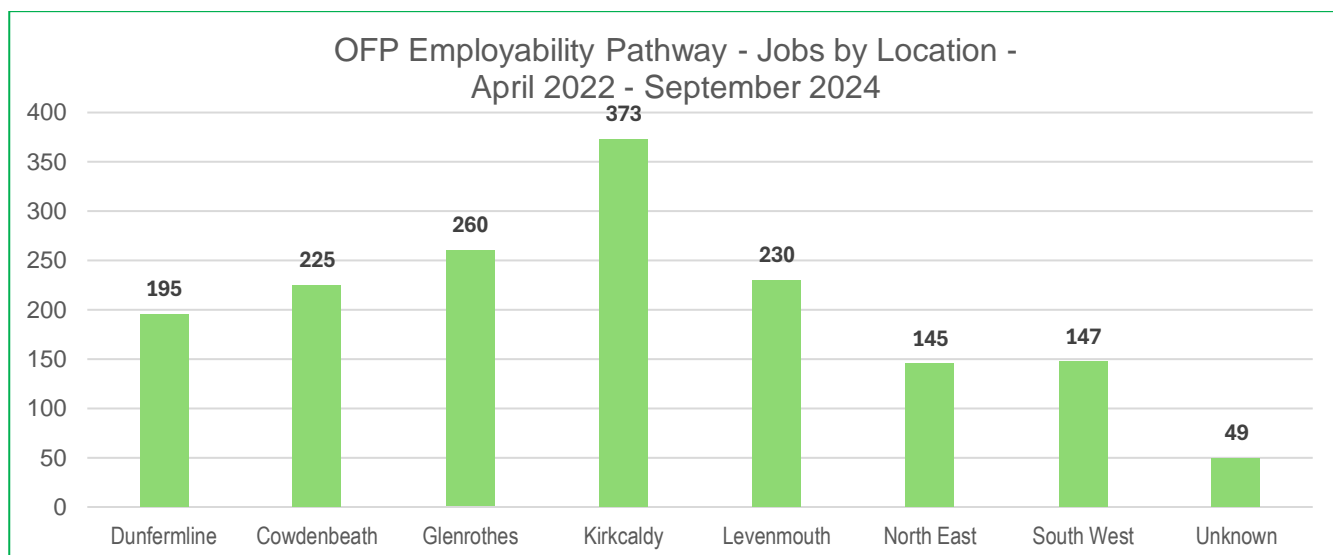
2.17 Diagram 2 outlines the breakdown of clients by Local Area Committee. Between April 2022 and September 2024, 64% of clients registered on the Employability Pathway came from Mid-Fife (Levenmouth, Kirkcaldy, Glenrothes, Cowdenbeath). This table includes all clients registered on the OFP Pathway between 1 April 2022 – 30 September 2024.

**Diagram 2: Locations of Clients 04/2022 – 09/2024**



2.18 As outlined in Diagram 3 below, over the same period, 66% of people entering employment also came from Mid-Fife.

**Diagram 3: Job Outcomes by Area Committee**



### 3.0 Priorities Ahead 2024-25

- 3.1 As of 30 September 2024, the providers have supported an additional 1,019 clients to enter the pathway, against a target of 2,576 for the year (40%). Quarter 3 often sees a significant increase in registrations, particularly for young people, under 19 years old.
- 3.2 316 additional people had accessed employment, against a target for 2024-2025 of 895. This reflects that job outcomes are expected in Quarters 3 and 4.
- 3.3 For the whole Employability Pathway, between 2022/25 (with six months left of the current delivery period):
  - 4,723 clients have been registered, against a target of 6,404 (74%)
  - 1,624 clients have entered employment, against a target of 2,061 (79%)
  - 34% of people registered have accessed employment.
- 3.4 34% reflects that the Employability Pathway is targeted at those further from the job market i.e. clients that are currently economically inactive, with health or disability issues, with mental health as a barrier, from migrant, refugee communities and lone parent, low income, and workless families. These client groups require longer term, more intensive and person-centred activity tailored for their needs.
- 3.5 At the time of writing, it is anticipated that the UK Government's Autumn Statement will provide clarity on whether UKSPF (or a replacement fund) will be available in 2025/26 and if the allocation will be at a similar level to the current year's budget.
- 3.6 Scottish Government have indicated that it is their intention to continue to support No One Left Behind, but that the scale of allocation in 2025-2026 will be dependent on the financial settlement outlined in the UK Government's Autumn Statement.
- 3.7 OFP will review its commissioning approach and its customer journey model to align with the priorities and best practice set out in the 2024-2027 No One Left Behind Employability Strategic Plan. The priorities are set out in 1.10 above. Implementation will be subject to confirmation of funding for 2025-2026 and beyond by the Scottish and UK Governments.

- 3.8 In 2024/25, as part of the OFP's refreshed strategy, a new Employer Engagement Subgroup will be established to work with Employers to improve outcomes. The Council's Economic Development team will lead this to build on existing relationships and networks. It will not just increase awareness of the employability support services but to work with employers to meet their requirements for employability services to support recruitment, to fill vacancies and to offer fair, healthy, and inclusive working environments.
- 3.9 Employability services have an important role in achieving a Just Transition to Net Zero. Both to access entry-level jobs and to enter further or higher education. As partners in the Edinburgh and South East of Scotland City Region, Fife Council and Fife College are investigating the feasibility of Net Zero Accelerator Hubs. These Hubs will develop new qualifications for trades in the Construction sector to realise the opportunities in upgrading and retrofit of existing buildings to improve their efficiency or generate renewables. The Forth Green Freeports Skills Investment Plan will also require support from Fife's Employability Services, to provide a pathway of talent in sectors such as offshore wind, advanced manufacturing, maritime and alternative fuels.
- 3.10 As partners in the Edinburgh and South East of Scotland City Region, Fife's Employability Services have benefited from the investment in the Integrated Employability & Skills (IRES) Programme. Fife Gingerbread has led on the delivery of the Intensive Family Support project in Fife. During 2025/26, Fife's Employability Services are scheduled to migrate to the regional Integrated Knowledge System (HELIX), which has been developed and implemented through IRES. Four Local Authorities already use the system. With Fife's inclusion, it will enable unparalleled analysis of the regional labour market and the opportunities to tailor provision across the city region. The Local Employability Partnerships will be better equipped to tackle poverty and support their citizens to enhance their skills and progress in employment.

## 4.0 Conclusions

---

- 4.1 The delivery approach developed through the OFP's Commissioning process represents a targeted and innovative approach to delivery of outcomes for clients.
- 4.2 The programme is delivering outcomes across Fife, with a particular emphasis on delivery in areas of greatest disadvantage. Projects provide greater choice for Fife's adults with health and disability issues, addictions, migrants, and isolated young people who did not sustain a positive destination when leaving school.
- 4.3 The activity commissioned across the Employability Pathway is delivering a high level of success as well as a quality service. Multi-year funding, should that be made available by Scottish and/or UK Government(s), would enable greater continuity for partners and the opportunity for them to investment in staff contracts, upskilling, and additional training.

### List of Appendices

---

1. Grant Awards summary for the approved delivery partners for Employability Pathway provision for 2023-24

### Background Papers

---

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

- [Agenda-and-Papers-for-Meeting-of-Cabinet-Committee-of-29-June-2023](#)

- Scottish Government and Scottish Local Authorities NOLB Strategic Delivery Plan, September 2024 [No-one-left-behind-employability-strategic-plan-2024-2027](#)
- Cabinet Committee report Fife's UKSPF Investment Plan [Agenda-and-papers-for-the-Cabinet-Committee-25th-August-2022](#)
- Cabinet Committee Report Fife's UKSPF Investment Plan [Agenda-and-Papers-for-Meeting-of-Cabinet-Committee-of-9-March-2023.pdf \(fife.gov.uk\)](#)
- Cabinet Committee Report Fife's UKSPF Investment Plan [Agenda-Pack-for-Cabinet-Committee-8th-February-2024](#)

## Report Contacts

Morag Millar

Service Manager – Business & Employability Services, Place, Programmes and Policies

Fife House, North Street, Glenrothes

Telephone: 03451 55 55 55 ext: 442437

Email – [morag.millar@fife.gov.uk](mailto:morag.millar@fife.gov.uk)

Adam Dunkerley

Opportunities Fife Partnership Manager

Business & Employability Services

Fife House, North Street, Glenrothes

Telephone: 03451 55 55 55 ext: 440327

Email: [adam.dunkerley@fife.gov.uk](mailto:adam.dunkerley@fife.gov.uk)

## APPENDIX1: Awards to Employability Pathway Delivery Partners 2022/25

Total Investment in the UKSPF People & Skills Investment Priority 2022/25 is £4,668,009 through the following interventions.

### UKSPF Intervention S31

| Organisation                        | Project Description   | <u>Awarded Allocation</u><br>22/23 | <u>Awarded Allocation</u><br>23/24 | <u>Award Allocation</u><br>24/25 | Total<br>2022-2025 |
|-------------------------------------|---|------------------------------------|------------------------------------|----------------------------------|--------------------|
| BRAG Enterprises                    | Fife ETC – Delivering Employability support for Inactive Adults, building on the adult support commissioned through NOLB  | £300,000                           | £300,000                           | £300,000                         | £900,000           |
| Fife Employment Access Trust (FEAT) | Individual Placement and Support (IPS) Service, supporting those whose mental health is significant barrier to them accessing employment  | N/A                                | £66,000                            | £132,000                         | £198,000           |
| SAMH                                | Individual Placement and Support (IPS) Service – specialising in supporting those with addictions.  | N/A                                | £48,720                            | £118,979                         | £167,699           |
| Fife Job Contract                   | The Fife Job Contract (FJC) will provide an overarching programme to provide employer engagement creating positive transitions for priority clients into jobs. It does this through providing a single point of contact for employers to create additional jobs for adult and young people, provides ERI incentives targeted toward eligible clients. | N/A                                | £66,168                            | £225,111                         | £291,279           |
| <b>UKSPF S31 TOTAL</b>              |   | <b>£300,000</b>                    | <b>£480,888</b>                    | <b>£776,090</b>                  | <b>£1,556,978</b>  |

### UKSPF Intervention S33

| Organisation            | Project Description  | <u>Awarded Allocation</u><br>22/23 | <u>Awarded Allocation</u><br>23/24 | <u>Award Allocation</u><br>24/25 | Total<br>2022-2025 |
|-------------------------|--|------------------------------------|------------------------------------|----------------------------------|--------------------|
| FEAT                    | Employ Your Mind – supporting volunteers with health and mental health issues through outdoor activities and horticulture, while supporting through learning cognitive remediation therapy CRT techniques. | £70,000                            | £70,000                            | £70,000                          | £210,000           |
| Fife Voluntary Action - | Volunteering Into Work – Supporting those using volunteering to gain skills and qualifications to  | N/A                                | £34,500                            | £36,350                          | £70,850            |

| Organisation                                | Project Description   | <u>Awarded Allocation</u><br>22/23 | <u>Awarded Allocation</u><br>23/24 | <u>Award Allocation</u><br>24/25 | Total<br>2022-2025 |
|---|---|------------------------------------|------------------------------------|----------------------------------|--------------------|
|   | progress into employment  |                                    |                                    |                                  |                    |
| Fife Voluntary Action                       | Structured Volunteering Programme – supporting those to gain experience and advance personal outcomes through volunteering, though not necessarily with a view to accessing employment. | N/A                                | £45,000                            | £45,000                          | £90,000            |
| Fife Ecology Centre                         | Person Centred Employability Project – supporting volunteers to learn forestry and green skills prior to progressing to a leadership qualification                                      | N/A                                | £88,830                            | £88,830                          | £177,660           |
| Fife Council - Supported Employment Service | Positive Pathways – Support for adults with health and disability issues to access employment   | N/A                                | N/A                                | £95,000                          | £95,000            |
| <b>UKSPF S33 TOTAL</b>                      |   | <b>£70,000</b>                     | <b>£238,330</b>                    | <b>£335,180</b>                  | <b>£643,510</b>    |

### UKSPF Intervention S36

| Organisation           | Project Description  | <u>Awarded Allocation</u><br>22/23 | <u>Awarded Allocation</u><br>23/24 | <u>Award Allocation</u><br>24/25 | Total<br>2022-2025 |
|------------------------|--|------------------------------------|------------------------------------|----------------------------------|--------------------|
| Kingdom Works          | Working for You – Skills specific provision targeting specialist qualifications required to support clients into work. | N/A                                | £329,460                           | £574,228                         | £903,688           |
| <b>UKSPF S36 TOTAL</b> |  | <b>N/A</b>                         | <b>£329,460</b>                    | <b>£574,228</b>                  | <b>£903,688</b>    |

### UK Shared Prosperity Fund S37

| Organisation             | Project Description  | <u>Awarded Allocation</u><br>22/23 | <u>Awarded Allocation</u><br>23/24 | <u>Award Allocation</u><br>24/25 | Total<br>2022-2025 |
|--------------------------|--|------------------------------------|------------------------------------|----------------------------------|--------------------|
| Rural Skills Scotland    | Grounds for Growth – Providing Green Skills Training and progression to employment in forestry and green skills roles.   | 70,000                             | £106,052                           | £173,018                         | £349,070           |
| Net Zero Accelerator Hub | Edinburgh and South East Scotland Regional Prosperity Framework Activity developed through the Aligning Skills Group facilitating Green Skills and retrofit training and accreditation for the construction sector | N/A                                | £50,000                            | £50,000                          | £100,000           |
| Capital City Partnership | Fife contribution to Green skills professional fees.   | N/A                                | £18,776                            | N/A                              | £18,776            |



| Organisation             | Project Description | <u>Awarded Allocation</u><br>22/23 | <u>Awarded Allocation</u><br>23/24 | <u>Award Allocation</u><br>24/25 | Total<br>2022-2025 |
|--------------------------|---------------------|------------------------------------|------------------------------------|----------------------------------|--------------------|
| Local Heating Masterplan |                     | N/A                                | N/A                                | £60,000                          | £60,000            |
| Verdancy Group Project   |                     | N/A                                | N/A                                | £80,000                          | £80,000            |
| <b>UKSPF S37 TOTAL</b>   |                     | <b>£70,000</b>                     | <b>£174,828</b>                    | <b>£363,018</b>                  | <b>£607,846</b>    |

### UKSPF Intervention S39

| Organisation                              | Project Description  | <u>Awarded Allocation</u><br>22/23 | <u>Awarded Allocation</u><br>23/24 | <u>Award Allocation</u><br>24/25 | Total<br>2022-2025 |
|---|--|------------------------------------|------------------------------------|----------------------------------|--------------------|
| Fife Council Supported Employment Service | EASYP – adding value to provision implemented through NOLB. Targeted support for those 16-18 in danger of leaving school to a negative destination, or those that have fallen out of a first positive transition | £45,000                            | £301,751                           | £244,360                         | £591,111           |
| Fife Council – Education Services         | 16+ Keyworker Element  | N/A                                | N/A                                | £95,000                          | £95,000            |
| Link Living                               | Step On – Targeted support for young people in Kirkcaldy area, linked to social football activity  | N/A                                | £67,469                            | £202,407                         | £269,876           |
| <b>UKSPF S39 TOTAL</b>                    |  | <b>£45,000</b>                     | <b>£369,220</b>                    | <b>£541,767</b>                  | <b>£955,987</b>    |

## NOLB – All Age Provision

| Organisation                                | Project Description  | <u>Awarded Allocation</u><br>22/23 | <u>Awarded Allocation</u><br>23/24 | <u>Award Allocation</u><br>24/25 | Total<br>2022-2025 |
|---|--|------------------------------------|------------------------------------|----------------------------------|--------------------|
| BRAG Enterprises.                           | Fife ETC –Employability support for unemployed Adults with multiple barriers.  | £300,000                           | £660,000                           | £410,000                         | £1,370,000         |
| Fife Council – Supported Employment Service | Positive Pathways – Support for adults with health and disability issues to access employment  | £122,644                           | £122,644                           | £122,644                         | £367,932           |
| FEAT  | Out to Work – employability support for unemployed adults, including CRT and progression to IPS  | £74,778                            | £74,778                            | N/A                              | £149,556           |
| Fife Council Supported Employment Service   | EASYP - targeted support for those 16-18 in danger of leaving school to a negative destination, or those that have fallen out of a first positive transition | £403,720                           | £403,720                           | £493,720                         | £1,301,160         |
| BRAG Enterprises                            | Brighter Futures – Support for young people aged 19-24 who are disengaged from mainstream services   | £1,113,814                         | £659,529                           | £659,529                         | £2,432,872         |
| The Princes Trust                           | Start Something – Industry specific training programmes and employability support  | £46,782                            | £46,782                            | £46,782                          | £140,346           |
| The Venture Trust                           | Inspiring Futures – outdoor engagement and confidence building to initiate the employability journey.  | £67,807                            | £67,807                            | £67,807                          | £203,421           |
| Fife International Forum                    | Pre-Academy – Engagement and support for those from refugee and migrant communities  | £68,875                            | £210,000                           | £210,000                         | £488,875           |
| Fife Council – Employability Service        | Fife Jobs Contract – ERI programme offering progression for clients from across the pathway  | N/A                                | £299,366                           | £400,000                         | £699,366           |
| Fife Voluntary Action                       | Infrastructure Support for Employability Pathway. Continued funding through to March 2024  | £31,000                            | £31,000                            | £31,000                          | £93,000            |
| Fife Centre for Equalities                  | Infrastructure Support for Employability Pathway and Equalities Monitoring & Analysis. Continued funding through to March 2024                               | £30,000                            | £30,000                            | £30,000                          | £90,000            |
| <b>NOLB: All Age Provision TOTAL</b>        |  | <b>£2,259,420</b>                  | <b>£2,605,626</b>                  | <b>£2,471,482</b>                | <b>£7,336,528</b>  |

## NOLB - Tackling Child Poverty Allocation

| Organisation                                | Project Description   | <u>Awarded Allocation</u><br>22/23 | <u>Awarded Allocation</u><br>23/24 | <u>Award Allocation</u><br>24/25 | Total<br>2022-2025 |
|---|---|------------------------------------|------------------------------------|----------------------------------|--------------------|
| Fife Gingerbread                            | Making it Work for Lone Parents – Holistic service supporting lone parents in key mid-Fife geographies.   | £260,850                           | £768,000                           | £768,000                         | <b>£1,796,850</b>  |
| BRAG Enterprises                            | Families Square Start – family service supporting those in North East, South West and Dunfermline.  | £129,690                           | £487,500                           | £487,500                         | <b>£1,104,690</b>  |
| Fife International Forum                    | Building Bridges - Targeted support for refugee and migrant families to engage, skills planning and ESOL  | N/A                                | £445,060                           | £445,060                         | <b>£890,120</b>    |
| Triage                                      | Connecting Parents – Support for parents and priority on woman returners to upskill and access employment                                       | N/A                                | £148,547                           | £148,547                         | <b>£297,094</b>    |
| Venture Trust                               | Forward for Families – early engagement with disadvantaged families, using outdoor activities to bring the family together ahead of progression | N/A                                | £107,966                           | £107,966                         | <b>£215,932</b>    |
| Fife Council – Supported Employment Service | Breaking the Cycle – Kirkcaldy specific project linked to cycling, promoting intergenerational learning and wellbeing                           | N/A                                | £178,170                           | £178,170                         | <b>£356,340</b>    |
| Fife Council Employability                  | Fife Jobs Contract – ERI programme offering progression for clients from across the pathway   | N/A                                | £250,000                           | £250,000                         | <b>£500,000</b>    |
| Welfare Fund                                | Apportion was given to each of the third sector training providers to help clients back into work.  | N/A                                | £270,000                           | N/A                              | <b>£270,000</b>    |
| <b>NOLB – Tackling Child Poverty TOTAL</b>  |   | <b>£390,540</b>                    | <b>£2,365,243</b>                  | <b>£2,385,243</b>                | <b>£5,431,026</b>  |

## OFP Budget

| Organisation               | Project Description   | <u>Awarded Allocation</u><br>22/23 | <u>Awarded Allocation</u><br>23/24 | <u>Award Allocation</u><br>24/25 | Total<br>2022-2025 |
|----------------------------|---|------------------------------------|------------------------------------|----------------------------------|--------------------|
| Fife Council Employability | Fife Jobs Contract – ERI programme offering progression for clients from across the pathway | N/A                                | £200,000                           | £200,000                         | £400,000           |
| <b>OFP Budget TOTAL</b>    |   | <b>N/A</b>                         | <b>£200,000</b>                    | <b>£200,000</b>                  | <b>£400,000</b>    |

21 November 2024

Agenda Item No. 8

---

## Opportunities Fife Partnership (OFP) – ESF Employability Programme 2015-2022 Final Position

---

**Report by:** Morag Millar – Service Manager Place, Programmes and Policies

---

**Wards Affected:** All Fife

---

### Purpose

---

This report provides the Scrutiny Committee with the final performance of Fife's Employability Pathway, funded by European Social and Investment Funds (ESIF) 2015 - 2022.

### Recommendation(s)

---

Committee is asked to consider the financial performance and activity as detailed in this report.

### Resource Implications

---

There are no resource implications arising from this report. Delivery activity concluded in March 2022 and the Management element, supporting the submission of financial claims and verification concluded in June 2024.

### Legal & Risk Implications

---

There are no legal implications associated with this report.

### Impact Assessment

---

An EqlA is not required as this report does not propose any changes to policies or services.

### Consultation

---

Consultation is not required as the report does not propose a change to existing policies and practices.

## 1.0 Background

---

- 1.1 Structural funds are core to the European Commission's (EU) Cohesion policy, which aims to reduce economic inequalities between regions in the EU. Across the seven-year EU budget period 2014-2020, Fife Council acted as Lead Partner for the investment of the ESIF in Fife.
- 1.2 In 2014 Fife's initial allocation of ESIF was £8.187m. Match funding was forecast at £11.108m. The total funding over the period to deliver the interventions was forecast at £19.261m.
- 1.3 This profile was subject to expenditure targets being met by 31 December 2023. After this date, the Scottish Government claimed for any outstanding receipts and thereby obtained the final available funding from the EU. The regulations governing the operation of EU's structural fund programmes were complex, and the timing of payments made it difficult to establish the closing position until the final claim.
- 1.4 Scotland's exit from the EU's legal order at the end of December 2020 coincided with the end of the 2014-2020 structural fund programme period. However, the EU rules which govern the operation of the structural fund programmes allocates annual funding to each programme which must be spent by the end of the third year after their allocation. Therefore, although Scotland is no longer part of the EU, funding allocated for the calendar year 2020 could still be allocated and spent up until the end of December 2023.
- 1.5 In Fife, although the delivery element of the ESIF programme completed in March 2022, the final financial claim was only drawn down in July 2024. This was due to Scottish Government's suspension by the EU for much of the second phase of the programme (2019-2022). This resulted in additional activities for the Lead Partners to support Scottish Government to draw down allocation from the EU. This used a unit cost staffing model, which was additional to the financial claims prepared by Lead Partners to draw down their funding from Scottish Government.
- 1.6 At the end of the 2007-2014 programme funded through ESIF allocation, the Opportunities Fife Partnership conducted a review of the Partnership and the Employability Pathway to inform future activities and funding bids. The evaluation was carried out by Professor Alan McGregor from the University of Glasgow's Training & Employability Research Unit (TERU).

## 2.0 Evaluation Findings

---

- 2.1 The key findings from the evaluation were:
  - The OFP was a true Partnership with good engagement from the range of Partners around the table.
  - The Employability Pathway was supporting significant numbers of people with over 1,000 clients per year accessing support, however, the majority of clients being supported were closer to the job market and required lighter touch interventions.
  - Although there was a range of activities being delivered by third sector providers, the third sector provision was not joined up, lacked co-ordination, and would benefit from further investment and co-ordination.
  - Only 24% of those being supported were moving into employment.

2.2 In 2014, the OFP carried out extensive consultation with delivery partners and key stakeholders to establish a plan for the delivery of new employability programmes for the period 2015-2022. This consultation resulted in the OFP developing a Challenge Fund Framework, and process for commissioning new pathway delivery that would be required to support key target client groups on the new ESIF funded Employability Pathway.

2.3 Although the ESIF allocation to Fife for was agreed between 2015 – 2022, activity was to be delivered across two specific phases:

- Phase 1: April 2015 – March 2019
- Phase 2: April 2019 – March 2022

Fife Council, acting as the Lead Partner submitted a Strategic Intervention indicating the projected scope of the delivery activity across the two phases and how that activity would be commissioned.

2.4 Both phases of activity were commissioned through the development and publication of a Challenge Fund Framework, in the October of both 2014 (for phase 1) and 2018 (for phase 2) with prospective delivery partners required to submit an expression of interest and complete an application template. All applications were scored by a panel that included representatives from Skills Development Scotland, Department of Work and Pensions, Fife Council Communities and Neighbourhoods and the OFP Manager, and recommendations for pathway provision presented to the OFP Executive Group for approval, ahead of delivery commencing in the April (2015 for phase 1 and 2019 for phase 2).

2.5 In phase 1, nine projects were selected by the OFP to make up the Employability Pathway. In phase 2, five projects were selected after a challenge fund process for phase 2 delivery. The projects that were selected built on the learning from phase 1, and the OFP invested further on provision that was in best position to support the priority client groups, such as:

- adults with multiple barriers to employment,
- those with health and disability issues (with particular focus on mental health)
- young people (16-24) who had left school to negative destinations, or did not sustain their initial positive destination.
- Lone parent, low income, and workless families

2.6 Scottish Government commended the OFP's commissioning process as innovative, open, and transparent, which resulted from its mixed model of delivery with public and third sector providers working together on pathway delivery.

2.7 There were many lessons learned for the OFP from the delivery of the ESIF 2015-2022 Employability Pathway that have helped shape future employability delivery:

- That the OFP's process for commissioning delivery partners is open, transparent, and innovative. It provides the opportunity to implement a mixed model of delivery with public and third sector partners working together to provide a wider range of support for clients.
- That given the incentive to work together, third sector partners are able to deliver successful, large scale, compliant projects that are community based and tailored to the different individual needs of the client. This is extremely important when working with people with multiple barriers to employment.
- Projects that support those with Health and Disability Issues, particularly those addressing barriers due to mental health require longer term, more intensive interventions to support them to progress.

- Provision for lone parent, low income and workless families is more effective when linked with additional provision, such as debt management, income maximisation, youth work and housing support to provide a holistic package for each member of the family as well as the family as a whole.
- When monitoring the performance of the Pathway, looking exclusively at the output and outcome numbers does not do justice to the overall impact of the delivery activity. In fact, looking at the type of support that clients receive and the quality of service, must also be valued going forward. This is because developing positive relationships with clients, building confidence, and empowering them is key to help them to sustain and progress when in employment, not just to access work.
- Unfortunately, entering employment is not necessarily resulting in less people living in poverty. This means that entering employment is not necessarily the end of a client's employability journey. In fact, support is often required while in work, to sustain employment, to support flexibilities due to health conditions, to support with childcare, facilitate upskilling and progression and ideally moving into higher paid, less vulnerable employment and out of poverty.
- When designing future employability provision the OFP should look to engage with delivery partners, as well as those with lived experience of accessing services. This way projects can be co-designed and delivered in a way that people find appealing, engaging and are better equipped to supporting them on their journey.

### 3.0 Employability Pathway Performance Highlights

- 3.1 Building on the challenges set out in the TERU evaluation, the OFP developed a Challenge Fund Framework, and a commissioning process designed to change the way employability provision was delivered in Fife. It was designed to be more responsive to the needs of people with multiple barriers and those living in Fife's most deprived areas.
- 3.2 The table below summarises the OFP's intentions for the Employability Pathway, and the results:

| What we said we would do   | What we did  | How we know  |
|--|--|--|
| 3.2.1 Build the capacity of third sector providers to ensure more community-based services for employability delivery.   | OFP produced a set of best practice guidelines for third sector organisations. Supported by Fife Voluntary Action (FVA), organisations completed a Self-Assessment "Health Check."<br><br>Programme of staff training and capacity building through FVA. | In phase 1, six of the nine projects commissioned to deliver activity on the Employability Pathway, were led by third sector providers. 68% of provision.<br><br>One of these was a consortium of eight, third sector partners.<br><br>In phase 2, three of the five projects on the Pathway were led by third sector partners, These were responsible for drawing down almost 70% of the ESIF allocation.   |
| 3.2.2 Implement a new open and transparent commissioning process to support a mixed model of delivery. Ensure Employability Pathway delivery was open to as many | Challenge Fund Framework initiated a commissioning process. This was publicised as widely as possible through FVA's e-bulletin in Fife and nationally through a Public Information Notice (PIN) on the Public Contracts Scotland website.                | The commissioning process resulted in a wide range of partners being selected to deliver on the Employability Pathway.<br><br>Three projects were led by Fife Council, one of which included three Fife Council Services working in partnership, with additional support from a third sector partner.<br><br>Scottish Government recognised the commissioning process as best practice, which consequently influenced how Scottish Government rolled out |

|  |  |   |
|--|--|---|
| organisations as possible.   | The process was replicated in 2018 for phase 2 delivery between April 2019 – March 2022.   | future funding through No One Left Behind (NOLB). Where Local Employability Partnerships were to provide the strategic direction for local activity and all delivery had to demonstrate an aspect of commissioning or procurement.  |
| 3.2.3 Create an Employability Pathway that supported more than 1,000 clients per year  | Through the commissioning process OFP developed a Pathway of provision. It targeted on average over 2,000 clients with multiple barriers per year.   | A total of 15,424 clients were supported on the Employability Pathway during the ESIF funded programme. Clients with more challenging barriers required longer term interventions to overcome these.  |
| 3.2.4 Focus delivery on those with multiple barriers to employment   | <p>The OFP's commissioning process supported these client groups:</p> <ul style="list-style-type: none"> <li>• Unemployed adults (25 years old and over), with multiple barriers to employment</li> <li>• Unemployed and Inactive young people (aged 16-24) who were in danger of, or had left school to negative or unknown destinations.</li> <li>• Those with Health and Disability Issues (with a focus on those whose mental health was a significant barrier to employment.</li> <li>• Lone parent, low income, and workless families</li> </ul> | <p>In order to be eligible for the ESIF programme, delivery partners needed to collect evidence that demonstrated each beneficiary had two or more barriers to employment.</p> <p>The financial performance is outlined in section 3 of this report, but during the financial verification process beneficiary information was checked for compliance and all eligible beneficiaries were accepted by Scottish Government to have evidence of two or more barriers to employment. As a result, all financial claims were paid, with zero errors identified.</p>   |
| 3.2.5 Commission specific provision for those with health and disability issues, with a particular focus on those whose mental health was a severe and enduring barrier to employment. | <p>In phase 1, three projects were commissioned for clients with health and disability issues.</p> <p>In phase 2, two of the five projects commissioned were focused on those with health and disability issues.</p>   | <p>In phase 1:</p> <ul style="list-style-type: none"> <li>• Capability Scotland – delivered a project for those with physical disabilities.</li> <li>• Fife Council's Supported Employment Service delivered a project for those with physical health or disability issues.</li> <li>• Fife Employment Access Trust delivered a project for those whose mental health was a barrier to employment. This included the introduction of an Individual Placement Support (IPS) service, which is a work-first model of support specifically for those with severe and enduring mental health issues.</li> </ul> <p>In phase 2, after Capability Scotland withdrew from the Pathway, the OFP invested further in the remaining two projects.</p> |
| 3.2.6 Increase the job-outcome rate above 24%, which was the rate achieved during the 2007-2014 ESF programme.   | By investing in projects that had longer term, more intensive interventions, it was expected that a higher rate of clients would access a job. Some projects had a lower job   | <p>As outlined in Table 1, Phase 1, the job entry rate was 38%.</p> <p>In Phase 2, Table 2, fewer people were entering employment. In 2019-20 and 2020-21 delivery was significantly impacted by the Covid-19 Pandemic when fewer jobs were available. Delivery partners</p>  |



|  |  |   |
|--|--|---|
|  | entry target rate, based on the type of client they were supporting. Overall OFP targeted 32% of clients entering employment. Across the two phases the job entry rate was 36%   | gave support to clients, through alternative methods, such as online training, walk and talk meets and virtual meetings, to ensure clients continued to engage and reduce the impact of social isolation.                                   |
| 3.2.7 Focus support and target delivery specifically on those living in "Mid-Fife"                       | The commissioning framework supported clients in all areas in Fife. Higher rates of deprivation and fewer employment opportunities increased demand in the "Mid-Fife" Local Areas (Cowdenbeath, Kirkcaldy, Glenrothes and Levenmouth), due to. | Although delivery partners provided support across Fife, figure 1, below demonstrates that 68% of those registered came from Mid-Fife.<br><br>Figure 2 also highlights that 63% of the clients entering employment came from Mid-Fife.      |
| 3.2.8 Ensure compliance ratings remain high and the maximum financial allocation available is drawn down | OFP's compliance rating was high and full financial allocation was drawn down.   | The financial verification process checked all financial transactions and staffing costs for compliance. All eligible costs were approved by Scottish Government. As a result, all financial claims were paid, with zero errors identified. |

**Table 1: Summary of Phase 1 Key Performance Indicators**

|                 | Phase 1 |         |         |         |             |
|-----------------|---------|---------|---------|---------|-------------|
| Activity        | 2015-16 | 2016-17 | 2017-18 | 2018-19 | Total       |
| Registrations   | 3351    | 2569    | 1844    | 1917    | <b>9681</b> |
| Jobs            | 909     | 1101    | 772     | 863     | <b>3645</b> |
| Job Entry Rate: | 27%     | 43%     | 42%     | 45%     | <b>38%</b>  |

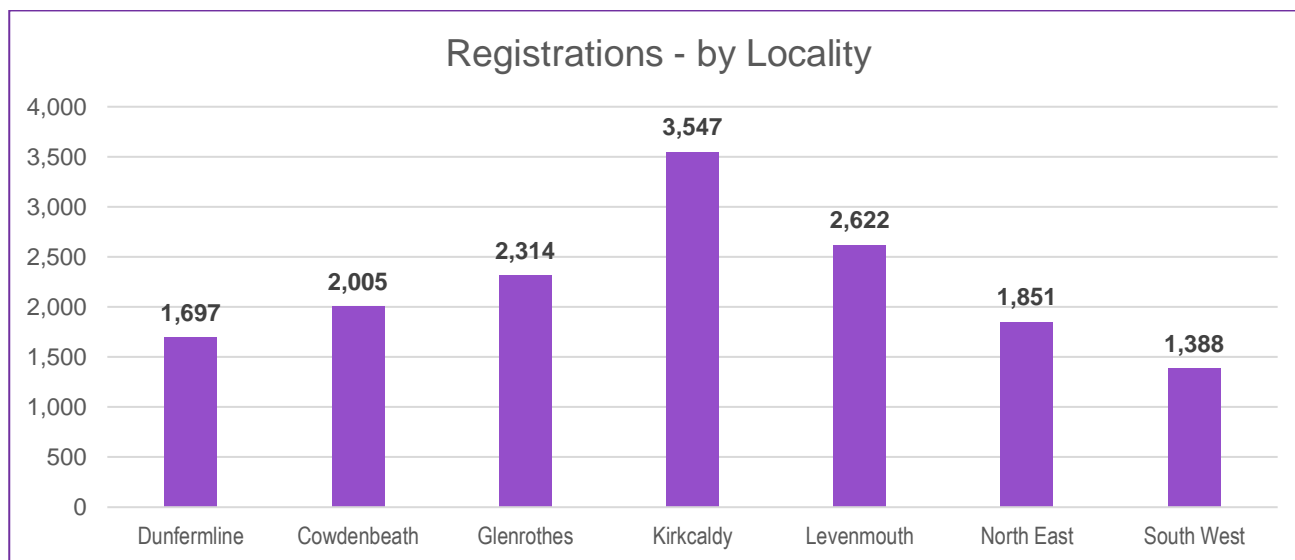
**Table 2: Summary of Phase 2 Key Performance Indicators**

|                 | Phase 2 |         |         |             | <b>2015-2022<br/>Project Total</b> |
|-----------------|---------|---------|---------|-------------|------------------------------------|
| Activity        | 2019-20 | 2020-21 | 2021-22 | Total       |                                    |
| Registrations   | 2484    | 1834    | 1425    | <b>5743</b> | <b>15,424</b>                      |
| Jobs            | 671     | 513     | 758     | <b>1942</b> | <b>5,587</b>                       |
| Job Entry Rate: | 27%     | 29%     | 53%     | <b>34%</b>  | <b>36%</b>                         |

**Table 3: Employability Pathway Registrations – By Locality:**

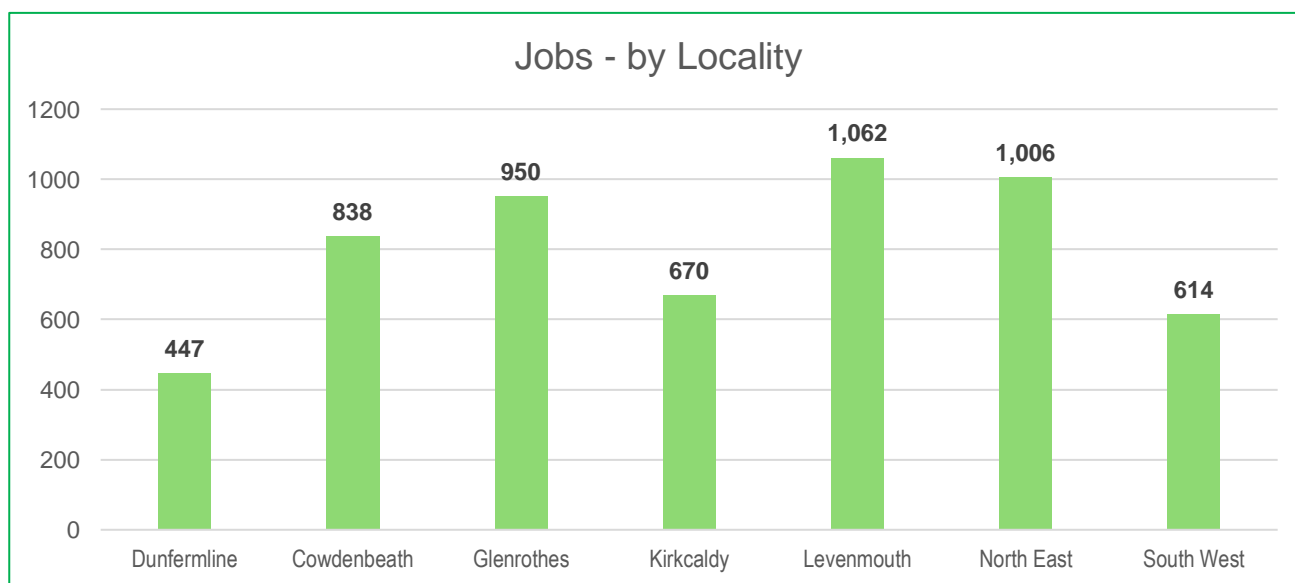
|        | Dunfermline | Cowdenbeath | Glenrothes | Kirkcaldy | Levenmouth | North East | South West |
|--------|-------------|-------------|------------|-----------|------------|------------|------------|
| Number | 1,697       | 2,005       | 2,314      | 3,547     | 2,622      | 1,851      | 1,388      |
| %      | 11%         | 13%         | 15%        | 23%       | 17%        | 12%        | 9%         |

- 68% of Registrations came from Mid-Fife.

**Figure 1: Employability Pathway Registrations – by Locality****Table 4: Employability Pathway – Entered Employment by Locality:**

|        | Dunfermline | Cowdenbeath | Glenrothes | Kirkcaldy | Levenmouth | North East | South West |
|--------|-------------|-------------|------------|-----------|------------|------------|------------|
| Number | 447         | 838         | 950        | 670       | 1,062      | 1,006      | 614        |
| %      | 8%          | 15%         | 17%        | 12%       | 19%        | 18%        | 11%        |

- 63% of those Entering Employment came from Mid-Fife.

**Figure 2: Employability Pathway – Entered Employment by Locality**

## 4.0 Financial Performance

- 4.1 The financial profile for the ESIF 2015-2022 programme was complex. Local Authorities, as Lead Partners submitted a Strategic Intervention Application to Scottish Government for approval as Managing Authority.
- 4.2 An allocation from the EU was made to Scottish Government, which was then apportioned to each Local Authorities. Fife was able to draw down up to approximately 7% of the total allocation. The methodology was agreed through the SLAED (Scottish Local Authority Economic Development) European Funding Group.
- 4.3 Approx. £8.2m was available to Fife. Additional stipulations stated that the ESIF intervention rate was 40% of the total cost. This was later revised to 45%. To draw down the full allocation, the delivery partners had to provide 60% (revised to 55%). OFP agreed to provide between 30-35% of total cost, through a grant agreement. Each delivery partner was responsible for securing the remaining 25-30%. They sourced this from funders such as The Big Lottery, Cora Foundation, Robertson Trust. In other local authority areas, this was not always the case and as a result not all Lead Partners were as successful at drawing down their full allocation.
- 4.4 Table 3 below outlines the financial performance for the Fife Employability Pathway 2015-2022. The Approved Costs in Principle of £19.4m were agreed through the Strategic Intervention. This included £11.1m match funding, to fully draw down the available £8.2m of ESIF.
- 4.5 During delivery the annual financial profile varied from the projected spend. At times, the level of Match Funding was higher than expected. Although this was invested in the programme, it could not be used to draw down ESIF, due to the ESIF 40%/45% cap.
- 4.6 The total cost of Employability Pathway delivery for 2015 – 2022 was £19.26m, about 99% of the £19.36m approved by Scottish Government as the projected cost. Fife Council drew down £8.17m of the £8.23m (99%) of the available ESIF allocation.
- 4.7 2015 was only for 9 months as claims were on a calendar year basis. 2022 was 3 months and included in the final claim in 2021.

**Table 3: Financial Summary – ESIF 2015 – 2022**

|          | Strategic Intervention      | Approved Costs in Principle | Available Grant in Principle | Match Funding Required |                   |
|----------|-----------------------------|-----------------------------|------------------------------|------------------------|-------------------|
|          |                             | £19,362,972.55              | £8,230,024.35                | £11,132,948.20         |                   |
|          | Projected Financial Profile | Gross Eligible Costs        | Grant Paid                   | Match Funding          | Intervention Rate |
| 2015     | £1,672,168                  | £1,672,168                  | £668,867                     | £1,436,373             | 40%               |
| 2016     | £3,013,773                  | £3,013,773                  | £1,205,023                   | £1,614,672             | 40%               |
| 2017     | £2,960,000                  | £2,659,977                  | £1,063,990                   | £1,481,948             | 40%               |
| 2018     | £2,020,306                  | £2,399,356                  | £1,019,916                   | £1,375,108             | 43%               |
| 2019     | £2,983,600                  | £3,002,830                  | £1,460,702                   | £1,196,736             | 49%               |
| 2020     | £2,983,600                  | £3,311,070                  | £1,407,476                   | £1,688,603             | 43%               |
| 2021     | £2,983,600                  | £3,202,455                  | £1,361,251                   | £2,315,076             | 43%               |
| 2022*    | £745,924                    | £0.00                       | £0.00                        | £0.00                  |                   |
| Total    | <b>£19,362,972</b>          | <b>£19,261,632</b>          | <b>£8,187,227</b>            | <b>£11,108,518</b>     | <b>43%</b>        |
| Variance |                             | 99%                         | 99%                          | 100%                   |                   |

\* There are no costs attached to 2022 specifically, as the claim for 2021 and 2022 were submitted, verified, and paid as a single claim.

- 4.8 The EU audited Scottish Government's management processes at the end of phase 1. As a result, it was suspended from making any claims. This was due to the model used to calculate staff costs. During this period, Lead Partners were unclear whether the full cost of activity would be recovered, and several local authorities decided not to continue with phase 2 of the ESIF programme.
- 4.9 Due to the demand for services in Fife from key target groups, Fife Council continued with phase 2, delivering at risk, while working with Scottish Government to provide the evidence required by the EU Commission to end the suspension in 2019.

## 5.0 Conclusions

---

- 5.1 Fife's Employability Pathway 2015-2022 funded by ESIF was an innovative and successful programme:
- It delivered activity worth £19.3m for Fife residents with multiple barriers to employment. It drew down 99% of the available ESIF grant, despite the claims' issues and changes to compliance requirements during the programme.
  - It supported over 15,000 Fife residents into employment. 68% came from communities in Mid-Fife; and helped over 5,500 of them (36%) to access employment. The 2007-2014 ESF funded programme helped 24% of clients to access employment.
  - It introduced a new, innovative process to commission delivery in an open and transparent manner, viewed as best practice by Scottish Government
  - It supported Third Sector organisations to leverage match funding, grow the social capital of the sector and provide specialist support for clients in most need.
  - It provided essential community support during the Covid-19 Pandemic, to keep people engaged, to ensure they were not socially isolated.
  - It introduced new and successful specialist services to help residents with health and disability issues, particularly mental health, lone parents, and workless families.

### List of Appendices

---

None

### Background Papers

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

[Scotland's European Structural Funds – following the money – SPICe Spotlight | Solas air SPICe \(spice-spotlight.scot\)](#)

### Report Contacts

Morag Millar  
Service Manager – Business & Employability Services, Place, Programmes and Policies  
Fife House, North Street, Glenrothes  
Telephone: 03451 55 55 55 ext: 442437  
Email – [morag.millar@fife.gov.uk](mailto:morag.millar@fife.gov.uk)

Adam Dunkerley  
Opportunities Fife Partnership Manager  
Business & Employability Services  
Fife House, North Street, Glenrothes  
Telephone: 03451 55 55 55 ext: 440327  
Email: [adam.dunkerley@fife.gov.uk](mailto:adam.dunkerley@fife.gov.uk)

21 November 2024

Agenda Item No. 9

---

## BUSINESS GATEWAY FIFE ANNUAL PERFORMANCE

---

**Report by:** Carol Connolly, Executive Director of Place

---

**Wards Affected:** All

---

### Purpose

---

The purpose of this report is to provide an annual overview of the performance of Business Gateway Fife Ltd in delivering services during the period April 2023 to March 2024, including Fife Council's financial assistance to businesses scheme. The report provides information on performance and highlights areas of service to support the delivery of UK Shared Prosperity Funding (UKSPF).

### Recommendations

---

It is recommended that the Committee agrees to:

1. consider the performance, expenditure and activity information on Business Gateway Fife for 2023/24, as detailed in this report;
2. note the risk posed by the uncertainty over UKSPF funding beyond 31<sup>st</sup> March 2025

### Resource Implications

---

Business Gateway is a national programme funded by the Scottish Government to provide a consistent business advice and support service for stimulating pre-start, new start-up and engaging with existing businesses in a consistent manner throughout the country. Since 2008, delivery of this service has been devolved to local government. The budget allocated to deliver Business Gateway contract services in Fife for 2023/24 was £760,534. In addition, £145,000 of funds was allocated to deliver repayable investments for small to medium sized businesses through the Fife Investment Fund (FIF).

### Legal & Risk Implications

---

The Service Manager, Economic Development is responsible for the strategic development and delivery of Business Gateway Fife operations and services. Business Gateway Fife Ltd, is an arms-length external organisation wholly owned by Fife Council. Business Gateway Fife Ltd, is governed by a Board formed of one Councillor, one Fife Council officer and independent directors. The Councillor is appointed by the Council and the Head of Communities and Corporate Development as the officer nominee. Economic Development officers lead on operational delivery and compliance with robust monthly monitoring carried out on performance, including contractual income drawdown analysis.

Delivery of Business Gateway Fife services is heavily reliant on external funding, in part due to the reducing Council budgets. Following the UK's exit from the EU, European funding was replaced by the UK Shared Prosperity Fund (UKSPF), which allowed Business Gateway Fife to continue to enhance support for business innovation, workforce upskilling and business transition to Net Zero. In 2023/24 UKSPF funding represented circa 41% of total Business Gateway funding and 2024/25 will see that increase to circa 50% of total Business Gateway funding. At the time of writing, there is no confirmation of UKSPF or other external funding for the 2025/26 financial year. This could result in a drastically reduced support offering for Fife's businesses and the loss of advisory posts as well as high demand grant funding and Expert Help Services delivered through Business Gateway Fife.

## **Impact Assessment**

---

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

The Fairer Scotland Duty, which came into force on 1 April 2018, requires the Council to consider how it can reduce inequalities of outcome caused by socio-economic disadvantage when making strategic decisions. Both the Plan for Fife and Fife's Economic Strategy align with this Duty in their commitment to working towards achieving inclusive economic growth, which is shared by all. The proposed action plan strengthens or will activate additional workstreams that contribute to the delivery of the Fife Economic Strategy 2023-2028 and its aims to deliver further economic growth across Fife.

## **Consultation**

---

The Head of Legal and Democratic Services and Head of Finance were consulted on this report.

## 1.0 Background

---

- 1.1 Business Gateway Fife is an arms-length external organisation, wholly owned by Fife Council, which was established, originally as a joint venture with Scottish Enterprise Fife, to deliver Business Gateway services throughout Fife. Fife Council is the sole member of the company however the company is governed by a business led board. The Board membership includes a Councillor nominee and an officer - the Head of Communities and Corporate Development
- 1.2 Business Gateway offers information, advice and guidance to people thinking about starting up in business or growing their existing business. It is a national service with built in local flexibilities providing business solutions on a one-to-one basis for businesses with growth potential. It is supported by a national Enquiry Service and a national website with local microsites. Business Gateway services are managed by 18 Lead Local Authorities across Scotland. The Service Manager, Economic Development, represents Fife on the Scottish Local Authorities Economic Development Executive Group (SLAED), and officers are engaged in national Business Gateway Network Forums.
- 1.3 Fife Council is responsible for ensuring that the services provided through Business Gateway are meeting the needs of the Fife business community and responds to market demand. The successful delivery of Business Gateway services is vital to achieving the Council's strategic economic and business development objectives. In this regard, Fife Council seeks to continuously develop and deliver services aligned to its business users, to develop genuine business engagement and achieve more local accountability for the services it delivers.
- 1.4 The Council's Business and Employability service also works to integrate with other local authority services such as Corporate Procurement, Property Services, Planning, Trading Standards and Revenues. Furthermore, Business Gateway services continue to dovetail with national enterprise agencies and intermediaries to improve alignment and coverage. The provision of a 'one door approach' for the delivery of business development services and partnership working is fundamental to maintaining and improving Fife's business customer experience and contributes to growing local business success.
- 1.5 The policy rationale for Business Gateway Fife is that it supports key objectives of the refreshed Fife's Economic Strategy 2023-30:
  - Supporting businesses
  - Investing in premises and infrastructure
  - Delivering skills, training and fair employment
  - Working in collaboration and partnership
- 1.6 By supporting the key objectives, Business Gateway Fife remains integral in delivering the outcomes set out within the Fife Economic Strategy. Specifically, Business Gateway Fife services support the delivery of:
  - A recovery and increase in the number of businesses
  - Increased levels of economic activity and employment
  - Improvements in the economic performance of Mid-Fife
  - The recovery & growth of Fife's tourism and hospitality sector
  - Vibrant, attractive and re-purposed key town centres



- A skilled workforce able to support business needs
  - Fair and inclusive access to work
  - Lower levels of carbon emissions, in line with national targets (75% of 1990 baseline by 2030)
- 1.7 Fife Council Economic Development promotes an enterprising and entrepreneurial culture at grassroots level through enterprise in education collaboration and stimulating awareness of, and demand for, business support services (both public and private sector) among Fife's business base.
- 1.8 Fife Council, Economic Development was successful in being awarded the Most Enterprising Place in Britain at the Enterprising Britain UK Awards in October 2018 and continues to be creative and innovative with development of enterprise programmes for young people, also working alongside Developing Young Workforce (DYW) Fife, led by the private sector to encourage development of enterprise in education, leading to career pathway transition into entrepreneurial outcomes.

## 2.0 Issues and Performance

---

- 2.1 Since the Covid-19 pandemic, during which Business Gateway Fife was heavily involved in delivering Covid-19 funding and resilience support, staff have adopted a hybrid work pattern. They are ably supported by mobile working and IT solutions that allow effective working from home or remote locations such as customers' premises. Customer service remains paramount and the current hybrid working approach is reviewed regularly with that in mind.
- 2.2 Following the move to digital delivery during 2020/21, Business Gateway training workshops and webinars continue to be primarily delivered online, although 2023/24 saw the return of face-to-face workshops for topics better suited to that style of participation. Advisory services remain fully face-to-face with online support remaining an option based on customer preference.
- 2.3 The transition from European funding to UKSPF funding has provided an opportunity to review and enhance the grant and consultancy support available to businesses. The key elements of this support include:
- **SME Development Grant:** This grant offers assistance in several areas, including climate and energy transition, research and development, agri/tourism business diversification, and ongoing support for trade development and workforce upskilling
  - **Specialist Business Support:** This program provides businesses with funded access to specialist advisory support in key sectors. A new framework of consultants has been procured to better meet current business needs
  - **Start-up Grant Scheme:** This scheme offers up to £500 to cover costs associated with starting a business. Previously restricted to individuals aged 30 and under, it is now open to all ages
- 2.4 The repurposed Fife Business Matters (FBM) publication continues to be presented as an online e-zine to showcase the fantastic work of Fife businesses and their ongoing resilience in adapting their business models due to continuous external factors. The publication is now fully digital, delivered monthly due to ongoing demand from firms for business features and circulated to elected members, key partners and the Fife business community. It has previously been showcased as best practice amongst other local authority business support services.

## 2.5 Business Start Up

- 2.5.1 614 start-ups were supported in 2023/24, surpassing the target of 600, which is an increase of 111 on the previous year. It is anticipated that these start-ups will support the creation of 812 jobs. Start-ups by Women were 53% of total start-ups, which is above the national average and the same percentage as the previous year. Young People start-ups equated to 25% of overall delivery, down 7% on previous year.
- 2.5.2 Business start-ups supported by Business Gateway Fife receive follow-up support at 12, 24 and 36 months to ensure ongoing assistance and monitor their progress. Among the businesses contacted and responded in 2023/24, 95% were still trading after 12 months, 86% after 24 months, and 88% after 36 months. However, a significant number of these businesses expressed concerns about their future, with 32% of those trading for 12 months and 15% of those trading for 24 and 36 months voicing their worries. Additionally, 5% of the businesses had ceased trading after 12 months, 14% after 24 months, and 13% after 36 months.
- 2.5.3 As set out in Fife's Economic Strategy 2023-30, Fife Council continues to prioritise start-up services to support enterprise and employment opportunities within Fife and across communities. That said, it is fundamental for the strategy to remain focussed on services that will support the early growth start-up market and using more digital and online solutions to support the volume of life-style businesses.

## 2.6 Business Growth

- 2.6.1 BG's workshop activity during 2023/24 saw 617 individuals from Fife businesses attended 118 training workshops. An increased programme of webinars provided by the Business Gateway National Unit covering the most popular topics has allowed Fife to provide a more focused programme responding to local needs and current events, as well as providing face-to-face sessions on topics better suited to in person delivery.
- 2.6.2 Existing business advisory services saw much needed assistance to 2,769 indigenous businesses, with a focus on addressing the challenges posed by the increased costs of doing business through a variety of interventions.
- 2.6.3 Through Business Gateway operational delivery, Fife Council continued to support an enhanced UKSPF Funding service. During 2023/24, 136 businesses received more intensive Specialist Business Advice assistance from 28 specialist consultants across a variety of business themes.

Further key 2023/24 headline performance indicators are outlined in **Appendix One** attached – "Key Achievements".

## 2.7 Financial Assistance to Business

- 2.7.1 Fife Council provides funding to allow Business Gateway Fife to administer the Council's Fife Investment Fund scheme to support small/medium sized businesses. Interest free repayable funding of up to £10,000 is available for property, product, process improvements, innovation and trade/market assistance. This funding can also sit alongside commercial loan funding to support a package of business investment. In 2023/24, 23 loans grants worth £153,950 were approved.
- 2.7.2 Over the last two full financial years, Economic Development and Business Gateway Fife has worked with colleagues in Revenues Service to deliver a rates hardship relief Scheme (LACER). Working directly with businesses, this has enabled 97 businesses to reduce their rates charges by £261,756 and in doing so help protect over 3500 Fife based jobs.

- 2.7.3 As part of the Council's UKSPF Funding during 2023/24, grants of up to £2,850 were made available to support Workforce Upskilling and Trade/Market Development, Net Zero Transition, R&D/Innovation Support and Agri/Tourism Business Diversification. 116 applications worth £269,338.70 were approved during 2023/24.
- 2.7.4 Significant upgrades to the Business Gateway Fife financial application and reporting systems in preparation for UKSPF funding at the start of 2023/24 has improved real-time data and compliance processes. Business projects can experience lengthy delays and be scaled back due to economic conditions at any given time. This new functionality allows immediate write-backs to the fund balance to release previously committed grants, allowing approval of further applications that could not otherwise have been supported.
- 2.7.5 In March 2023, the Council launched a Business Efficiency Grant scheme providing businesses with grants of up to £20,000 to support Net Zero and Digital Development initiatives. Economic Development and Business Gateway Fife teams appraised and supported businesses through the application process and manage the ongoing claims/payment processes. Funded through a combination of UKSPF, legacy Longannet Task Force (specifically for West Fife businesses) the Business Efficiency Grant has approved 105 applications with a total value of £1.284m. Not all projects have concluded at this point.
- 2.7.6 Fife Council continues to be a member of the pan-Scotland local authority owned and Scottish Government funded loan fund – Business Loans Scotland (BLS). The Service Manager, Economic Development, sits on the BLS Board, who was integral in spearheading this loan fund in 2010. During 2023/24, two commercial loans totalling £225,000 were issued to Fife companies. Unfortunately, the Scottish Government has recently announced their decision not to recapitalise BLS funding beyond 2024, taking the view that other new providers such as the British Business Bank, now fill the gap in the business finance market, which BLS was designed to do.

Evidence however, including the Scottish Government's own evaluation of the impact and effectiveness of BLS, indicates that a need for this type of debt finance provision remains. The 32 local authority members are currently engaged in an Options Appraisal process to assess viability to continue lending in some capacity via BLS or cease lending. BLS will however, require to remain as a loan servicing company for the period of the remuneration of the outstanding loan liabilities (circa 5 years).

## 3.0 Conclusions

---

- 3.1 In conclusion, 2023/24 has seen Fife Council's Economic Development team and Business Gateway Fife continue to provide a wide range of advice and support to businesses during what can only be described as a continued unsettling landscape. This report outlines the agility and flexibility the council has continued to apply, utilising government funding and readapting local funding mechanisms timeously to assist businesses.
- 3.2 The provision of a 'one door approach' for the delivery of business development services and partnership working continues to be fundamental to maintaining and improving Fife's business customer experience and contributes to growing local business success and community wealth building opportunities. The digital InvestFife platform continues to play a pivotal role in bringing services together to support inward investment and indigenous investment for Fife, showcasing the economic proposition for business property and employment land opportunities.

- 3.3 Wider business development programmes such as the successful Culture of Enterprise Programme, Supplier Development Programme (SDP) and Trade Development Programme, (analysis shown in Appendix One) are delivered directly by Fife Council Economic Development officers, working closely with Business Gateway advisory services to increase awareness of opportunities to businesses.
- 3.4 The Council continues to provide an agile support to businesses across Fife. There is a need for the coverage and approach to be expanded, enhanced knowledge transfer of advisory skills required to support current business needs. This will continue to ensure that business sustainability remains a key priority for Fife Council and addresses economic transformational change.
- 3.5 For over a decade, external structural funds (previously European funding, more recently UKSPF) have been pivotal to Business Gateway Fife's ability to deliver a comprehensive support service to Fife businesses. The uncertainty over the continuation of UKSPF or equivalent funding beyond 31<sup>st</sup> March 2025 represents a significant risk to Economic Development services and sustainability of Business Gateway Fife services.

## **Background Papers**

Appendix One – BG Fife Key Achievements 2023/24

## **Report Contacts**

### **Pamela Stevenson**

Service Manager, Economic Development  
Business & Employability, Place  
Mobile: 07710 041493  
E: [pamela.stevenson@fife.gov.uk](mailto:pamela.stevenson@fife.gov.uk)

### **Mike Gordon**

Economic Adviser, Economic Development  
Business & Employability, Place  
Mobile: 07713 710208  
E: [mike.gordon@fife.gov.uk](mailto:mike.gordon@fife.gov.uk)

# Key Achievements 2023/24



## BUSINESS START UPS SUPPORTED BY BUSINESS GATEWAY FIFE

**614** NEW BUSINESS START UPS SUPPORTED

CREATING

**812** NEW JOBS

WITH A  
**20.6M**  
PROJECTED TURNOVER



## SUPPORTING EXISTING & GROWING BUSINESS

**2,789**  
BUSINESSES SUPPORTED



**136**  
BUSINESSES HAVE RECEIVED SPECIALIST ADVISORY SUPPORT

## BUSINESS GATEWAY TRAINING EVENTS

**118**  
WORKSHOPS DELIVERED

**617**  
ATTENDEES



## FINANCIAL SUPPORT

SME DEVELOPMENT FUND

**116** APPROVED **£268,339**

FIFE INVESTMENT FUND

**23** APPROVED  
**£153,950**  
FINANCIAL SUPPORT PROVIDED



## INWARD INVESTMENT

**£75.63M**  
VALUE OF INWARD INVESTMENT

**499**  
PROJECTED ADDITIONAL JOBS CREATED

**170**  
JOBS SAFEGUARDED

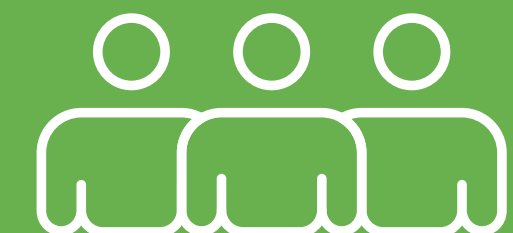


## TRADE DEVELOPMENT

**273**  
BUSINESSES SUPPORTED

**63**  
TRADE SHOWS, LEARNING JOURNEYS AND EVENTS

% OF COUNCIL CONTRACTS AWARDED TO LOCAL COMPANIES **35.08%**



## CULTURE OF ENTERPRISE

**82**  
SCHOOL EVENTS



**2,117** INSTANCES OF PUPIL ENGAGEMENT IN COE ACTIVITY

21 November 2024

Agenda Item No. 10

---

## **BUSINESS & EMPLOYABILITY SERVICES – ANNUAL SERVICE REVIEW REPORT 2023/2024**

---

**Report by:** Carol Connolly, Executive Director, Place.

---

**Wards Affected:** N/A

---

### **Purpose**

To present an overview of the Service, detail the service planning, change and improvement work undertaken in 2023/24 and to provide an assessment of performance to inform scrutiny and future service planning.

### **Recommendation(s)**

---

The scrutiny committee is asked to:

- consider and comment on the remodelled 'annual service review' report format and related products
- review the progress and performance of Business & Employability Services for 2023/24 and the activity undertaken in 2024/25 to date
- note the Service planning objectives for 2024/25 and the three-year direction of travel.

### **Resource Implications**

---

There are no resource implications arising from this report.

### **Legal & Risk Implications**

---

There are risks in not meeting Best Value requirements that can lead to additional monitoring/audit, external intervention and/or loss of public confidence.

### **Impact Assessment**

---

An EqIA is not required as this report does not propose any changes to policies or services.

### **Consultation**

---

Consultation is not required as the report does not propose a change to existing policies and practices.



## 1.0 Purpose of this report

---

- 1.1 This is the Business & Employability Services Annual Review for 2023-24. It looks back over the previous year and assesses how the Service has performed in relation to its priorities and challenges and looks forward to the changes and improvements that need to be considered next and the Service's priorities for the next 12 months.
- 1.2 In the report you will find:
- An overview of the Service's roles and responsibilities;
  - Budget and workforce information to put service delivery into context;
  - The key priorities the Service has been working to and how these relate to the Plan for Fife and council reforms;
  - An assessment of how the Service has performed in relation to these priorities;
  - Objectives and themes for Service delivery, change, and/or improvement going forward; and
  - Case studies showing examples of best practice and Service improvement.

This information is then used to inform annual service planning and the strategic direction of the Service over the next three years.

- 1.3 This approach to annual review and reporting is part of the Council's updated public performance reporting and scrutiny arrangements. More information on that and how the Council performs and compares with other local authorities can be found online here [www.fife.gov.uk/performance](http://www.fife.gov.uk/performance)
- 1.4 Performance information and related case studies for Business and Employability Services will be available online. [www.fife.gov.uk/performance](http://www.fife.gov.uk/performance)

## 2.0 Service Overview

---

### Key role and responsibilities 2023/24

- 2.1 Business and Employability Services is part of the Place Directorate and its key role is to lead delivery of Fife's Economic Strategy 2023-30, delivering interventions which help grow a stronger, greener and fairer economy for Fife.
- 2.2 The Service has the following specific responsibilities:
- **Supporting businesses** - delivering interventions which help businesses start-up and grow, including through support to specific sectors and the management of Fife Council's Business Gateway contract.
  - **Creating thriving places** by investing in business premises and infrastructure, improving Fife's built and natural heritage and developing and promoting Fife as a tourism destination.
  - **Increasing skills, training and fair work** by delivering employability initiatives to help clients in disadvantaged groups and local communities into jobs, particularly targeting young people and the long term unemployed.
  - **Managing Fife's engagement in regional economic partnerships** including City Region Deals and associated strategic growth projects.

## Budget breakdown 2023/24

2.3 The Service's budget is set out in Table 1 below. It relies on external income – revenue and capital funding - to fund its activities. Some funding is awarded as an allocation, some through a competitive bidding process; most tends to be for one year with limited capacity for carry-over into the following financial year. UK Government funding was secured from the Levelling Up and Shared Prosperity Funds; Scottish Government funding from the Place Based Investment, Vacant & Derelict Land and City Region Deal funds. Much of this income is then distributed to other council services or to third party organisations.

**Table 1: Business & Employability Service Budget**

|                               | Net<br>Expenditure<br>by Business<br>Area<br>23/24<br>£m | Provisional<br>Outturn<br>23/24<br>£m | Variance<br>23/24<br>£m | Budgeted FTE<br>by Business<br>Area<br>23/24<br>FTE |
|-------------------------------|--|---------------------------------------|-------------------------|---|
| Business & Employability      | 7.510  | 7.595                                 | 0.084                   | 132.49  |
| <b>Total Net Expenditure</b>  | <b>7.510</b>   | <b>7.595</b>                          | <b>0.084</b>            | <b>132.49</b>                                       |
|                               | Gross<br>Expenditure<br>23/24<br>£m                      | Provisional<br>Outturn<br>23/24<br>£m | Variance<br>23/24<br>£m |   |
| Employee Costs                | 7.834  | 8.687                                 | 0.853                   |   |
| Premises related expenditure  | 1.276  | 1.371                                 | 0.095                   |   |
| Transport Related Expenditure | 0.070  | 0.103                                 | 0.033                   |   |
| Supplies and Services         | 3.924  | 3.744                                 | -0.179                  |   |
| Third Party Payments          | 7.827  | 6.478                                 | -1.350                  |   |
| Transfer Payments             | 2.145  | 1.769                                 | -0.376                  |   |
| Support Services Charges      | 0.021  | 0.074                                 | 0.053                   |   |
|                               | <b>23.097</b>  | <b>22.225</b>                         | <b>-0.872</b>           |   |
|                               | Gross Income<br>23/24<br>£m                              | Provisional<br>Outturn<br>23/24<br>£m | Variance<br>23/24<br>£m |   |
| Internal Income               | -0.561   | -1.314                                | -0.753                  |   |
| External Income               | -15.026  | -13.316                               | 1.709                   |   |
|                               | <b>-15.587</b>   | <b>-14.630</b>                        | <b>0.957</b>            |   |

2.4 Funding for Fife's UK Shared Prosperity Investment Plan ends in March 2025. The UK Government announced in the Autumn Budget that the UK Shared Prosperity Fund is to continue for another year at 60% of 2024/25 levels. Funding from the Levelling Up Fund for the River Regeneration Projects in Levenmouth and Glenrothes is to continue to March 2026, but the provisional allocation to Dunfermline for culture projects is likely to be withdrawn. A decision on the UK Government's plans to replace the two funds (that in turn replaced the former EU Structural Funds) is expected in Spring 2025. Any reductions in investment from these funds will impact several economic development and employability programmes delivered by the Service and third sector partners. In



2024/25 approximately 50% of employability programmes delivered through the Opportunities Fife Commissioning Framework and economic development activity delivered by Business Gateway Fife or directly by the council is funded by UK Shared Prosperity Funding.

## Workforce profile 2023/24

2.5 The Service has a headcount of 183 people (around 132.49 full-time equivalent posts) located in three teams as shown below:

- 28 posts in Place, Programmes & Policies
- 129 in Employability & Employer Engagement
- 26 in Economic Development.

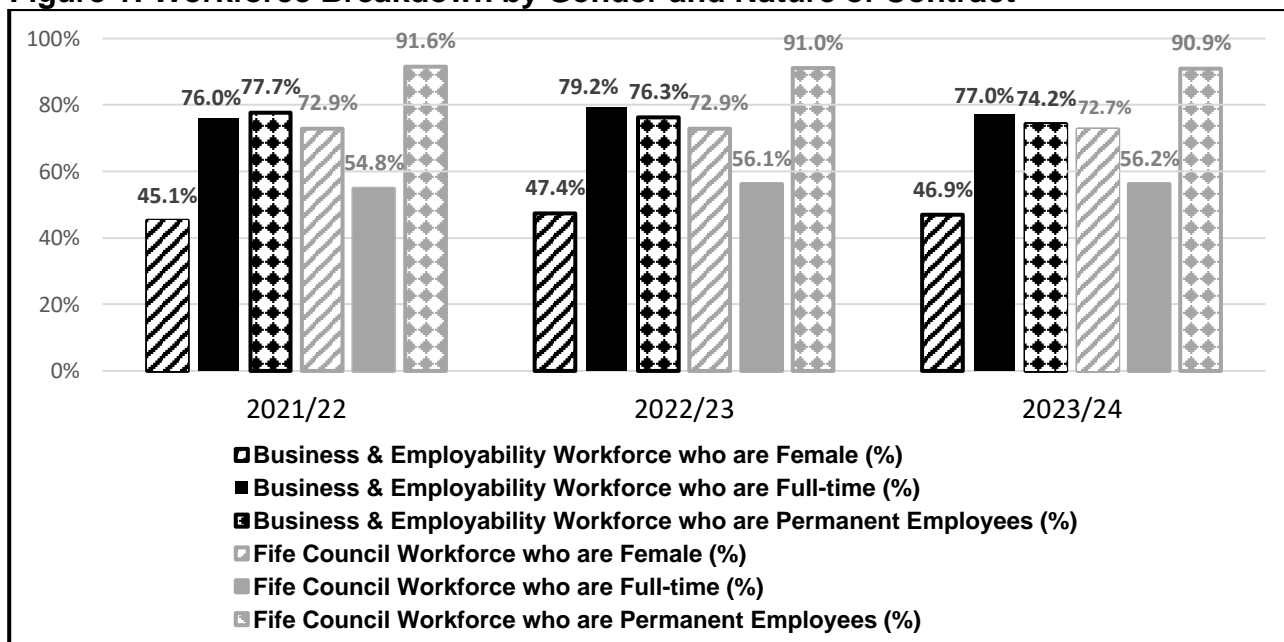
2.6 Figures 1 and 2 below detail some of the key characteristics of the Service's workforce.

### Gender Balance and Nature of Contract

2.7 The Service has a smaller proportion of its workforce who are female (46.9% compared to 72.7% of the council's workforce).

2.8 Only 74.2% of its workforce are on permanent contracts compared with 90.9% council wide. 57 roles in the Employability programme delivery team are on temporary contracts.

**Figure 1: Workforce Breakdown by Gender and Nature of Contract**



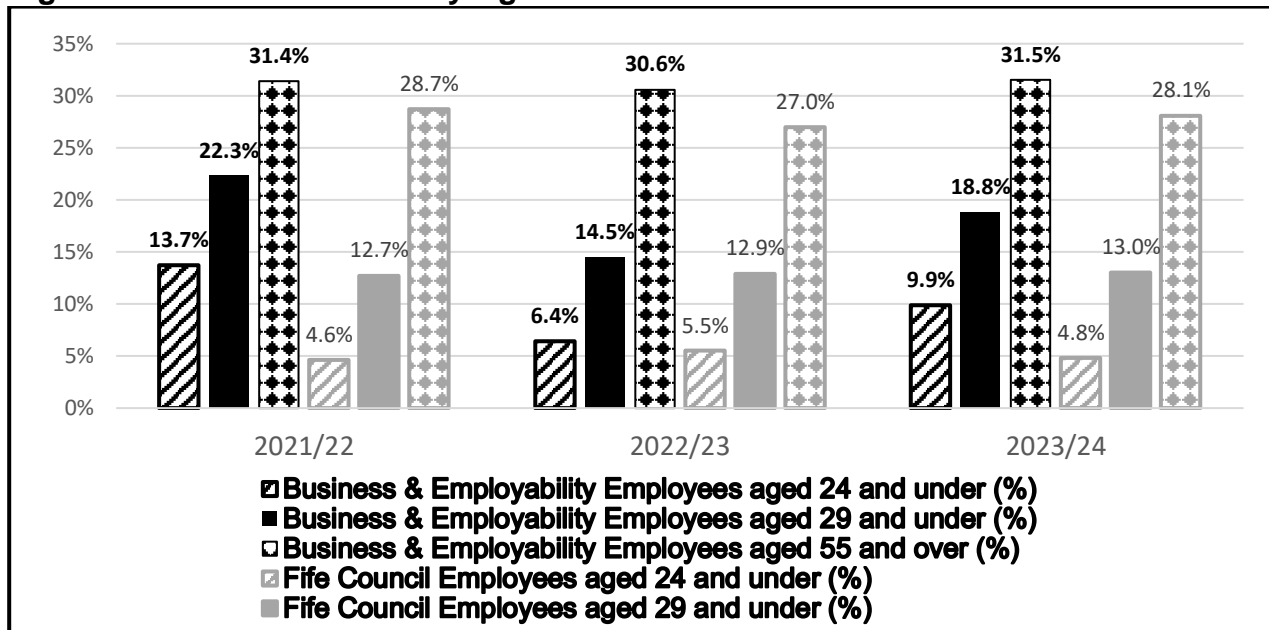
### Age Profile

2.9 Although the Service has a significant proportion of older workers, with nearly a third (31.5%) aged 55 or over, a higher proportion (18.8%) is under the age of 30 (compared with 13.0% council-wide). This is a result of succession planning carried out by the Service. Coaching and mentoring are also used to mitigate the risk of a capability gap arising from the loss of experience, relationships and networks when older workers retire.

2.10 The Service prioritises ongoing development to enhance skills and experience, particularly focusing on cultivating a young workforce and building project management capabilities.

2.11 Recruitment of qualified staff can be difficult for specific technical roles but other vacancies receive healthy levels of interest. The use of peer-to-peer networking to highlight opportunities helps promote vacancies.

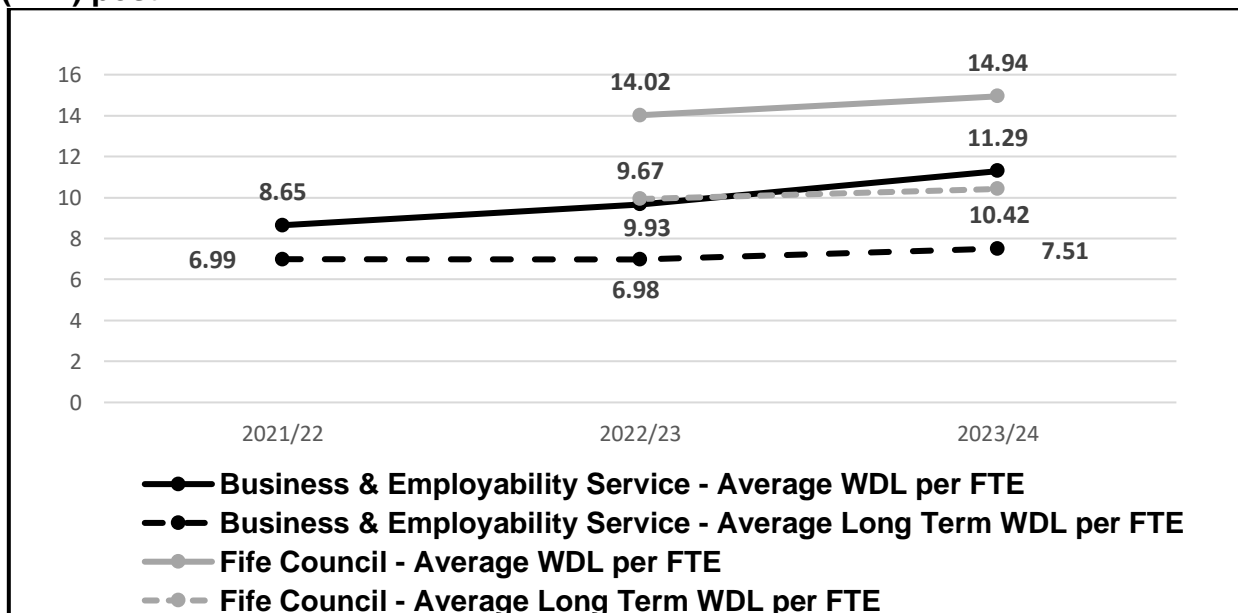
**Figure 2: Workforce Profile by Age**



### Staff Absences

2.12 Although managing absences creates pressure in the teams impacted, the Service's absence levels are lower than those for the council as a whole and long-term absence levels have been fairly stable over the past 3 years as shown in Figure 3. Absences tend to reflect major life events impacting individuals rather than a Service-wide pattern of significant absences.

**Figure 3: Average Number of Working Days Lost (WDL) per Full-Time Equivalent (FTE) post**



## 3.0 Priorities and Performance

---

### 3.1 Service Priorities 2023/24

3.1.1 The Service realigned its priorities to match those set out in the new Fife Economic Strategy 2023-2030, namely to:

1. **Support Local Businesses**
2. **Create Thriving Places**
3. **Deliver Skills, Training and Fair Employment**
4. **Work in Collaboration and Partnership.**

3.1.2 Fife's Economic Strategy also committed the Service to taking a **Community Wealth Building** approach to maximise the local impacts of investment in projects and programmes and to making sure that its interventions support the council's commitment to **tackling climate change**.

### 3.2 How we delivered

#### 3.2.1

##### Priority 1: Supporting Local Businesses

##### What we said

We would focus on:

- supporting new business start-ups and their early survival
- helping small and medium-sized local businesses to grow
- helping businesses accelerate their transition to net zero emissions and adopt digital technologies
- developing and strengthening local supply chains and optimise the level of public sector expenditure retained within Fife's economy.

##### What we achieved

##### Supporting new business start-ups and their early survival

Business Gateway Fife supported a total of 614 new business start-ups which created an estimated 812 new jobs (see separate Business Gateway Fife Performance Report).

##### Helping small and medium-sized local businesses to grow

A total of 668 Fife businesses were supported by the Service's economic development and employability activities. Whilst this was fewer than the previous year (852), more instances of support were given (1,249 compared with 1,014 in 2022/23).

The Economic Development team supported 273 businesses to attend and exhibit at 63 major trade shows, events and workshops.

A Skills & Training Needs in Fife survey was carried out with Fife College in February 2024 to help align the training provision on offer with the evolving needs of businesses.

Funding from the UK Government's Shared Prosperity Fund was used to deliver a SME (Small & Medium-Sized Enterprises) Development Grants Scheme aimed at supporting

the growth ambitions of local businesses. To date 111 grants have been approved amounting to £256k.

Tailored support given to Fife's key sectors included:

- A free business support programme delivered in response to the specific challenges faced by town centre and independent retail businesses.
- Support provided in partnership with Fife College and the National Manufacturing Institute Scotland to advanced manufacturing businesses.
- Support for the first Fife Food & Drink Week held in March 2024.
- A survey of farmers examining the demand for an abattoir in Fife.

### **Helping businesses accelerate their transition to net zero emissions and adopt digital technologies**

Funding from the UK Shared Prosperity Fund and other sources was used to provide a Business Efficiency Grant Scheme providing businesses with grants of up to £20k to support net zero and digital development ambitions. When the fund closed in April 2024 105 grants totalling £1.284m had been approved.

### **Developing and strengthening local supply chains and optimising the level of public sector expenditure retained within Fife's economy**

Economic Development's 14<sup>th</sup> Annual Fife Business Week in November 2023 included a Meet the Buyer event featuring a 'Construction Zone' bringing together key construction-related business and a 'What the Forth Green Freeport Means for Fife' session.

In September 2023 an inaugural 'Fit for Defence Programme' was delivered in partnership with Make UK Defence, providing targeted support to eight Fife-based businesses.

A new 'Build Fife Programme' ran for the first time over 8-weeks in February and March 2024. Delivered in partnership with Hub East Central Scotland and Tier 1 construction contractors, the programme provided 12 companies with skills and knowledge for trading in the construction sector.

The Alibaba Trade programme also ran for the first time in early 2024, giving six Fife businesses the opportunity to engage with Alibaba, the world's largest business-to-business e-commerce platform.

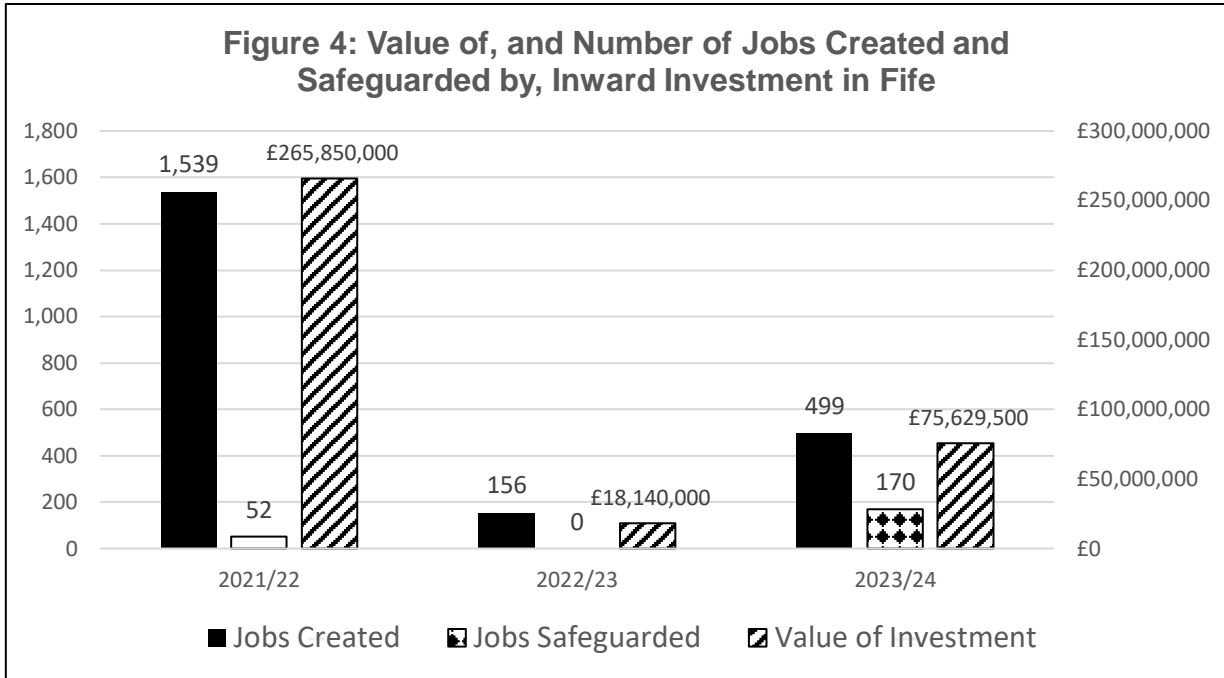
### **Attracting and supporting inward investment**

Investment prospectuses were produced for Levenmouth, Dunfermline and Kirkcaldy.

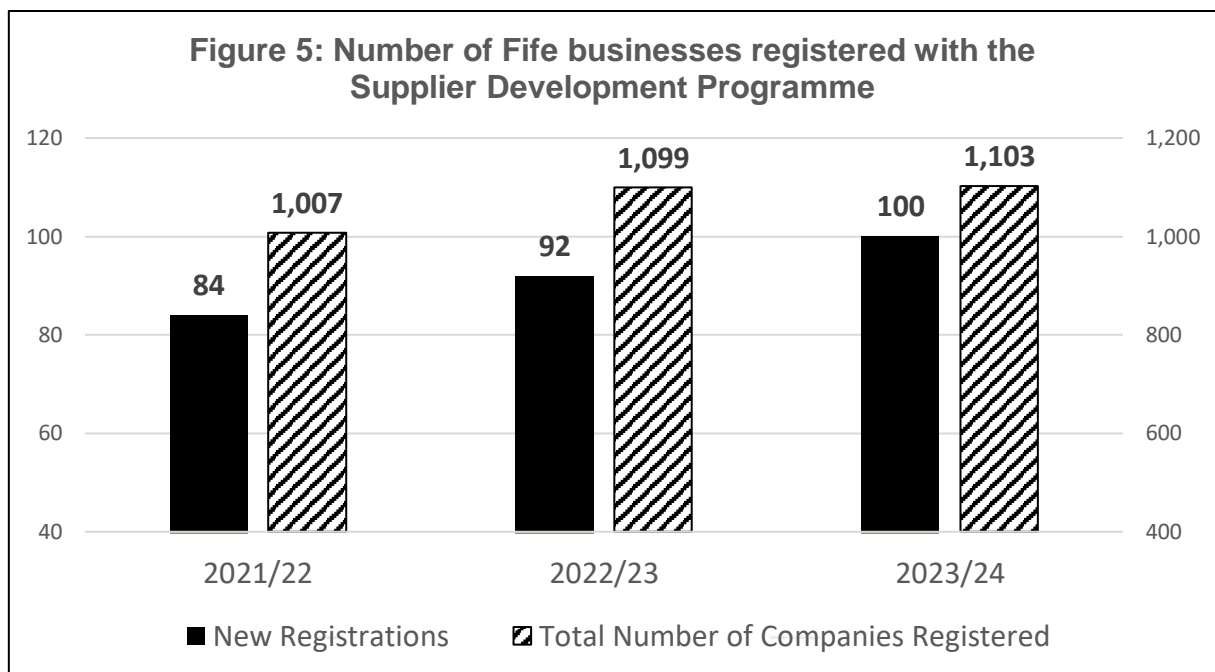
The City of Dunfermline's investment potential was showcased to national and international investors and developers at Scottish Cities Week in London in January 2024; in May Fife's top investment opportunities were showcased at the UK Real Estate Investment and Infrastructure Forum (UKREiF) in Leeds as part of the Scottish Cities Alliance.

## How we know

As a result of the support provided to new and existing businesses by the Economic Development team and Scottish Development International, £75.6m of inward investment was secured for Fife during 2023/24, investment that is estimated to create and/or safeguard 669 jobs (Figure 4).



There are now over 1,000 Fife businesses registered with the Supplier Development Programme to receive help to secure work with the public sector (Figure 5).



### 3.2.2

#### Priority 2: Creating Thriving Places

##### What we said

The Service will be at the centre of placemaking for our towns and city centres with the council's move to a place focus and the opportunities arising from Dunfermline's city status and the opening of the Levenmouth rail link.

##### What we achieved

###### **Providing high-quality, modern business premises**

Seven business units were completed at the new Levenmouth Business Park as part of the Fife Industrial Innovation Investment Programme (Fi3P) funded by the Edinburgh & South-East Scotland City Region Deal. A new industrial estate is under construction at Fife Interchange North, scheduled to open in early 2025.

The new units will be managed by the Service's Business Property Team which manages almost 350 industrial and office premises owned by Fife Council.

Investment in the Service's Business Property Portfolio in 2023/24 delivered a full internal refurbishment of Iona House in Kirkcaldy, new flooring at Kirkcaldy Business Incubator and new roofs at Fife Food Centre in Glenrothes and Dunfermline Business Centre.

###### **Developing serviced employment land sites and bringing vacant & derelict land and buildings back into productive use**

Investment continues to be made in servicing employment sites within the Council's control. A summary of site servicing work undertaken during 2023/24 can be found in Appendix 1.

Around 15 projects are being supported by funding from the Scottish Government's Vacant and Derelict Land Fund as detailed in Appendix 1.

###### **Delivering place-based investment to help revitalise and re-purpose Fife's key town and city centres**

The 5-year Inverkeithing regeneration programme is due to be completed in Spring 2025. The National Lottery Heritage Fund and Historic Environment Scotland approved the Round 1 applications for the Buckhaven Area Heritage Regeneration Scheme.

The Service continues to operate the Town Centre Building Improvement Grant Scheme, supporting 15-20 town centre businesses each year with grants of up to £10,000.

The £4.98m regeneration of Riverside Park in Glenrothes, funded by the UK Levelling Up Fund, is on target for completion in Spring 2025.

Town centre capital investment continues to be used to lever additional external funding. Recent investment includes improvements to Glenrothes bus station and pedestrian area at the Kino cinema, the completion of the Adam Smith Theatre refurbishment, and protective works at St Margaret's House in Dunfermline. The second phase of public realm improvements at Kirkcaldy waterfront and Volunteer's Green are now complete. Complex and protracted land acquisitions at Bonnygate Inner Court in Cupar are now moving with delivery expected to start during October 2025.

## Supporting & delivering investment in tourism infrastructure and events

A new Welcome to Fife Tourism Strategy was launched in December 2023 and the biennial Welcome to Fife tourism conference held in February 2024 was attended by over 150 people.

Fife's biggest ever consumer marketing campaign ran from October 2023 to February 2024. The campaign promoted Fife to over 8 million people and inspired more than 46,000 people to visit the welcometofife.com website (see case study in Appendix 2).

The Service also continues to support a Fife-wide programme of cultural events.

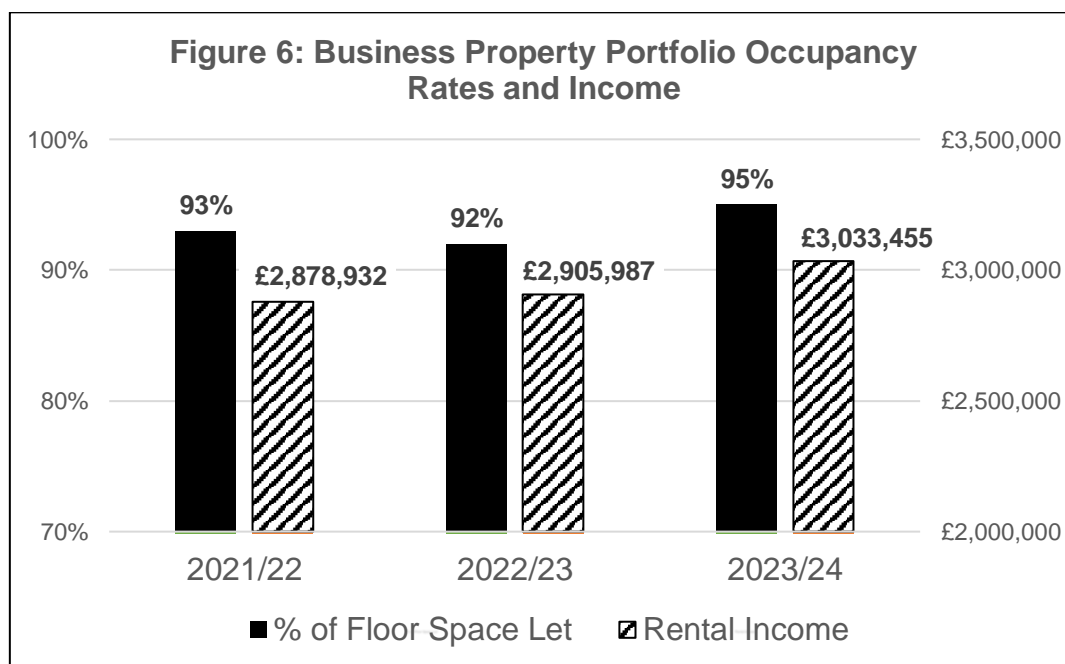
The City of Dunfermline was provisionally awarded £5m of Levelling Up Funding in the UK Government's 2024 Spring Budget towards cultural regeneration projects. A bid was submitted in May 2024; confirmation of the funding will be confirmed in the UK Autumn Statement. A Dunfermline City Tourism Action Plan, published in October 2023, to develop and promote Dunfermline as a city break destination, is now being delivered.

A tourism action plan was also developed for Levenmouth, promoting the area as a new destination to visit by train.

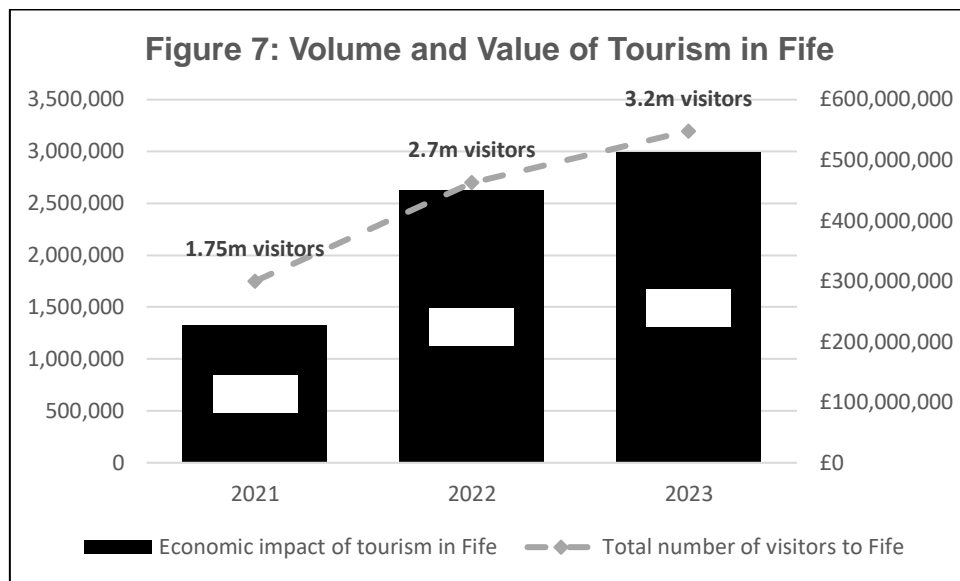
Further tourism interpretation and directional signage was added to the Forth Bridges Trail, work partly funded by the UK Shared Prosperity Fund. The Forth Bridges website and multi-channel social media programme continue to promote visits to the Forth Bridges area.

## How we know

At the end of 2023/24, units in the Service's Business Property Portfolio were 95% occupied and brought in over £3m in annual rent income (Figure 6).



In 2023, Fife received over 3 million visitors who brought in an estimated £513m to the area's economy (Figure 7).



Source: Fife STEAM Reports for 2012-2023, Global Tourism Solutions (UK) Ltd.

### 3.2.3

#### Priority 2: Delivering Skills, Training and Fair Employment

##### What we said

We will:

- bring together UK and Scottish Government funding for a cohesive delivery of employability activity across Fife with the implementation of a new Opportunities Fife delivery framework.
- target enhanced employability support to those most disadvantaged and furthest from the labour market.
- promote community benefits and fair work practices.

##### What we achieved

###### New Opportunities Fife Delivery Framework

The Opportunities Fife Partnership's employability strategy, priorities and structure was updated (see separate OFP Employability Pathway 2023-24 - Annual Performance Update Report).

###### Targeting enhanced employability support to those most disadvantaged and furthest from the labour market

In 2023/24, there were 628 unique participants on employability programmes run by the Service's Employability and Employer Engagement Team.

82 Modern Apprenticeships (MAs) were supported across various council services and a further 257 Fife residents were supported to undertake MAs with other employers.

Examples of the Employability and Employer Engagement Team's use of pre-employment training academies to help people experiencing barriers to employment can be seen in Appendix 3.



Matrix, Employability's sheltered workshop, continued to provide meaningful employment, training and development opportunities to individuals with disabilities and long-term health conditions. The team of 35 has completed several projects for customers including NHS Fife, NHS Glasgow, Edinburgh Council and HMP Grampian delivering: upholstery for theatre seating, hospital and clinic seating, refurbishment of Occupational Therapy equipment and private sales. Matrix was integral to the successful opening of the Methil Care Village in October 2023, providing the furniture and soft furnishings for this development.

The Service was also involved in developing a new progressive recruitment approach – the Life Chances Model - which was piloted in 2023/24. The approach, which focuses on giving people experiencing barriers to employment access to hard-to-fill, entry-level positions within the council has now been fully integrated in the council's recruitment strategy.

### **Ensuring school and college leavers have the skills, knowledge and opportunities to move on to positive destinations**

A programme of 82 different Culture of Enterprise activities was delivered to Fife's schools, providing a total of 2,177 instances of pupil engagement; 198 Foundation Apprenticeships were supported.

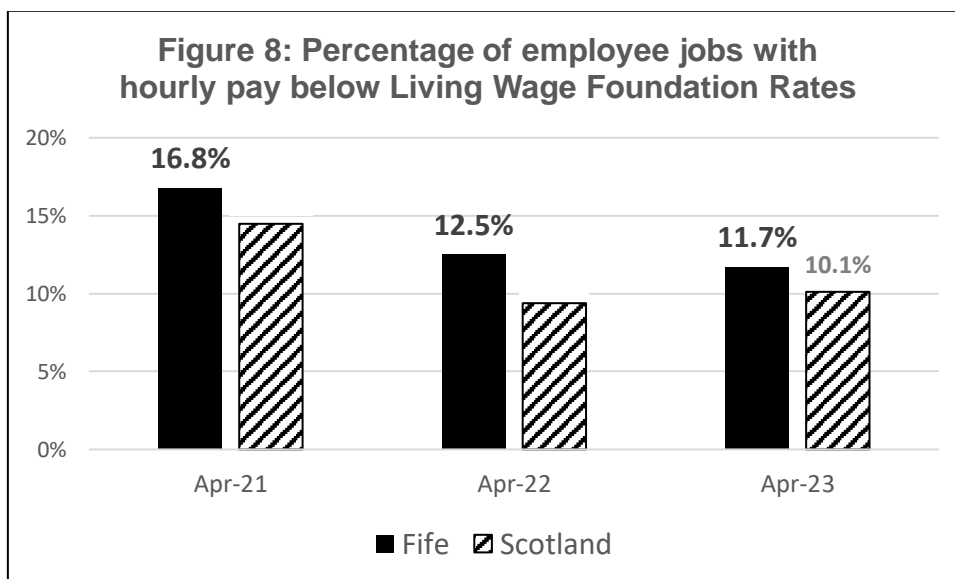
### **Promoting community benefits and fair work practices**

The 21<sup>st</sup> Fife Business Diversity Awards took place in December 2023. Organised by the Supported Employment Service, the awards showcase the achievements of individuals and employers in ensuring that people from all backgrounds are able to fulfil their work ambitions.

### **How we know**

Of the 628 people participating on employability programmes run by the Service's Employability and Employer Engagement Team, 413 or 65.8% went on to employment.

The proportion of employee jobs with hourly pay below the real living wage fell between 2021 and 2023 to its lowest level (11.7%) although this rate is still higher than the Scottish rate (10.1%) (Figure 8).



Source: Annual Survey of Hours and Earnings, Office for National Statistics

### 3.2.4

#### Priority 4: Working in Collaboration and Partnership

##### What we said

The Service will build on the opportunities arising from the move to regional scale working, including delivery of the Regional Prosperity Framework for Edinburgh & South-East of Scotland and refresh of the Regional Economic Strategy for the Tay Cities Region.

The Service will also be working across new geographies and partnerships, with the designation of the Forth Green Freeport providing significant employment and investment opportunities.

##### What we achieved

###### Edinburgh & South-East Scotland (ESES) City Region

In March 2024, the ESES joint Committee endorsed the third and final Business Case for the Fife i3 Programme. The Leaders continued to engage with the UK and Scottish Governments on the delivery priorities for the Regional Prosperity Framework.

###### Tay Cities Region

The Joint Committee for the Tay Cities Region focused on the approval of business cases for projects being funded through the Deal and initiated the review of the Regional Economic Strategy's priorities.

###### Forth Green Freeport (FGF)

In September, the FGF's Final Business Case was submitted to both governments. Work has started on the FGF Fair Work and Skills Proposal to develop a timescale for the skills that will be required to fill the projected 50,000 jobs that will be created and/or sustained by the project.

##### How we know

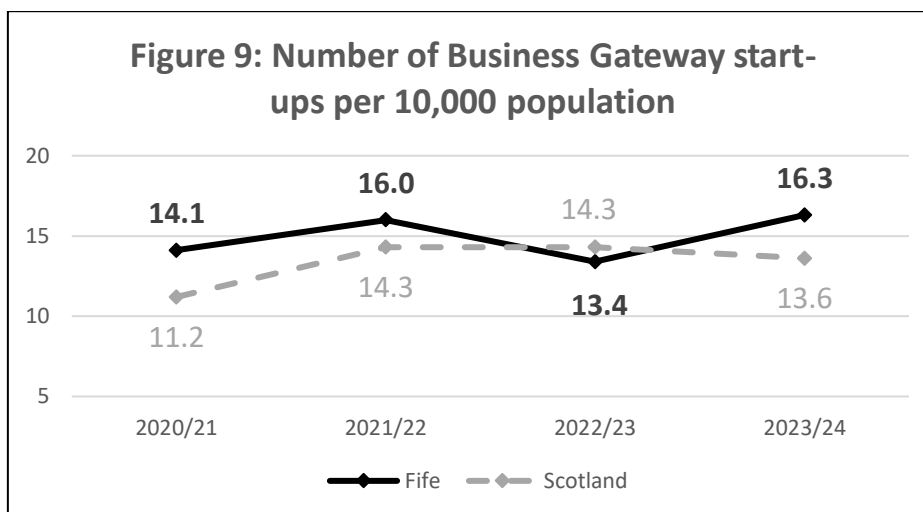
The Forth Green Freeport Outline Business Case and designation of three tax sites in Grangemouth, Rosyth and Mid-Forth (Leith and Burntisland) were approved by the Scottish and UK Governments in June 2024.

An infographic summarising the impact of the Edinburgh & South-East Scotland City Region's Integrated Regional Employability and Skills (IRES) Programme in Fife between 2019 and April 2024 can be seen in Appendix 4.

## 3.3 Wider operational performance

- 3.3.1 Business & Employability Services monitor several indicators to measure both the health of Fife's economy and the delivery of its interventions. Each year, Area Economic Profiles are produced which analyse the latest labour market and business base trends in Fife and in each of the council's seven committee areas. This information is then used to inform and direct delivery of the Service's economic development and employability activities. The latest Profiles can be seen here – [Fife Local Economic Profiles 2022/23](#)
- 3.3.2 There are 10 economy-related Local Government Benchmarking Framework (LGBF) indicators. [The latest set of LGBF data published covers 2022/23](#); 3 of the indicators have data for 2023/24.

- 3.3.3 Only one of these indicators directly reflects Business & Employability's performance in delivering its services (see Figure 9 below), the rest monitor wider outcomes and the health of Fife's economy.



- 3.3.4 The Service also submits data for input, activity and output indicators to the Improvement Service for inclusion in the annual Scottish Local Authorities Economic Development (SLAED) Indicators Framework Report. This enables the Service to benchmark the performance of its economy and its delivery of economic development and employability activities against other Scottish local authorities. The latest 2022-23 report can be seen here – [SLAED Indicators Framework Report 2022-23](#).

## 4.0 Priorities ahead

- 4.1 The Service will continue to work towards delivering the four priorities of the Fife Economic Strategy – Supporting Businesses; Creating Thriving Places; Delivering Skills, Training and Fair Employment; and Working in Collaboration and Partnership.
- 4.2 Given the uncertain nature of UK and Scottish Government funding and significant pressures on both revenue and capital budgets, the Service will seek other funding sources and take an agile, flexible and opportunistic response to new possibilities.
- Supporting Businesses**
- 4.3 The Economic Development team is investigating ways of using digital technologies to improve the efficiency of its business support services.
- 4.4 The Edinburgh & South-East Scotland City Region partners and Innovate UK are finalising an Innovation Action Plan whose immediate focus will be strengthening and promoting two innovation clusters, one of which is Sustainable Advanced Manufacturing at the Forth Green Freeport.
- 4.5 The Service will investigate how its business start-up support service can best support organisations with plural ownership in order to increase the number of social enterprises, co-operatives and community-owned businesses.

### **Creating Thriving Places**

- 4.6 The Service will continue to deliver new industrial premises and serviced employment land, including through the Fife i3 Programme and the Vacant and Derelict Land Fund.
- 4.7 The Service is testing an approach to develop a 10-year economy roadmap to develop and grow the City of Dunfermline's economy with a focus on culture. Lessons from this will help inform similar processes, starting with Levenmouth and Kirkcaldy, until each of the committee areas have a local economic impact plan based on the area's economic assets. The aim is to create more visibility of the pipeline of projects that are being undertaken and planned. These plans would also be used to leverage external income.

### **Delivering Skills, Training and Fair Employment**

- 4.8 Working with the Opportunities Fife Partnership, the Service will assess the implications of the Scottish Government's [Employability Strategic Plan 2024 to 2027](#). A more integrated process of employer engagement is being development to increase awareness of employability services and recruitment from Employability Pathway clients.

### **Working in Collaboration and Partnership**

- 4.9 The Scottish Government is proposing that the 12 regional economic partnerships (Tay Cities and Edinburgh & South-East of Scotland are two of these) are the primary method for engaging on the delivery of Scotland's Strategy for Economic Transformation.

### **Report contacts**

Morag Millar, Service Manager, Place, Programmes & Policies

Pamela Stevenson, Service Manager - Economic Development

Kirsty Martin, Service Manager – Employability & Employer Engagement

### **Appendices**

Appendix 1 – Servicing employment land sites and bringing vacant & derelict land and buildings back into productive use

Appendix 2 - Case Study: The Kingdom. Where it All Begins Destination Marketing Campaign

Appendix 3 - Case Study: Employability Academies

Appendix 4 - Edinburgh & SE Scotland City Region Integrated Regional Employability and Skills (IRES) Programme Impact in Fife

### **Background papers:**

1. [Fife Economic Strategy 2023-2030](#)
2. [Fife Vacant and Derelict Land Audit Report](#)

## Appendix 1

### Servicing employment land sites and bringing vacant & derelict land and buildings back into productive use

#### Servicing employment land sites

The following site servicing projects and feasibility studies were carried out during 2023/24:

- *Lochgelly Industrial Park* – delivery of ground stabilisation, road surfacing and associated utilities funded through the Fi3P and the Vacant and Derelict Land Fund (VDLF). The works have provided a total of 2ha of serviced employment land all of which has now been either sold or is under offer of sale.
- *Fife Interchange North, Dunfermline* – the construction of an access road and provision of utilities, surface water infrastructure and associated landscaping which have been funded as part of the Fi3P. The proposal has delivered serviced employment land extending to 3.24ha. Business units extending to a total of c2,260 sq m of are now under construction on the site by Fife Council as part of the Fi3P and site of 1.99 ha is under offer to an inward investor who proposes to construct a manufacturing facility extending to c2,700 sq m.
- *Mountfleurie Industrial Estate, Leven* - a site investigation exercise and feasibility study were undertaken to support the proposal to deliver site servicing on a vacant and derelict site extending to c1.07ha. It is proposed the delivery of servicing works will be funded through the Levenmouth Reconnected Programme and VDLF.
- *Levenmouth Business Park, Buckhaven* – the provision of landscaping, sub-station, and a Sustainable Urban Drainage System. The works were funded through Fi3P; Capital Programme; VDLF as well as the approved Tax Increment Financing (TIF) initiative. The works have delivered a total of c8.5ha of serviced employment land.
- *Fife Interchange South, Dunfermline* - a site feasibility and design study has been undertaken to support site servicing proposals at Fife Interchange South, Dunfermline which will deliver a total of c10 ha of serviced employment land. It is proposed the site servicing works will be funded through the Scottish Enterprise/Fife Council Joint Venture, Capital Programme, section 75 monies and approved TIF initiative.
- *Rolling Site Servicing Programme* – a site feasibility study was undertaken in respect of a number of sites including Dunnikier Business Park, Kirkcaldy; Westwood Park, Glenrothes; Wheatfield Place, Kirkcaldy; Midfield Road, Kirkcaldy; Sandybrae, Kennoway and Dalton Road, Glenrothes. The feasibility study has been undertaken with support of funding through the UK Shared Prosperity Fund. The site servicing works are proposed to be funded through an approved allocation of £6.6m as part of the Council's capital plan.

#### Vacant and Derelict Land

In 2023, there were 203 sites (713 hectares) of vacant & derelict land across Fife. Derelict land has a broader impact than vacant land in terms of total area (604.6ha) and in the number of individual sites (154). South & West Fife contains the largest proportion of

vacant & derelict land (49% of Fife's total). More information can be accessed from the annually published report, alongside an interactive map of sites, on the council's Land Audits webpage: [Planning information and land use audits | Fife Council](#)

Since 2015/16, Fife Council has been one of only five of Scotland's 32 local authorities to receive funding from the Scottish Government's Vacant and Derelict Land Fund (VDLF). In 2023/24 Fife was awarded £1.621m of funding; at present around 15 projects are being supported including:

- industrial estate regeneration across Fife, including support to the Fi3 programme. This includes circa £3.5m of VDLF investment on sites at Hillend and Donibristle (Dalgety Bay); Muiedge and Mountfleurie (both in Levenmouth); The Avenue (Lochgelly); and Queensway Industrial Estate (Glenrothes).
- Town centre regeneration projects in Lochgelly, Cupar and Cowdenbeath projected to deliver commercial property and 100 affordable homes.
- The regeneration of buildings in Ravenscraig Walled Garden in Kirkcaldy.
- Activity in support of Climate Fife Plan and its associated Action Plan including feasibility work to assess the potential use of vacant and derelict land in minewater geothermal heat schemes.
- The acquisition and remediation of a site in Rosyth for the creation of a memorial to a Polish Navy World War II submarine lost on patrol in 1940.

## Appendix 2

### Case Study: The Kingdom. Where it All Begins Destination Marketing Campaign

The Service's tourism team, under the Welcome to Fife brand, commissioned a winter 2023/24 destination marketing campaign, with the aim of raising awareness of Fife as a visitor destination, driving visits to the Welcome to Fife website, and ultimately increasing the number of visitors to Fife. This was aimed at young families and retirees, in Scotland and the North of England.

**The Kingdom. Where It All Begins** was the biggest campaign Welcome to Fife has ever delivered. The campaign had to grab attention in a busy marketplace, clearly convey the abundance of things to experience in Fife, establish an emotional connection and to tap into trends such as wellness and sustainability.

The campaign consisted of:

- A new landing page on the Welcome to Fife website - [Fife Icons | Welcome to Fife](#)
- New destination video - [The Kingdom. Where it all Begins. \(youtube.com\)](#)
- Paid social media campaign through Meta, YouTube and Google
- Influencer activity with @watchmesee and @traveltwo
- [The East Neuk of Fife: 17 Must Do's from Elie to Kingsbarns - Watch Me See](#)
- [Hidden Treasures in the Kingdom of Fife - TravelTwo](#)
- Online Travel Agent advertising with Expedia, Hotels.com, Vrbo and Tripadvisor
- Media partnerships with National Geographic and Coast Magazine
- [How to spend a long weekend in Fife, Scotland's ancient kingdom \(nationalgeographic.com\)](#)
- [Discover Fife - Coast Magazine](#)
- A toolkit to enable businesses to use the brand assets for their own benefit - [Welcome-to-Fife-CampaignToolkit.pdf \(welcometofife.com\)](#)

The main campaign was supplemented by area campaigns for Dunfermline to promote as a city break destination, and Levenmouth to celebrate the opening of the new rail line.

The main campaign results show that the campaign was a great success and performed well against the objectives:

- Raise awareness of Fife as a visitor destination – 8,006,175 reach/impressions through social media activity, 29,237 digital article views, 11,380 video views.
- Drive visits to the Welcome to Fife website – 46,826 clicks to landing page
- Ultimately increase visitors to Fife – online travel agent activity led to £341,394 gross bookings to Fife.

The online travel agent activity delivered a return on advert spend of 9.8 (anything above 2 is considered to be good) and resulted in a very strong economic impact for Fife. The paid social media campaign delivered exceptional results and was a very cost-effective way of targeting a north of England market. The content created with media partners produced strong results, with National Geographic stating that it was one of their best performing articles ever.

Due to the success of the campaign, the same creative brief and messaging will be used for a winter 2024/25 campaign, to drive further destination awareness and convert this to actual visits.



## Images from the campaign:

### Social media campaign – retirees



### Social media campaign – families





## Coast Article



**DISCOVER A SCOTTISH COASTAL BREAK WITH A DIFFERENCE**

Escape to The Kingdom of Fife and explore its magnificent coastal path

**W**hen you think of holidaying on the coast, you might think of sandy beaches, fishing boats and cliffs covered in beautiful views, but a coastal break to The Kingdom of Fife offers an alternative view. Discover Scotland's gemstone coastline, featuring heritage and world-class food and drink.

The region is an ancient Scottish kingdom with a stunning coastline that boasts one of Scotland's best beaches and the longest, continuous coastal path in the country – the Coastal Path. Stretching for an impressive 117 miles, it offers you the chance to complete the route in sections, each with its own character and distinct local history and charm.

So, what can you experience all of the things you'd be expecting for the coast? You'll discover the region's rich history, enjoy some of the best food and drink in Scotland, enjoy what's at the heart of the region's life.

**7 SURPRISING EXPERIENCES ON FIFE COASTAL PATH**

- 1 The linked walking route known as the World's Best Coastline, offering stunning views of the Fife coastline.
- 2 Discover the world's oldest distillery, James Watson & Co., and enjoy a glass of the finest Scotch whisky.
- 3 Discover the world's oldest distillery, James Watson & Co., and enjoy a glass of the finest Scotch whisky.
- 4 The Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans, and the Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans.
- 5 The Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans, and the Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans.
- 6 The Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans, and the Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans.
- 7 The Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans, and the Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans.

**TAKE A CLOSER LOOK AT THE FIFE COASTAL PATH**

- Discover the world's oldest distillery, James Watson & Co., and enjoy a glass of the finest Scotch whisky.
- The Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans, and the Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans.
- The Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans, and the Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans.
- The Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans, and the Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans.
- The Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans, and the Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans.
- The Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans, and the Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans.
- The Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans, and the Fife coast is a treasure trove of ancient ruins, from the Picts to the Romans.



**WIN A LUXURY COASTAL BREAK – TO THE KINGDOM OF FIFE**

We have teamed up with Welcome to Fife to offer one Coast reader the chance to win an unforgettable break to Scotland's spectacular east coast

**F**ife is a region like no other, offering a unique blend of history, culture, and natural beauty. Discover the world's oldest distillery, James Watson & Co., and enjoy a glass of the finest Scotch whisky.

**WIN A LUXURY COASTAL BREAK – TO THE KINGDOM OF FIFE**

We have teamed up with Welcome to Fife to offer one Coast reader the chance to win an unforgettable break to Scotland's spectacular east coast

**YOUR PRIZE FOR TWO ADULTS**

- A 7-day, 6-night stay at the Fife Coast Hotel, including breakfast and dinner.
- A 7-day, 6-night stay at the Fife Coast Hotel, including breakfast and dinner.
- A 7-day, 6-night stay at the Fife Coast Hotel, including breakfast and dinner.
- A 7-day, 6-night stay at the Fife Coast Hotel, including breakfast and dinner.
- A 7-day, 6-night stay at the Fife Coast Hotel, including breakfast and dinner.
- A 7-day, 6-night stay at the Fife Coast Hotel, including breakfast and dinner.
- A 7-day, 6-night stay at the Fife Coast Hotel, including breakfast and dinner.

**HOW TO ENTER**

Follow us on Facebook and Twitter for more information and to enter the competition. The competition closes on 31st March 2024.

**Which Fife village is Scotland's most complete example of a village from the 17th and 18th centuries?**

A. Gullane  
B. Gullane  
C. Gullane

## Appendix 3

### Case Study: Employability Academies

The Service's Employability and Employer Engagement Team is using a pre-employment training academy approach to help people in Fife experiencing barriers to employment.

Examples of three academies that were delivered in 2023/24 are below.

#### Community Improvement Squad Academy

A Community Improvement Squad Academy (CISA), based in Levenmouth, was launched in partnership with Grounds Maintenance Service, other council services and external third sector organisations. The programme focuses on enabling participants to gain experience in an outdoor work environment, whilst receiving employability support and improving their local community.

Class-based learning was provided by Raeburn Training and Fife Council's training hub at the Skills Development Centre in Kirkcaldy. Training experiences so far have included undertaking works at Arden House in Leven, the promenade and Fife Heritage Railway. CLEAR, a third sector organisation in Levenmouth, also provided knowledge and experience for the CISA squads. In turn, CLEAR benefitted from receiving more hands-on help to achieve their planned work which would not have been possible with their existing volunteer workforce.

The CISA is increasing its partnership with Grounds Maintenance Service (GMS), Fife's largest employer in this sector.

The benefits of this approach are:

- Equips potential GMS job applicants with essential criteria, skills and experience needed to progress into work with minimum induction and training.
- Provides an alternative recruitment pathway for people struggling to navigate mainstream recruitment processes
- Quicker turnaround recruitment for harder to fill vacancies or that require a fast-track recruitment process
- Meeting seasonal demands
- Job applicants who come through this pathway are likely to be invested in the opportunity, come from more diverse backgrounds, meet essential criteria and will participate well in interview and selection processes.
- Allows outdoor works for community projects that benefit the community and provides participants with real work experience to enhance their chances of securing more sustainable work.
- Builds GMS capacity to develop and sustain diverse workforces.



### **Lochore Meadows Green Skills Academy**

Delivered in partnership with Lochore Meadows Country Park and Community Learning and Development, the 3-month outdoor Access to Industry and Meta Skills (AIMS) employability project focuses on upskilling local young people interested in working in environmental and land-based industries. The programme is designed to prepare participants for the job application and interview process as well as providing relevant Health and Safety training and outdoor work experience.

During the project, participants undertook various employability activities (with the centerpiece of the activity being the rebuild of the Roundhouse on Lochore Meadow's Tod Island that was destroyed by fire in 2022), along with accredited training.

The Academy was targeted at school leavers aged 16 -18 who were not in education, employment or training; priority was given to clients who were facing additional barriers to gaining employment. Focusing on local schools and local young people contributed to the community wealth building approach of this programme, ensuring ongoing support into a positive outcome for those who took part.



### **Babcock PSO Academy**

This bespoke pre-employment training academy was delivered in partnership with Kingdom Works (the Kingdom Group's employability project) and international defence, aerospace and security company, Babcock, as part of a wider exercise to recruit new Production Service Operators (PSOs) at Babcock's advance manufacturing and shipbuilding facility in Rosyth.

The innovative, 2-week programme gave unemployed individuals the chance to progress directly to the second stage of the PSO recruitment process with participants guaranteed a place at the Babcock assessment centre.

As well as help to build their employability and interview skills, participants received top-quality, industry-recognised health and safety training from Raeburn Training,

All 14 people attending the academy were offered a place at the Babcock assessment centre, with 10 then being offered employment and 9 accepting a PSO job with the company.

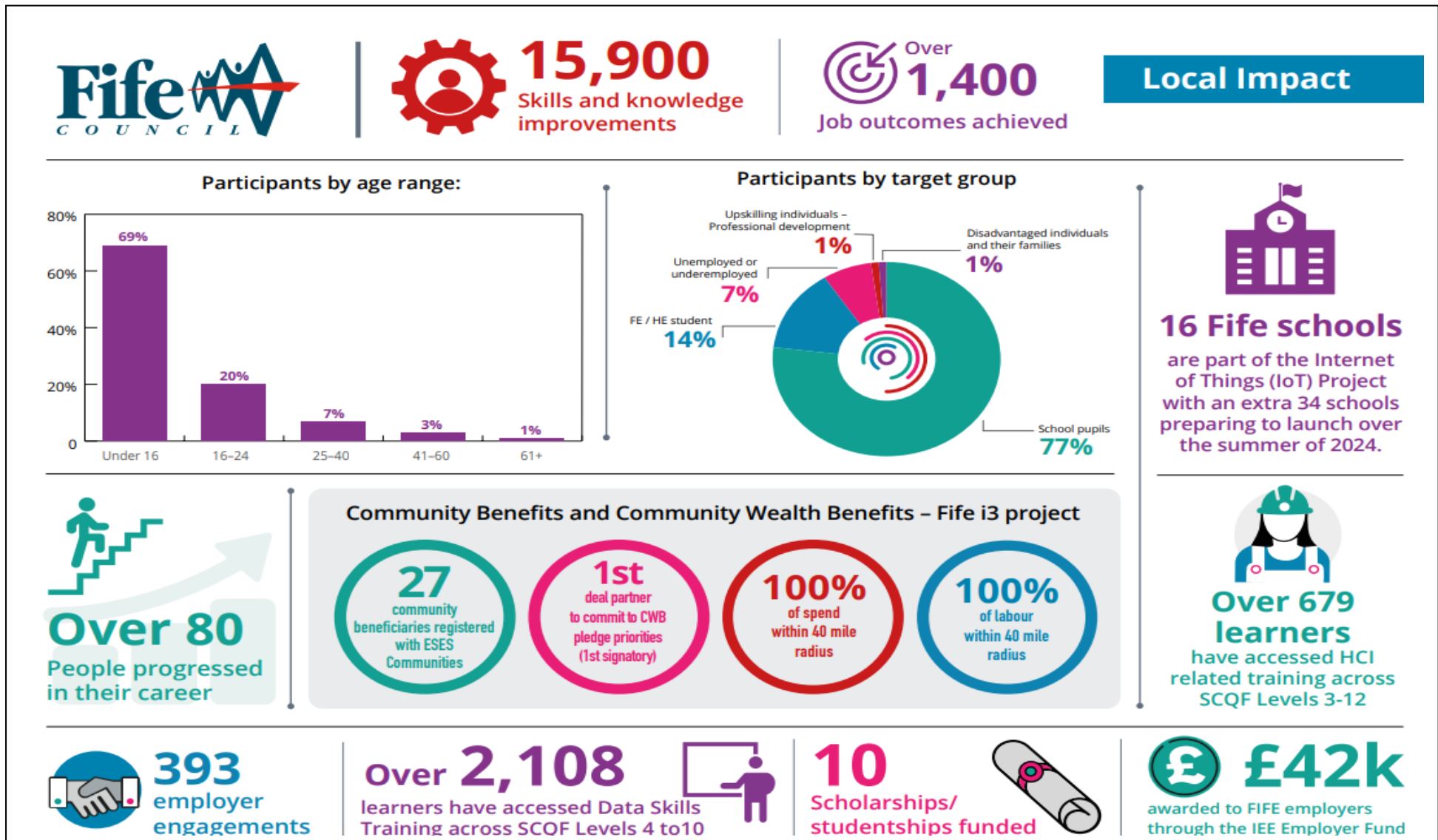


The pre-employment academy was part of the wider Babcock PSO Training Programme developed and delivered by Babcock in partnership with Fife College, Fife Council, Kingdom Works and Trade Unions to address skills shortages in the shipbuilding industry. The PSO Training Programme, the first of its kind in the UK, is focused on attracting people from a range of backgrounds and experiences, including those not currently in education, employment or training and living in areas of higher deprivation. Since the launch of the programme in April 2022, Babcock has employed more than 150 PSOs and will create a further 350 PSO roles over the next four years. The programme has been recognised both by the UK Ministry of Defence (MOD) Sanctuary Awards, winning this year's Social Value Category and by the Centre for Engineering, Education and Development (Ceed) which awarded the programme the Transformational Change through Education and Skills Award.



## Appendix 4

### Edinburgh & SE Scotland City Region Integrated Regional Employability and Skills (IRES) Programme Impact in Fife



Source: [IRES Programme Impact: Edinburgh & SE Scotland City Region Deal regional and local achievements to April 2024](#)

21 November 2024

Agenda Item No. 11

---

## **2024/25 Revenue Monitoring Projected Outturn – Planning Service, Business and Employability Service**

---

**Report by:** Eileen Rowand, Executive Director, Finance and Corporate Services  
Carol Connolly, Executive Director, Place

---

**Wards Affected:** All

---

### **Purpose**

---

The purpose of this report is to give members an update on the projected outturn financial position for the 2024/25 financial year for the areas in scope of the Finance, Economy & Corporate Services Scrutiny Committee.

### **Recommendations**

---

Committee is asked to consider the current financial performance and activity as detailed in this report.

### **Resource Implications**

---

None.

### **Legal & Risk Implications**

---

There are no direct legal implications arising from this report.

### **Impact Assessment**

---

An EqlA has not been completed and is not necessary as no change or revision to existing policies and practices is proposed.

### **Consultation**

---

None.

## 1.0 Background

---

- 1.1 The purpose of this report is to advise Members of the projected outturn for the Executive Director, Planning, and Business and Employability Services, for the 2024-25 Revenue Budget, and to highlight the major variances as at August 2024. This is the second monitoring report to the Scrutiny Committee for the 2024-25 financial year.
- 1.2 There were no specific savings included in the preparation of the 2024-25 Revenue Budget, therefore a savings tracker is not required as part of financial reporting for the 2024-25 financial year.

## 2.0 Issues

---

- 2.1 Projected Outturn
  - 2.1.1 The projected overspend for the areas falling under the scope of this committee is £0.016m. A summary of the 2024/25 projected out-turn for the areas under the scope of this committee is detailed in Appendix 1. This shows projected expenditure against budget across the service headings within the Directorate. It should be noted that the balances are extracted from the ledger system and are shown as rounded thousands. This may mean that there are some rounding differences contained within the appendices, but these are immaterial values that do not impact on the overall financial position. The following paragraphs provide a brief explanation of the main areas where there are significant variances (+/- £0.250m) to budgets.

## 3.0 Major Variances

---

- 3.1 There are no major variances to report as at August 2024.

## 4.0 Conclusions

---

- 4.1 The projected outturn position for the areas under the scope of the Finance, Economy and Corporate Services Scrutiny Committee is net overspend of £0.016m 0.2%.

### List of Appendices

- 1 Projected Outturn 2024/25 Summary

### Background Papers

None

**Report Contact**

Ashleigh Allan

Finance Business Partner

Finance Service

Email: [Ashleigh.allan@fife.gov.uk](mailto:Ashleigh.allan@fife.gov.uk)



| BUDGET MONITORING REPORT SUMMARY<br>FINANCE, ECONOMY & CORPORATE SERVICES<br>AUGUST 2024 |                                    |                           |                |               | Appendix 1                             |  |
|--|------------------------------------|---------------------------|----------------|---------------|--|--|
| PLACE DIRECTORATE  | CURRENT<br>BUDGET<br>2024-25<br>£m | FORECAST<br>2024-25<br>£m | VARIANCE<br>£m | VARIANCE<br>% | PREVIOUS<br>REPORTED<br>VARIANCE<br>£m | MOVEMENT FROM<br>PREVIOUS<br>REPORTED VARIANCE<br>£m |
| <b>TOTAL COST OF SERVICES</b>  | <b>6.012</b>                       | <b>6.028</b>              | <b>0.016</b>   | <b>0.27%</b>  | <b>0.340</b>                           | <b>(0.324)</b>                                       |
| <b>LESS: CORPORATELY MANAGED ITEMS</b>   | <b>(1.984)</b>                     | <b>(1.984)</b>            | <b>(0.000)</b> | <b>0.01%</b>  | <b>0.000</b>                           | <b>(0.000)</b>                                       |
| <b>SERVICE MANAGED NET BUDGET</b>  | <b>7.996</b>                       | <b>8.012</b>              | <b>0.016</b>   | <b>0.21%</b>  | <b>0.340</b>                           | <b>(0.324)</b>                                       |
| <b><u>ANALYSIS OF SERVICE MANAGED BUDGET</u></b>   |                                    |                           |                |               |  |  |
| PLACE EXECUTIVE DIRECTOR   | 0.464                              | 0.444                     | (0.020)        | -4.29%        | 0.000                                  | (0.020)  |
| PLANNING   | 1.353                              | 1.428                     | 0.076          | 5.59%         | 0.228                                  | (0.152)  |
| BUSINESS & EMPLOYABILITY SERVICE   | 6.180                              | 6.140                     | (0.039)        | -0.64%        | 0.112                                  | (0.151)  |
|  | <b>7.996</b>                       | <b>8.012</b>              | <b>0.016</b>   | <b>0.20%</b>  | <b>0.340</b>                           | <b>(0.324)</b>                                       |

21 November 2024  
Agenda Item No. 12

---

## 2024/25 Capital Monitoring Projected Outturn – Business and Employability Service

---

**Report by:** Eileen Rowand, Executive Director, Finance and Corporate Services  
Carol Connolly, Executive Director, Place

---

**Wards Affected:** All

---

### Purpose

---

The purpose of this report is to provide an update on the Capital Investment Plan and advise on the projected financial position for the 2024/25 financial year for the areas in scope of the Finance, Economy & Corporate Services Scrutiny Committee.

### Recommendation(s)

---

Committee is asked to consider the current financial performance and activity as detailed in this report.

### Resource Implications

---

None.

### Legal & Risk Implications

---

None.

### Impact Assessment

---

An EqlA has not been completed and is not necessary as no change or revision to existing policies and practices is proposed.

### Consultation

---

None.

## 1.0 Background

---

- 1.1 This report summarises the projected capital outturn for the areas falling under the scope of this Committee for 2024/25. Projected expenditure is £16.063m, representing 99% of the approved capital programme for 2024/25.
- 1.2 Appendix 1 shows an analysis of specific projects in the current capital investment plan which have a budget greater than £1.000m and analyses total project cost rather than only in year spend.
- 1.3 Appendix 2 details the projected expenditure against budget for each project, along with any associated income.

## 2.0 Issues, Achievements & Financial Performance

---

### 2.1 Key Issues / Risks

- 2.1.1 Appendix 1 details the total cost forecast position for all capital projects within the areas under the scope of the Committee with an overall value of £1.000m and over. The key risks associated with the major projects are noted below.
- 2.1.2 Across the Capital Investment Plan there continues to be risk that both the timing and the costs of projects are adversely affected by the current economic climate. Throughout the programme, issues are continuing to be identified in relation to the supply of construction materials, the consequences of which have been considered and reflected in the Capital Investment Plan review which was approved by Fife Council on 22 June, 2023. Monitoring of the impact of any additional costs on projects still in their infancy will continue and any significant impact on timescales and associated risks will be reported to this committee. Where appropriate, any known impact on timing of delivery of projects has been built in to the rephased plan and the overall scale of any additional costs or further delays has been considered as part of the review of the Capital Investment Plan.

### 2.2 Major Projects – Potential Risks and Actions

- 2.2.1 There are no additional or new risks arising in the current reporting period from any of the major projects being progressed.

### 2.3 Financial Performance – 2024/25 Projected Outturn

- 2.3.1 Appendix 2 provides a summary of the projected outturn for each project for the financial year 2024/25. The appendix shows a projected outturn of £16.063m against a Capital Investment plan of £16.145m, a spending level of 99%. The variance of (£0.081m) is slippage which relates to delays in delivery and projects are still expected to be delivered in full and within budget, albeit over a longer timeframe.
- 2.3.2 Appendix 2 also provides a summary of the projected outturn for each project for the financial year 2024/25 for capital income. The appendix shows a projected outturn of £17.195m against a capital income budget of £16.748m.

2.3.3 The reasons for significant variances (+/-£0.500m) are detailed in paragraph 2.4.

2.3.4 Slippage is the term used to describe projects that are expected to spend less than the budget allocation in a particular year due to a delay in timing on the delivery of the project. This is not uncommon in the capital programme and the reasons for this can be wide and varied. Advancement is the term used to describe projects that are expected to spend more than the budget allocation in a particular year due to an acceleration of the budget from future years.

## **2.4 Significant Variances**

### **2.4.1 Industrial Investment Programme income – over recovery of (£0.733m)**

Income on the i3 Programme is projected to advance by £0.733m. This is an increase in projected capital receipts for 2024/25 as progress with the developed site disposal at Fife Interchange is now earlier than expected.

## **3.0 Conclusions**

---

3.1 The total 2024/25 approved programme for the areas in scope of the Finance, Economy and Corporate Services Scrutiny Committee is £16.145m. The projected level of expenditure is £16.063m, which represents 99% of the total programme, resulting in slippage of £0.081m.

3.2 The management of capital resources require us to look across financial years, as well as within individual years. The current year performance is only a snapshot of the existing plan, and the Directorate will adjust expenditure levels within future years of the plan to accommodate the advancement or slippage of projects.

## **List of Appendices**

1. Total Cost Monitor
2. Capital Monitoring Report

## **Report Contact**

Ashleigh Allan  
Finance Business Partner  
Finance Service  
Email: [ashleigh.allan@fife.gov.uk](mailto:ashleigh.allan@fife.gov.uk)

FIFE COUNCIL  
 FINANCE, ECONOMY AND CORPORATE SERVICES SCRUTINY COMMITTEE  
 PLACE DIRECTORATE - BUSINESS AND EMPLOYABILITY SERVICE  
 CAPITAL INVESTMENT PLAN 2024-33  
 TOTAL COST MONITOR - MAJOR CAPITAL PROJECTS

| Project                                       | Service                   | Original<br>Approved<br>Budget<br>£m | Current<br>Project<br>Budget<br>£m | Total<br>Outturn<br>£m | Variance<br>£m | Variance<br>% | Current Project<br>Status | Expected Project<br>Completion Date |
|---|---------------------------|--------------------------------------|------------------------------------|------------------------|----------------|---------------|---------------------------|-------------------------------------|
| Fife Interchange Business Units - Phase 1 & 2 | Inclusive Growth and Jobs | 8.130                                | 11.519                             | 11.519                 | -              | 0.00%         | Current Project           | 2024-25                             |
| John Smith Business Park Business Units       | Inclusive Growth and Jobs | 3.644                                | 5.517                              | 5.517                  | -              | 0.00%         | Current Project           | 2025-26                             |
| Glenrothes - Riverside Park                   | Thriving Places           | 4.980                                | 5.120                              | 5.120                  | -              | 0.00%         | Current Project           | 2024-25                             |
|   |                           |                                      |                                    |                        |                |               |                           |                                     |
| Total Major Projects over £5.000m             |                           | 16.754                               | 22.156                             | 22.156                 | -              | 0.00%         |                           |                                     |
|   |                           |                                      |                                    |                        |                |               |                           |                                     |
| Queensway Refurbishment                       | Inclusive Growth and Jobs | 1.380                                | 4.039                              | 4.039                  | -              | 0.00%         | Current Project           | 2026-27                             |
| Levenmouth Business Units - Phase 1           | Inclusive Growth and Jobs | 1.602                                | 3.878                              | 3.878                  | -              | 0.00%         | Current Project           | 2024-25                             |
| Fife Interchange North Site Servicing         | Inclusive Growth and Jobs | 3.046                                | 1.573                              | 1.573                  | -              | 0.00%         | Current Project           | 2024-25                             |
| Levenmouth Business Units - Phase 2           | Inclusive Growth and Jobs | 2.898                                | 3.136                              | 3.136                  | -              | 0.00%         | Current Project           | 2026-27                             |
| Levenmouth Business Park Infrastructure       | Inclusive Growth and Jobs | 0.700                                | 1.857                              | 1.857                  | -              | 0.00%         | Current Project           | 2024.25                             |
| Fife Interchange South- Site Servicing        | Inclusive Growth and Jobs | 1.138                                | 4.386                              | 4.386                  | -              | 0.00%         | Future Project            | 2026-27                             |
| Inverkeithing Built Heritage                  | Thriving Places           | 1.176                                | 1.300                              | 1.300                  | -              | 0.00%         | Current Project           | 2024-25                             |
| Dunfermline Gap Site Civic Space              | Thriving Places           | 0.000                                | 1.300                              | 1.300                  | -              | 0.00%         | Current Project           | 2025-26                             |
| Kirkcaldy Esplanade Phase 3                   | Thriving Places           | 1.500                                | 1.302                              | 1.302                  | -              | 0.00%         | Current Project           | 2024-25                             |
|   |                           |                                      |                                    |                        |                |               |                           |                                     |
| Total Major Projects over £1.000m             |                           | 13.440                               | 22.771                             | 22.771                 | -              | 0.00%         |                           |                                     |
|   |                           |                                      |                                    |                        |                |               |                           |                                     |
| Total Major Projects                          |                           | 30.194                               | 44.928                             | 44.928                 | -              | 0.00%         |                           |                                     |

FIFE COUNCIL  
FINANCE, ECONOMY AND CORPORATE SERVICES SCRUTINY COMMITTEE  
PLACE DIRECTORATE - BUSINESS AND EMPLOYABILITY SERVICE  
CAPITAL INVESTMENT PLAN 2024-33  
MONITORING REPORT 2024-25

Appendix 2

| Expenditure                                       | Current Budget<br>£m | Actual to Date<br>£m | Total Outturn<br>£m | Variance<br>£m | Outturn as<br>% of Plan |
|---|----------------------|----------------------|---------------------|----------------|-------------------------|
| Regeneration - Town Centres                       | 5.745                | 0.665                | 5.727               | (0.018)        | 100%                    |
| Regeneration - Other                              | 0.484                | 0.016                | 0.484               | -              | 100%                    |
| Business Premises Refurbishment Programme         | 0.438                | 0.058                | 0.438               | -              | 100%                    |
| Growing the Economy                               | 0.069                | 0.218                | 0.081               | 0.012          | 118%                    |
| Place Based Investment Programme                  | 1.678                | 0.361                | 1.467               | (0.211)        | 87%                     |
| Business Property Portfolio                       | 0.111                | 0.039                | 0.110               | (0.001)        | 99%                     |
| Site Servicing Programme                          | 0.425                | 0.059                | 0.304               | (0.121)        | 0%                      |
| Vacant/Derelict Land                              | 0.700                | 0.207                | 0.700               | -              | 100%                    |
| Industrial Investment Programme                   | 6.353                | 0.898                | 6.641               | 0.287          | 105%                    |
| Business Portfolio Energy Efficiency              | 0.140                | 0.008                | 0.110               | (0.030)        | 78%                     |
| Employability Premises Refurb Programme           | -                    | 0.001                | -                   | -              | 0%                      |
|   |                      |                      |                     |                |                         |
|   |                      |                      |                     |                |                         |
| <b>TOTAL BUSINESS &amp; EMPLOYABILITY SERVICE</b> | <b>16.145</b>        | <b>2.531</b>         | <b>16.063</b>       | <b>(0.081)</b> | <b>99%</b>              |
|   |                      |                      |                     |                |                         |
| <b>TOTAL EXPENDITURE</b>                          | <b>16.145</b>        | <b>2.531</b>         | <b>16.063</b>       | <b>(0.081)</b> | <b>99%</b>              |

| Income  | Current Budget<br>£m | Actual to Date<br>£m | Total Outturn<br>£m | Variance<br>£m | Outturn as<br>% of Plan |
|---|----------------------|----------------------|---------------------|----------------|-------------------------|
| Regeneration - Town Centres                       | (5.174)              | (1.992)              | (5.174)             | -              | 100%                    |
| Regeneration - Other                              | (0.484)              | (0.107)              | (0.484)             | -              | 100%                    |
| Business Premises Refurbishment Programme         | (0.093)              | (0.025)              | (0.093)             | -              | 100%                    |
| Growing the Economy                               | -                    | -                    | -                   | -              | 0%                      |
| Place Based Investment Programme                  | (1.678)              | -                    | (1.393)             | 0.285          | 83%                     |
| Vacant/Derelict Land                              | (0.700)              | -                    | (0.700)             | -              | 100%                    |
| Industrial Investment Programme                   | (8.257)              | (0.725)              | (8.990)             | (0.733)        | 109%                    |
| Site Servicing Programme                          | (0.362)              | -                    | (0.362)             | -              | 100%                    |
| <b>TOTAL BUSINESS &amp; EMPLOYABILITY SERVICE</b> | <b>(16.748)</b>      | <b>(2.849)</b>       | <b>(17.195)</b>     | <b>(0.448)</b> | <b>103%</b>             |
|   |                      |                      |                     |                |                         |
| <b>TOTAL INCOME</b>                               | <b>(16.748)</b>      | <b>(2.849)</b>       | <b>(17.195)</b>     | <b>(0.448)</b> | <b>103%</b>             |

21 November 2024  
Agenda Item No. 13

---

## 2024/25 Revenue Monitoring Projected Outturn – Finance and Corporate Services

---

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

---

**Wards Affected:** All

---

### Purpose

---

The purpose of this report is to give members an update on the projected outturn financial position for 2024/25 for the Finance and Corporate Services Directorate.

### Recommendations

---

Committee is asked to consider the current financial performance and activity as detailed in this report.

### Resource Implications

---

None.

### Legal & Risk Implications

---

There are no direct legal implications arising from this report.

### Impact Assessment

---

An EqlA has not been completed and is not necessary as no change or revision to existing policies and practices is proposed.

### Consultation

---

None.

## 1.0 Background

---

- 1.1 The report summarises the projected outturn position for 2024/25, taking into account the actual expenditure incurred, and provides an explanation of the main budget variances at section 3. This is the second monitoring report to the Scrutiny Committee for the 2024/25 financial year.
- 1.2 There were no specific savings included in the preparation of the 2024-25 Revenue Budget, therefore a savings tracker is not required as part of financial reporting for the 2024-25 financial year.

## 2.0 Issues

---

### 2.1 Projected Outturn

- 2.1.1 Based on current information for the Finance and Corporate Services Directorate, of a service managed net expenditure budget of £56.553m the position across all Services is a projected expenditure of £54.224m resulting in a projected net underspend of (£2.330m) (4.12%).
- 2.1.2 Also, within the Finance and Corporate Services Directorate, there is a net expenditure budget of £9.234m for Benefits and Taxation, Corporate & Democratic Core and Miscellaneous Services which is currently forecasting an underspend of (£0.196m) (2.13%). This budget sits within the Directorate but is managed corporately.

Within Benefits and Taxation, there is an expenditure budget of £92.505m, mainly for Housing Benefit (HB) payments and Empty Property Relief, and income targets of (£86.898m) which includes the corresponding HB subsidy claim and the eligible HB Administration Fee.

These budgets sit within the Directorate but are managed corporately. The Services within Finance and Corporate Services do not have a direct influence on these budgets.

- 2.1.3 Appendix 1 shows projected expenditure against budget across the various Services within the Finance and Corporate Services Directorate. Section 3 provides a brief explanation of the main areas where there are significant variances (+/-£0.500m) between planned and projected expenditure and income across service managed budgets.

## 3.0 Major Variances

---

- 3.1 **Directorate position – Variance (£2.526m) underspend, movement (£0.846m)**
- 3.1.1 **Directorate Service Managed position (£2.330m) underspend, movement (£0.650m)**

The underspend of (£2.330m) includes an underspend on the Youth Investment Fund (WYI) (£0.411m) which will be carried forward to 2025-26. Excluding this, the Directorate Service Managed position is a projected underspend of (£1.919m). The



movement across the Directorate is mainly due to an increase in staff turnover and vacant posts. Posts are actively being advertised with recruitment underway in many or some cases.

### **3.1.2 Revenue & Commercial Services (£0.913m) underspend, movement (£0.235m)**

There is an underspend of (£0.915m) that relates to staff costs across the Service, mainly within Business Support (£0.691m), who are still facing some challenges in respect of recruitment and high turnover, and the Shared Service Centre (£0.134m). The number of vacancies will have an impact on providing full support to Services.

### **3.1.3 Human Resources (£0.903m) underspend, movement (£0.168m)**

There is an underspend on staff costs of (£1.020m). A significant amount of this underspend relates to the Youth Investment Fund (£0.411m). This is a ring-fenced budget, and any underspend will be carried forward to 2025-26. There has also been higher than anticipated staff turnover which has resulted in an underspend on staff costs of (£0.425m). The balance of underspend (£0.116m) relates to Employers National Insurance savings for the Shared Service AVC scheme. There has been a significant increase in the uptake of this employee benefit.

## **4.0 Conclusions**

---

- 4.1 The projected outturn position for the service managed budget within the Finance and Corporate Services Directorate is a net underspend of (£2.330m) (4.12%). Benefits and Taxation, Corporate & Democratic Core and Miscellaneous Services are projecting an underspend of (£0.196m) (2.13%).

### **List of Appendices**

- 1 Projected Outturn 2024/25 Summary

### **Background Papers**

None

### **Report Contact**

Elaine Muir  
Head of Finance  
Finance Service  
Fife House  
North Street  
Glenrothes

Email: [Elaine.Muir@fife.gov.uk](mailto:Elaine.Muir@fife.gov.uk)

| BUDGET MONITORING REPORT SUMMARY<br>FINANCE, ECONOMY & CORPORATE SERVICES |                                    |                           |                |               | Appendix 1                             |   |
|---|------------------------------------|---------------------------|----------------|---------------|--|---|
| FINANCE AND COPORATE SERVICES   | CURRENT<br>BUDGET<br>2024-25<br>£m | FORECAST<br>2024-25<br>£m | VARIANCE<br>£m | VARIANCE<br>% | PREVIOUS<br>REPORTED<br>VARIANCE<br>£m | MOVEMENT FROM<br>PREVIOUS<br>REPORTED<br>VARIANCE<br>£m |
| <b>TOTAL COST OF SERVICES</b>   | <b>65.971</b>                      | <b>63.445</b>             | <b>(2.526)</b> | <b>-3.83%</b> | <b>(1.680)</b>                         | <b>(0.846)</b>  |
| <b>LESS: CORPORATELY MANAGED ITEMS</b>                                    | <b>0.184</b>                       | <b>0.184</b>              | <b>0.000</b>   | <b>0.22%</b>  | <b>0.000</b>                           | <b>0.000</b>  |
| <b>SERVICE MANAGED NET BUDGET</b>   | <b>65.787</b>                      | <b>63.261</b>             | <b>(2.526)</b> | <b>-3.84%</b> | <b>(1.680)</b>                         | <b>(0.846)</b>  |
| <b><u>ANALYSIS OF SERVICE MANAGED BUDGET</u></b>                          |                                    |                           |                |               |  |   |
| FINANCE & CORPORATE SERVICES MANAGEMENT                                   | 1.762                              | 1.731                     | (0.030)        | -1.73%        | 0.000                                  | (0.030)   |
| ASSESSORS SERVICE   | 2.127                              | 1.955                     | (0.172)        | -8.09%        | 0.000                                  | (0.172)   |
| FINANCE   | 3.821                              | 3.519                     | (0.302)        | -7.90%        | 0.000                                  | (0.302)   |
| REVENUE & COMMERCIAL SERVICES   | 16.472                             | 15.559                    | (0.913)        | -5.54%        | (0.679)                                | (0.235)   |
| HUMAN RESOURCES   | 7.908                              | 7.005                     | (0.903)        | -11.42%       | (0.735)                                | (0.168)   |
| BUSINESS TECHNOLOGY SOLUTIONS   | 20.030                             | 19.872                    | (0.157)        | -0.79%        | (0.266)                                | 0.109   |
| LEGAL & DEMOCRATIC SERVICES   | 4.434                              | 4.582                     | 0.148          | 3.33%         | 0.000                                  | 0.148   |
|   | 56.553                             | 54.224                    | (2.330)        | -4.12%        | (1.680)                                | (0.650)   |
| BENEFITS & TAXATION   | 5.607                              | 5.607                     | 0.000          | 0.00%         | 0.000                                  | 0.000   |
| CORPORATE & DEMOCRATIC CORE   | 3.527                              | 3.331                     | (0.196)        | -5.56%        | 0.000                                  | (0.196)   |
| MISCELLANEOUS SERVICES  | 0.099                              | 0.099                     | 0.000          | 0.00%         | 0.000                                  | 0.000   |
|   | 9.234                              | 9.037                     | (0.196)        | -2.13%        | 0.000                                  | (0.196)   |
| <b>FINANCE AND CORPORATE SERVICES</b>                                     | <b>65.787</b>                      | <b>63.261</b>             | <b>(2.526)</b> | <b>-3.84%</b> | <b>(1.680)</b>                         | <b>(0.846)</b>  |

21<sup>st</sup> November 2024  
Agenda Item No. 14

---

## 2024/25 Capital Monitoring Projected Outturn – Finance and Corporate Services Directorate

---

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

---

**Wards Affected:** All

---

### Purpose

---

The purpose of this report is to provide an update on the Capital Investment Plan and advise on the projected financial position for the 2024/25 financial year for the Finance and Corporate Services Directorate.

### Recommendation(s)

---

Committee is asked to consider the current financial performance and activity as detailed in this report.

### Resource Implications

---

None.

### Legal & Risk Implications

---

None.

### Impact Assessment

---

An EqlA has not been completed and is not necessary as no change or revision to existing policies and practices is proposed.

### Consultation

---

None.

## 1.0 Background

---

- 1.1 This report summarises the projected capital outturn for the Finance and Corporate Services Directorate for 2024/25. At this stage, it is forecast that expenditure will be £4.060m against a budget of £4.060m, representing 100% of the approved capital programme for 2024/25.
- 1.2 Appendix 1 shows an analysis of specific projects in the current capital investment plan which have a budget greater than £1m and analyses total project cost rather than only in year spend.
- 1.3 Appendix 2 details the forecast expenditure against budget for each project. A brief explanation of any significant forecast variances is provided at section 2 within this report.

## 2.0 Issues, Achievements & Financial Performance

---

### 2.1 Key Issues / Risks

- 2.1.1 Appendix 1 details the total cost forecast position for all capital projects within the Finance and Corporate Services Directorate with an overall value of £1m and over. The key risks associated with the major projects are noted below.
- 2.1.2 Across the Capital Investment Plan there continues to be risk that both the timing and the costs of projects are adversely affected by the current economic climate. Throughout the programme, issues are continuing to be identified in relation to the supply of construction materials, the consequences of which have been considered and reflected in the Capital Investment Plan review which was approved by Fife Council on 22 June 2023. Monitoring of the impact of any additional costs on projects still in their infancy will continue and any significant impact on timescales and associated risks will be reported to this committee. Where appropriate, any known impact on timing of delivery of projects has been built in to the rephased plan and the overall scale of any additional costs or further delays will be considered as part of the review of the Capital Investment Plan.

### 2.2 Major Projects – Potential Risks and Actions

- 2.2.1 There are no additional or new risks arising in the current reporting period from any of the major projects being progressed.
- 2.2.2 There is one major project with a budget of over £1m for Finance and Corporate Services. This project relates to the Local Area Network (LAN) as detailed in Appendix 1. The total budget is £7.314m over the life of the project. The projected spend for this project is on budget.

### 2.3 Financial Performance – 2024/25 Projected Outturn

- 2.3.1 Appendix 2 provides a summary of the projected outturn for each project for the financial year 2024/25.

2.3.2 Slippage is the term used to describe projects that are expected to spend less than the budget allocation in a particular year due to a delay in timing on the delivery of the project. This is not uncommon in the capital programme and the reasons for this can be wide and varied. Advancement is the term used to describe projects that are expected to spend more than the budget allocation in a particular year due to an acceleration of the budget from future years.

2.3.3 There are no major variances within the current approved programme.

## 3.0 Conclusions

---

3.1 The total 2024/25 approved programme for the Finance and Corporate Services Directorate is £4.060m, with a forecasted level of expenditure of £4.060m.

3.2 The management of capital resources require us to look across financial years, as well as within individual years. The current year performance is only a snapshot of the existing plan, and the Directorate will adjust expenditure levels within future years of the plan to accommodate the advancement or slippage of projects.

### List of Appendices

1. Total Cost Monitor
2. Capital Monitoring Report

### Report Contact

Elaine Muir  
Head of Finance  
Finance Service  
Fife House  
North Street  
Glenrothes

Email: [Elaine.Muir@fife.gov.uk](mailto:Elaine.Muir@fife.gov.uk)

FIFE COUNCIL  
 FINANCE, ECONOMY AND CORPORATE SERVICES SCRUTINY COMMITTEE  
 FINANCE & CORPORATE SERVICES  
 CAPITAL INVESTMENT PLAN 2023-33  
 TOTAL COST MONITOR - MAJOR CAPITAL PROJECTS

Appendix 1

| Project                                  | Service                | Original<br>Approved<br>Budget<br>£m | Current<br>Project<br>Budget<br>£m | Total<br>Outturn<br>£m | Variance<br>£m | Variance<br>% | Current Project<br>Status | Expected Project<br>Completion Date |
|--|------------------------|--------------------------------------|------------------------------------|------------------------|----------------|---------------|---------------------------|-------------------------------------|
| Local Area Network                       | Maintaining Our Assets | 7.200                                | 7.314                              | 7.314                  | -              | 0.00%         | Current Project           | 2028-29                             |
| <b>Total Major Projects over £5.000m</b> |                        | <b>7.200</b>                         | <b>7.314</b>                       | <b>7.314</b>           | <b>-</b>       | <b>0.00%</b>  |                           |                                     |

**FIFE COUNCIL  
FINANCE, ECONOMY AND CORPORATE SERVICES SCRUTINY COMMITTEE  
FINANCE & CORPORATE SERVICES  
CAPITAL INVESTMENT PLAN 2023-33  
MONITORING REPORT 2024-25**

**Appendix 2**

| <b>Expenditure</b>                            | <b>Current<br/>Budget<br/>£m</b> | <b>Actual<br/>to Date<br/>£m</b> | <b>Total<br/>Outturn<br/>£m</b> | <b>Variance<br/>£m</b> | <b>Outturn as<br/>% of Plan</b> |
|---|----------------------------------|----------------------------------|---------------------------------|------------------------|---------------------------------|
|   |                                  |                                  |                                 |                        |                                 |
| ICT Programme                                 | 1.333                            | 0.014                            | 1.333                           | -                      | 100%                            |
| BTS Capital                                   | 1.000                            | 0.379                            | 1.000                           | -                      | 100%                            |
| BTS Rolling Programme                         | 1.727                            | 0.125                            | 1.727                           | -                      | 100%                            |
| <b>TOTAL FINANCE &amp; CORPORATE SERVICES</b> | <b>4.060</b>                     | <b>0.518</b>                     | <b>4.060</b>                    | <b>-</b>               | <b>100.0%</b>                   |
|   |                                  |                                  |                                 |                        |                                 |

21 November 2024

Agenda Item No. 15

---

## Finance, Economy and Corporate Services Scrutiny Committee Workplan

---

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

**Wards Affected:** All

---

### Purpose

---

This report supports the Committee's consideration of the workplan for future meetings of the Committee.

### Recommendation(s)

---

It is recommended that the Committee review the workplan and that members come forward with suggestions for areas of scrutiny.

### Resource Implications

---

Committee should consider the resource implication for Council staff of any request for future reports.

### Legal & Risk Implications

---

Committee should consider seeking inclusion of future items on the workplan by prioritising those which have the biggest impact and those which seek to deal with the highest level of risk.

### Impact Assessment

---

None required for this paper.

### Consultation

---

The purpose of the paper is to support the Committee's discussion and therefore no consultation is necessary.



## 1.0 Background

---

- 1.1 Each Scrutiny Committee operates a workplan which contains items that fall under three broad headings: performance reporting, planning and improvement work. These items will often lead to reactive rather than proactive scrutiny. Discussion on the workplan agenda item will afford members the opportunity to shape, as a committee, the agenda with future items of business it wishes to review in more detail.

## 2.0 Conclusions

---

- 2.1 The current workplan is included as Appendix one and should be reviewed by the committee to help inform scrutiny activity.

### List of Appendices

---

1. Workplan

### Background Papers

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

None

### Report Contact

Helena Couperwhite  
Committee Services Manager  
Telephone: 03451 555555 Ext. No. 441096  
Email- [helena.couperwhite@fife.gov.uk](mailto:helena.couperwhite@fife.gov.uk)

| Finance, Economy and Corporate Services Scrutiny Committee of 30 January 2025             |  |                                  |          |
|---|--|----------------------------------|----------|
| Title   | Service(s)                               | Contact(s)                       | Comments |
| Planning Performance Framework  | Planning Service                         | Alastair Hamilton                |          |
| Artificial Intelligence   | Finance and Corporate Services           | Eileen Rowand                    |          |
| Annual Procurement Report   | Business and Employability               | Caroline Macdonald               |          |
| Ethical Procurement   | Finance and Corporate Services           | Caroline Macdonald               |          |
| Legacy Systems Replacement Programme in the Place Directorate                             | Environment & Building Operations (AT&E) | John Rodigan/Craig Waddell       |          |
| Smart Place Approach - City of Dunfermline  | Business and Employability               | Morag Millar                     |          |
| Revenue Budget Projected outturn - finance services                                       | Finance and Corporate Services           | Donna Grieve, Elaine Muir        |          |
| Capital Budget Projected outturn - finance services                                       | Finance and Corporate Services           | Donna Grieve, Elaine Muir        |          |
| Revenue Budget Projected outturn - Planning Service and Business & Employability services | Place, Finance and Corporate Services    | Jackie Johnstone, Ashleigh Allan |          |
| Capital Budget Projected outturn - Business & Employability services                      | Finance and Corporate Services, Place    | Jackie Johnstone, Ashleigh Allan |          |

| Finance, Economy and Corporate Services Scrutiny Committee of 27 March 2025 |                            |                               |          |
|---|----------------------------|-------------------------------|----------|
| Title   | Service(s)                 | Contact(s)                    | Comments |
| Tay Cities Deal - Annual Report   | Business and Employability | Morag Millar, Carlene Simpson |          |

| Finance, Economy and Corporate Services Scrutiny Committee of 27 March 2025               |                                       |                                  |          |
|---|---------------------------------------|----------------------------------|----------|
| Title   | Service(s)                            | Contact(s)                       | Comments |
| Annual Report - Edinburgh and South East Scotland City Region Deal                        | Business and Employability            | Morag Millar, Carlene Simpson    |          |
| Revenue Budget Projected outturn - Planning Service and Business & Employability services | Finance and Corporate Services, Place | Jackie Johnstone, Ashleigh Allan |          |
| Revenue Budget Projected outturn - finance & Corporate services                           | Finance and Corporate Services        | Donna Grieve, Elaine Muir        |          |
| Capital Budget Projected outturn - Business & Employability services                      | Finance and Corporate Services, Place | Jackie Johnstone, Ashleigh Allan |          |
| Capital Budget Projected outturn - finance & Corporate services                           | Finance and Corporate Services        | Donna Grieve, Elaine Muir        |          |

| Finance, Economy and Corporate Services Scrutiny Committee of 5 June 2025 |                   |                              |          |
|---|-------------------|------------------------------|----------|
| Title   | Service(s)        | Contact(s)                   | Comments |
| Attendance Management Update Report                                       | Human Resources   | Sharon McKenzie              |          |
| Annual Health & Safety Report   | Human Resources   | Stevie Murray, Steven Michie |          |
| Asset & Estates Update  | Property Services | Michael Ogorman              |          |

| Unallocated  |                                |                 |          |
|--|--------------------------------|-----------------|----------|
| Title  | Service(s)                     | Contact(s)      | Comments |
| report on support and services for staff and elected members | Finance and Corporate Services | Lindsay Thomson |          |