The Highland Council

Agenda Item	**13**
Report No	**RES/53/26**

Committee: **Corporate Resources**

Date: **19 November 2026**

Report Title: **Corporate Service – Performance Monitoring Q2 2026/27**

Report By: **Assistant Chief Executive – Corporate**

1 Purpose/Executive Summary

1.1 This report provides Members with the Q2 2026/27 performance monitoring position for the Corporate Cluster (Business Solutions, Corporate Finance, HR & Communications, Legal & Corporate Governance, and Revenues & Commercialisation).

1.2 This report provides the following performance information:

- Corporate Indicators.
- Contribution to the Performance Plan.
- Statutory Performance Indicators (SPIs) out with the Performance Plan.
- Service Plan progress.
- Service updates out with the Corporate Indicators or Service Plan.

Additional performance information such as longer-term trend analysis and comparisons against Highland Council's family group average as well as the national picture is available via the Local Government Benchmarking Data if required.

1.3 The content and structure are intended to:

- assist Member scrutiny and performance management;
- inform decision making to aid continuous improvement, and
- provide transparency and accessibility.

2 Recommendations

2.1 Members are asked to:

i. Scrutinise and **note** the performance information for the Corporate Cluster.

3 Implications

3.1 **Resource** - There are no resource implications arising as a direct consequence of this report.

3.2 **Legal** - This report contributes to the Council's statutory duties to report performance and secure best value in terms of Section 1(1)(a) of the Local Government Act 1992, and Section 1 of the Local Government in Scotland Act 2003, respectively.

For the provision of welfare support, the Council has a legal duty to provide such services for specified groups, which, as detailed in the Welfare Budget, includes for example the outsourced services delivered by Citizens Advice. These duties are specified in the Social Work (Scotland) Act 1968, the Carers (Scotland) Act 2016 and the Child Poverty (Scotland) Act 2017.

3.3 **Risk** - There is a risk that the ongoing cost of living impacts on households will place pressure on the Welfare Budget.

3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – There are no immediate health and safety implications arising from this report.

3.5 **Gaelic** - There are no implications arising as a direct result of this report.

4 Impacts

4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 This is a monitoring report and therefore an impact assessment is not required.

5 Service Performance - Corporate Indicators

5.1 Service performance in relation to Absence, Complaints, FOIs, and Invoice Payments are set out in the following sub-sections.

5.2 Corporate Cluster Sickness Absence

5.2.1 Main causes of sickness within the Corporate Cluster continue to be seasonal viruses and mental ill-health. Focused work by managers, supported by Attendance Support Officers, has succeeded in resolving a number of long-term sickness absences.

Service Sickness Absence - Corporate Resources

Average number working days per employee lost through sickness absence

Average Days Lost	Q2 25/26	Q3 25/26	Q4 25/26	Q1 26/27	Q2 26/27	Q3 26/27	Q4 26/27	Q1 27/28
Business Solutions	2.27	3.19	2.24	2.72	3.00			
Corporate Finance	1.67	1.87	2.28	1.71	1.53			
Legal and Corporate Governance	2.11	2.15	2.39	1.89	2.59			
HR and Communication	3.50	2.08	1.29	2.32	1.85			
Revenues and Commercialisation	2.75	3.08	3.52	3.63	3.07			
Highland Council	3.02	4.09	3.97	3.55	3.28			

Within the Corporate cluster, the median of all absences in Q2 2026/27 is 3 days. The average (mean) number of working days lost through absence is 2.67 days, compared to a Council average of 3.28 days.

5.3 Council-wide Sickness Absence

5.3.1 The average (mean) days absence across the whole organisation for Q2 2026/27 is 3.28 days.

The median of all sickness absences is 3 days.

Sickness absence data by Cluster and Chief Officers outwith the Corporate Cluster is reported to the respective Strategic Committees.

5.4 Service Complaints Response Times

5.4.1 Monitoring complaints provides important feedback which can facilitate decision making and service design. Each Cluster is responsible for responding to complaints which are issued on their behalf by the Complaints and Information Team (CIT).

5.4.2

Service Complaints - Corporate Services Cluster

Number of closed complaints and the % compliant with the legislative timescale

Frontline Resolution within 5 days

	Q3 24/25		Q4 24/25		Q1 25/26		Q2 25/26		Q3 25/26		Q4 25/26		Q1 26/27		Q2 26/27	
ICT Services	0		0		0		0		0		0		0		0	
Performance & Governance	0		2	100 %	0		1	100 %	1	100 %	2	100 %	2	100 %	1	100 %
Resources & Finance	19	89 %	25	76 %	29	93 %	21	95 %	19	95 %	39	95 %	51	90 %	29	93 %
Highland Council	155	88 %	183	87 %	174	91 %	223	90 %	200	85 %	262	82 %	261	84 %	259	83 %

Investigation Resolution within 20 days

	Q3 24/25		Q4 24/25		Q1 25/26		Q2 25/26		Q3 25/26		Q4 25/26		Q1 26/27		Q2 26/27	
ICT Services	0		0		0		0		0		0		0		0	
Performance & Governance	3	0 %	1	0 %	1	100 %	0		1	100 %	0		2	50 %	7	29 %
Resources & Finance	8	63 %	4	0 %	3	33 %	8	38 %	1	0 %	2	100 %	2	0 %	6	50 %
Highland Council	90	42 %	71	51 %	68	47 %	86	40 %	94	55 %	110	51 %	111	43 %	140	34 %

Escalated Resolution within 20 days

	Q3 24/25		Q4 24/25		Q1 25/26		Q2 25/26		Q3 25/26		Q4 25/26		Q1 26/27		Q2 26/27	
ICT Services	0		0		0		0		0		0		0		0	
Performance & Governance	0		1	100 %	1	0 %	0		1	100 %	0		0		1	0 %
Resources & Finance	2	50 %	0		3	0 %	4	75 %	3	67 %	7	14 %	10	20 %	7	71 %
Highland Council	26	46 %	34	44 %	30	33 %	27	26 %	22	27 %	31	23 %	45	24 %	39	36 %

5.4.3 Officers continue to take steps to resolve complaints within the target completion timescales recognising that some complaints can require significant work to obtain data and information to inform the final response. This can also involve more than one team from one or more Cluster.

5.5 Service Freedom of Information (FOI) Response Times

5.5.1 FOI requests are co-ordinated by CIT in collaboration with Service teams which collate the information relevant to the request. From Q4 2025/2026 onwards figures are shown split by Chief Officer to reflect the new organisational structure.

5.5.2

Service Freedom of Information Requests - Coporate Resources Commitee

% of FOIs closed compliant with the legislative timescale

% FOIs Compliant - Business Solutions Quarterly	Q3 24/25		Q4 24/25		Q1 25/26		Q2 25/26		Q3 25/26		Q4 25/26		Q1 26/27		Q2 26/27	
	15	73 %	16	75 %	16	94 %	14	79 %	14	100 %	19	89 %	8	100 %	10	80 %

% FOIs Compliant - Corporate Finance Quarterly	Q3 24/25		Q4 24/25		Q1 25/26		Q2 25/26		Q3 25/26		Q4 25/26		Q1 26/27		Q2 26/27	
	9	44 %	7	71 %	7	86 %	12	33 %	8	63 %	11	55 %	29	90 %	16	69 %

% FOIs Compliant - Legal and Corporate Governance Quarterly	Q3 24/25		Q4 24/25		Q1 25/26		Q2 25/26		Q3 25/26		Q4 25/26		Q1 26/27		Q2 26/27	
	53	83 %	48	77 %	50	92 %	49	90 %	65	82 %	65	71 %	68	87 %	79	62 %

% FOIs Compliant - HR and Communications Quarterly	Q3 24/25		Q4 24/25		Q1 25/26		Q2 25/26		Q3 25/26		Q4 25/26		Q1 26/27		Q2 26/27	
	28	75 %	37	68 %	33	73 %	36	78 %	29	76 %	35	46 %	21	81 %	26	81 %

% FOIs Compliant - Revenues and Commercialisation Quarterly	Q3 24/25		Q4 24/25		Q1 25/26		Q2 25/26		Q3 25/26		Q4 25/26		Q1 26/27		Q2 26/27	
	19	84 %	35	80 %	36	81 %	27	81 %	23	87 %	19	74 %	44	82 %	29	72 %

% FOIs Compliant - Highland Council Quarterly	Q3 24/25		Q4 24/25		Q1 25/26		Q2 25/26		Q3 25/26		Q4 25/26		Q1 26/27		Q2 26/27	
	570	73 %	617	71 %	577	81 %	601	77 %	581	73 %	578	65 %	563	84 %	599	65 %

5.5.3 All teams within the Corporate Services Cluster continue to take steps to monitor performance and to identify further improvement actions.

5.6 Corporate Cluster Invoice Payment Times

5.6.1 These indicators measure the Council's efficiency at paying invoices within 30 days and 10 days of receipt as a percentage of all invoices paid. While payment of invoices within 30 days of receipt is a Statutory Performance Indicator, the Council also monitors the number of invoices paid within 10 days of receipt. The targets for performance are 95% and 77% respectively for 30- and 10-days.

From Q1 2026/27 onwards figures are shown split by Service Cluster to reflect the new organisational structure.

5.6.2

Invoice Payment Times - Corporate

Invoice Payment within 30 days	Q1 26/27	Q2 26/27	Q3 26/27	Q4 26/27	Q1 27/28	Q2 27/28	Q3 27/28	Q4 27/28
Corporate	96.5 %	96.5 %						
Highland Council	93.7 %	92.3 %						

Invoice Payment less than 10 days	Q1 26/27	Q2 26/27	Q3 26/27	Q4 26/27	Q1 27/28	Q2 27/28	Q3 27/28	Q4 27/28
Corporate	71.9 %	59.8 %						
Highland Council	63.5 %	63.4 %						

(The table below reports prior year data)

Service Invoice Payment Times - Corporate Service Cluster

Invoice Payment within 30 days	Q1 24/25	Q2 24/25	Q3 24/25	Q4 24/25	Q1 25/26	Q2 25/26	Q3 25/26	Q4 25/26
ICT Services	76.7 %	86.9 %	81.0 %	84.0 %	92.0 %	94.2 %	97.0 %	91.5 %
Performance & Governance	97.5 %	97.3 %	96.5 %	88.3 %	93.0 %	95.4 %	96.5 %	97.2 %
Resources & Finance	79.9 %	88.3 %	96.4 %	93.3 %	96.9 %	95.4 %	94.3 %	95.1 %
Highland Council	87.7 %	91.4 %	92.9 %	92.9 %	93.0 %	94.8 %	94.3 %	95.2 %

Invoice Payment less than 10 days	Q1 24/25	Q2 24/25	Q3 24/25	Q4 24/25	Q1 25/26	Q2 25/26	Q3 25/26	Q4 25/26
ICT Services	41.7 %	60.0 %	54.8 %	48.7 %	49.1 %	56.5 %	78.8 %	81.4 %
Performance & Governance	81.3 %	79.8 %	82.6 %	56.9 %	83.6 %	82.1 %	85.4 %	84.5 %
Resources & Finance	43.6 %	53.7 %	68.0 %	57.7 %	75.6 %	78.1 %	75.5 %	64.9 %
Highland Council	57.0 %	68.5 %	63.8 %	63.3 %	64.7 %	72.5 %	72.3 %	69.6 %

5.6.3 For this 30-day measure, Corporate cluster performance in Q2 is 96.5% and is higher than the overall Highland Council figures which is 92.3%.

This performance also exceeds the 95% performance target, demonstrating the value of performance information and management and the ongoing work within teams for further improvement.

5.6.4 During Q2, for the 10-day measure, performance for Corporate cluster was 59.8% which is lower then the THC level of 63.4%. Officers continue to review processes with the aim of returning the level of performance to the normally higher figure, and achieving further improvements across Clusters.

5.7 **Council Invoice Payments – SPI Owner**

5.7.1 The Council-wide Q2 performance for payments within 30 Days was 92.3% for invoice processing, compared with 94.8% for the same period in 2025/26. For invoice payments less than 10 days, Q2 performance was 63.4%, which is a drop on the Q2 position in 2025/26 at 72.5%. Similar to the review for Corporate performance in the 10-day measure, Officers continue to review processes with the aim of returning the level of performance to the previously higher figure.

5.7.2 The Revenues & Commercialisation section continue to use the data that informs this report to work with Chief Officers to identify further steps that may be taken to improve performance at the various stages in the overall process with the aim of continually improving performance for both measures across all Clusters.

6 Contribution to the Performance Plan

All Performance Plan elements, including relevant Statutory Performance Indicators (SPIs), under the Corporate Cluster have been included in the Strategic Outcomes below. Targets where applicable are displayed in the table.

6.1

Corporate Cluster: Contribution to the Performance Plan

Strategic Priority 1 Fair & Caring Highland	Period	Data	Period	Data	Period	Data	Target Value	Completion/ Update Date
Average days to process Housing Benefit & Council Tax Reductions - Changes of Circumstance	FY 23/24	1.6	FY 24/25	1.5	FY 25/26	1.5	2.0	annual update August
Average days to process Housing Benefit & Council Tax Reductions - New Claims	FY 23/24	10.0	FY 24/25	10.6	FY 25/26	10.5	11.0	annual update August
No. newly enrolled and upskilled via THC Modern Apprenticeships per year	FY 23/24	100	FY 24/25	81	FY 25/26	167	60	annual update July
No. Gaelic culture reports promoted through press releases and social media	FY 23/24	73	FY 24/25	41	FY 25/26	101	53	
Strategic Priority 2 Resilient and Sustainable Communities	**Period**	**Data**	**Period**	**Data**	**Period**	**Data**	**Target Value**	**Completion/ Update Date**
% of procurement spend on local enterprises (ECON04)	FY 23/24	51.80 %	FY 24/25	42.00 %	FY 25/26			Target from LGBF update December

Strategic Priority 5 A Resilient and Sustainable Council	Period	Data	Period	Data	Period	Data	Target Value	Completion/ Update Date
Council Tax - Annual % received (CORP07)	FY 23/24	95.89 %	FY 24/25	95.65 %	FY 25/26	95.71 %		Target from LGBF update December
Sickness Days Lost per Employee	FY 23/24	11.39	FY 24/25	13.17	FY 25/26	14.63	12.50	annual update August
Identify and agree Corporate Training priorities: improve ERD recording	Q4 25/26	Some Slippage	Q1 26/27	On Target	Q2 26/27	On Target		Ongoing
Identify and agree Corporate Training priorities: achieve compliance with training	Q4 25/26	Some Slippage	Q1 26/27	On Target	Q2 26/27	On Target		Ongoing
No. new Modern Apprenticeships/Paid Placements and Youth Traineeships	FY 23/24	177	FY 24/25	146	FY 25/26	201	125	
% of indicators in OHS [Occupational Health and Safety] Strategy with green rating	FY 23/24	60 %	FY 24/25	80 %	FY 25/26	90 %	90 %	
ICT Strategy implemented	Q4 25/26	On Target	Q1 26/27	On Target	Q2 26/27	On Target		Due to complete 2027
Digital Strategy implemented	Q4 25/26	On Target	Q1 26/27	On Target	Q2 26/27	On Target		Due to complete Q1 27/28

Targeted action continues to be taken across the Corporate Cluster and the whole Council to strengthen both the prevention and management of absence. From November 2026, the Council will for the first time be offering free flu vaccination to all staff. An extensive communications campaign will encourage employees of the Council, High Life Highland, and the Valuation Joint Board, as well as elected Members, to access vouchers to be redeemed at local pharmacies or attend in-person clinics at a range of locations.

A Mandatory Training Improvement Programme (MTIP) has been established to improve compliance with mandatory training. Training has been reviewed and streamlined to three core modules, reducing the total learning time to 1 hour and 30 minutes. This simplified approach is designed to improve accessibility, increase completion rates and support sustainable compliance across the organisation. Work is continuing to implement the revised programme (due for end of March 2027) and monitor its impact on compliance levels from FY27/28.

A new ERD recording form was introduced in July 2026. This is improving the quality and consistency of training needs data and helping to identify corporate learning priorities. ERDs will move to a windowed approach from 2027/28, allowing completion rates and training needs data to be monitored more effectively.

7 Statutory Performance Indicators (SPIs) Outwith the Performance Plan

Corporate Service Cluster: SPIs						
SPIs not monitored in Performance Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Benefits Admin costs - Gross cost per Case	FY 24/25	£ 31.48	FY 25/26	£ 31.93	£ 36.00	annual update August
Cost Procurement Sectn % Net Rev Budget	FY 24/25	% 0.087	FY 25/26	% 0.090	% 0.090	annual update July
Cost NDR collection/chargeable property	FY 24/25	£ 12.74	FY 25/26	£ 14.99	£ 13.73	annual update August
% income sundry debtors collected during yr	FY 24/25	87.51 %	FY 25/26	69.14 %	84.50 %	annual update
% NDR collected by year end	FY 24/25	97.30 %	FY 25/26	96.14 %	98.00 %	Annual update June
Trading Standards - business advice - 14 days	FY 24/25	80.20 %	FY 25/26	67.35 %	77.0 %	annual update June
Accident Injury Rate	FY 24/25	162	FY 25/26	201	156	annual update June
Cost of Accounting - % Net Rev Budget + HRA	FY 24/25	0.29 %	FY 25/26	0.33 %	0.25 %	annual update August
Overall Council Tax collection level - 5 years	FY 24/25	97.00 %	FY 25/26	96.90 %		annual update
Sickness THC - Non Teachers - Avg working days lost || CORP06b	FY 24/25	14.48	FY 25/26	15.96	14.55	annual update August
Women managers in top 2% of earners	FY 24/25	49.1 %	FY 25/26	49.4 %	49.8 %	annual update August

8 Remaining Service Plan Items - Progress

The dashboards have been updated to remove elements that were previously reported as complete or archived, as well as elements that appear in multiple plans (i.e. in the Performance Plan or as an SPI).

8.1 ICT & Digital Transformation

8.1.1

Digital: Maximising the use of new processes and technology Q3 25/26						
Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Biennial Digital Maturity Assessment	2021 - 2023	2.50	2023 - 2025	2.59	3.00	level 5/5 by 2027

A digital maturity assessment (DMA) is a structured way for an organisation to understand how well it uses digital, data, and technology to deliver its services and operate effectively and where it needs to improve. The Highland Council has been carrying out DMAs for several years in conjunction with the Local Government Digital Office (LGDO). Highland Council's latest Digital Maturity Assessment (DMA)

showed a small but positive increase in overall maturity, rising from 2.59 in 2024/25 to 2.63 in 2025/26. The Delivery Plan Budget Monitoring & Progress Update at item 14 on the Corporate Resources Agenda provides a full update on the Digital Foundations Project which is moving to closure. This includes a recommendation to adjust the Digital Maturity Target in line with industry standards as previously advised in the Performance Monitoring Report for Q1.

8.1.2

ICT: Provision of robust, secure and sustainable in-house ICT service Q2 26/27

Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
ICT % customers satisfied - monthly	M4 26/27	98.1 %	M5 26/27	98.5 %	95.0 %	
ICT % service contacts resolved within 24 hrs - monthly	M4 26/27	53.7 %	M5 26/27	55.0 %	56.0 %	
ICT Avg wait time [seconds] for Service Desk contacts - monthly	M4 26/27	46	M5 26/27	126	60	
% windows devices functional and receiving all security updates	Q1 26/27	93	Q2 26/27	87	100	
ICT User Satisfaction % customers satisfied - Annual	FY 24/25	89.29 %	FY 25/26	80.00 %	90.00 %	

Please see section 9 for full commentary on ICT performance in Q2 26/27.

8.2 Performance and Governance

8.2.1

Legal & Governance: Provide High-Quality Legal Advice and representation Q2 26/27

Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Monitor Guardianship applications within 30 days	Q1 26/27	100 %	Q2 26/27	100 %	90 %	

8.2.2

Legal & Governance: Tackle Unfair & Unsafe Trading Practices and Assist Business Growth Q1 26/27

Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Cost of Trading Standards, Money Advice and Citizen Advice per 1000 population | | ENV05a	FY 24/25	£ 8,749	FY 25/26		£ 10,924	annual update November

8.2.3

Communications & Resilience: Internal & External Communications Q2 26/27

Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Monitor and report Business Continuity training uptake and plan completion	Q1 26/27	On Target	Q2 26/27	On Target		Due to complete December 26
Report debrief learning in Resilience Group action plans	Q1 26/27	On Target	Q2 26/27	On Target		Review Q4 23/24
Report on and increase overall engagement stats for social media	Q1 26/27	On Target	Q2 26/27	On Target		Reported and published regularly

Please note that the target for the action to monitor and report Business Continuity training was extended from June 2026 to December 2026 in line with the outstanding audit actions relating to Business Continuity plans. The audit actions target date was extended to December 2026 to get all business continuity plans revised and tested. The plans have now been revised and testing is on track.

8.2.4

Corporate Performance, Audit & Information Governance: Information Governance Q2 26/27

Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Increase completion of Information Management Training: Elected Members	Q1 26/27	38 %	Q2 26/27	38 %		
Increase completion of Information Management Training: Staff	Q1 26/27	51 %	Q2 26/27	58 %		

8.2.5

Legal & Governance: Effective Governance Arrangements Q2 26/27

Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Issue Committee papers 10 days prior to meetings	Q1 26/27	93 %	Q2 26/27	90 %		Data expected quarterly

8.3 Resources and Finance

8.3.1

Financial Management Q2 26/27

Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Support the Council in achieving and sustaining a financially sustainable position	Q1 26/27	On Target	Q2 26/27	On Target		Due to complete March 27

8.3.2

Joint Procurement Strategy Q2 26/27

Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
% contracts with community benefits clause included	FY 24/25	65 %	FY 25/26	73 %	95 %	Update November
% contracts with carbon reduction clause included	FY 24/25	68 %	FY 25/26	93 %	75 %	Update November
% Contract Spend - collaborative contracts [exc. frameworks]	FY 24/25	0 %	FY 25/26	0 %	10 %	Update November
% Contract Spend - Cat. A or B frameworks	FY 24/25	4 %	FY 25/26	2 %	10 %	Update November
Council Spend with Highland Small & Medium sized businesses	FY 24/25	29 %	FY 25/26	23 %	30 %	Update November
% contracts with fair work practices included	FY 24/25	80 %	FY 25/26	83 %	95 %	Update November
Efficiency savings - cashable [% of addressable spend]	FY 24/25	£ 1,979,000	FY 25/26	£ 958,590		Update November
% Spend covered by contract	FY 24/25	68.6 %	FY 25/26	71.9 %	80.0 %	Update November

For more detailed information on procurement performance, Members can refer to the 25/26 Annual Procurement Report reported as a substantive item to today's agenda.

8.3.3

People Q2 26/27

Actions PIs being Monitored in Service Plan	Period	Data	Period	Data	Target Value	Completion/ Update Date
Support, monitor and report on completion rates of ERDs/Induction Training/Mandatory Courses	Q1 26/27	On Target	Q2 26/27	On Target		Review quarterly

9 ICT, Strategic Improvement & Digital Services

9.1 ICT Infrastructure – New Data Centre Implementation Audit Outcome

The recent audit found **substantial assurance** over the Data Centre Migration project and its new hosting arrangements. Governance, risk management, security, and implementation controls were reviewed, excluding technical solution assurance. The Data Centre Migration project involved the transition from Council-owned and managed data centre infrastructure to an externally provided data centre and cloud-hosting service. The main rationale for this project was to address the Council's corporate risk (HRC4 concerning cyber-attacks). Improving data centre resilience via this (and other projects in the portfolio) was a key mitigation. The audit highlighted that governance, procurement, testing, approvals, contractual security requirements, and business continuity arrangements were substantially or fully achieved.

9.2 Network Redesign Project: Committee Summary

The Network Redesign Project is a key component of the Council's ICT Strategy programme. Its purpose is to modernise the Council's network by moving to a cloud-managed architecture, reducing dependency on the on-premise data centre and improving resilience, security and connectivity across the Council estate. The new design will provide more direct internet connectivity at sites, improve network segmentation and security, support secure access for non-Council managed devices, and reduce the potential impact of a data-centre or wider network outage. The solution is based on a modern Cisco Meraki cloud-managed network architecture, replacing existing Local Area Network (LAN) and wireless infrastructure and decoupling network management from the Council's on-premise data centre. The project is being delivered in two phases: Tier 1, covering Headquarters, Osprey House, the eight Area Offices and secondary schools, followed by Tier 2, covering the remainder of the Council estate. A significant programme of work was completed during the October school holiday period, with the Council's Network, End User Computing and Field teams supporting migrations. As of 30 October 2026, 25 of 38 Tier 1 sites had migrated and we expect the rest to be completed after Easter 2027.

9.3 ICT Service Desk Performance

The table in section 9.5 shows the performance for the in-house ICT Service Desk and Support teams for Q2 2026/27.

9.4 Key points to take from the data are:

- Customer satisfaction has continued to perform at previous excellent levels even though we are going through a period of significant change which has put pressure on resource availability.
- While performance has presented some challenges there is significant activity going on in relation to transformation
- Lower staffing on Service desk due to staff promotion that have now been filled has had an impact on availability impacting both Abandon rate and Average wait times.
- Printers, the move to full cloud printing across the Council, continues to generate a volume of tickets with significant increases due to a couple of Xerox outages that were resolved

- Move to ZPA across the estate has been successful with low impact on the Service Desk
- Chrome Book repair continues to be a challenge with resource and increase volumes of tickets

As we continue to transform our service, we will continue to see service challenges with an expectation that the Service will improve as we move into Q4 FY26/27 and beyond.

9.5

Measure	Target Performance								
Description	Red	Amber	Green	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26
% of satisfied customers	85%	85% - 95%	95%	98.32%	98.09%	97.59%	98.05%	98.46%	96.06%
% of Service Desk telephone contacts abandoned	10%	10% - 5%	5%	4.62%	5.45%	6.84%	6.92%	16.12%	8.00%
Average wait time for Service Desk telephone contacts	120s	60s - 120s	60s	32	36	48	46	126	66
% of Incidents resolved within 24 hours	50%	50% - 56%	56%	61.16%	55.73%	53.57%	53.70%	54.98%	51.17%
% of Incidents resolved within 7 days	70%	70% - 80%	80%	81.40%	79.53%	77.40%	76.46%	81.44%	74.32%
% of Incidents resolved within 28 days	90%	90% - 95%	95%	95.91%	96.03%	93.72%	93.18%	94.23%	95.61%
Number of Active Incidents	N/A	N/A	N/A	450	558	506	414	662	488
Number of Active Requests	N/A	N/A	N/A	1817	1702	1731	1788	2197	2377
Number of Incidents opened	N/A	N/A	N/A	1698	2129	2149	1442	2683	2880
Number of Incidents resolved	N/A	N/A	N/A	1640	2042	2199	1555	2408	3072
Number of Requests opened	N/A	N/A	N/A	2062	2085	2351	1951	2982	2824
Number of Requests fulfilled	N/A	N/A	N/A	2015	2150	2245	1822	2466	2614
Number of Chromebook repairs opened	N/A	N/A	N/A	266	424	573	123	389	607
Number of Chromebook repairs closed	N/A	N/A	N/A	331	382	324	387	987	430

9.6 The Wipro contract performance is measured by a set of KPIs as shown in the table below. These KPIs have been measured from April 2022 – the point at which the majority of service transitioned in-house. The measures are largely technical and relate to management of infrastructure in the data centre. Figures are given for Q2 26/27 and cover a new reduced set of KPIs in the context that much of the data centre service is no longer a Wipro responsibility.

9.7

S.No`	SLA	Target Performance Level	June'26 SLA	July'26 SLA	Aug'26 SLA	Service Points	RAG
KPI 01	Severity 1 Incident resolution	n	0	0	0	0	↑
KPI 02	Severity 2 Incident resolution	n	100%	NA	NA	0	↑
KPI 03	Severity 3 Incident resolution	95%	NA	NA	NA	0	-
KPI 04	Severity 4 Incident resolution	95%	100%	NA	NA	0	-
KPI 05	Number of Severity 1 Incidents - **Rolling Three months**	3	0	0	0	0	↑
KPI-06	Wintel Server software release	5	NA	100%	100%	0	-
KPI-09	Azure Server Patching	100%	100%	100%	100%	0	-
KPI-10	Azure VM Backups	100%	100%	100%	100%	0	↑
KPI-11	Core Infrastructure software	100%	NA	NA	NA	0	-
KPI 14	Asset Register Accuracy	4	NA	NA	NA	0	-
KPI 15	Vulnerability scans, health checks and penetration testing	100%	100%	NA	NA	0	-

10 Resources and Finance

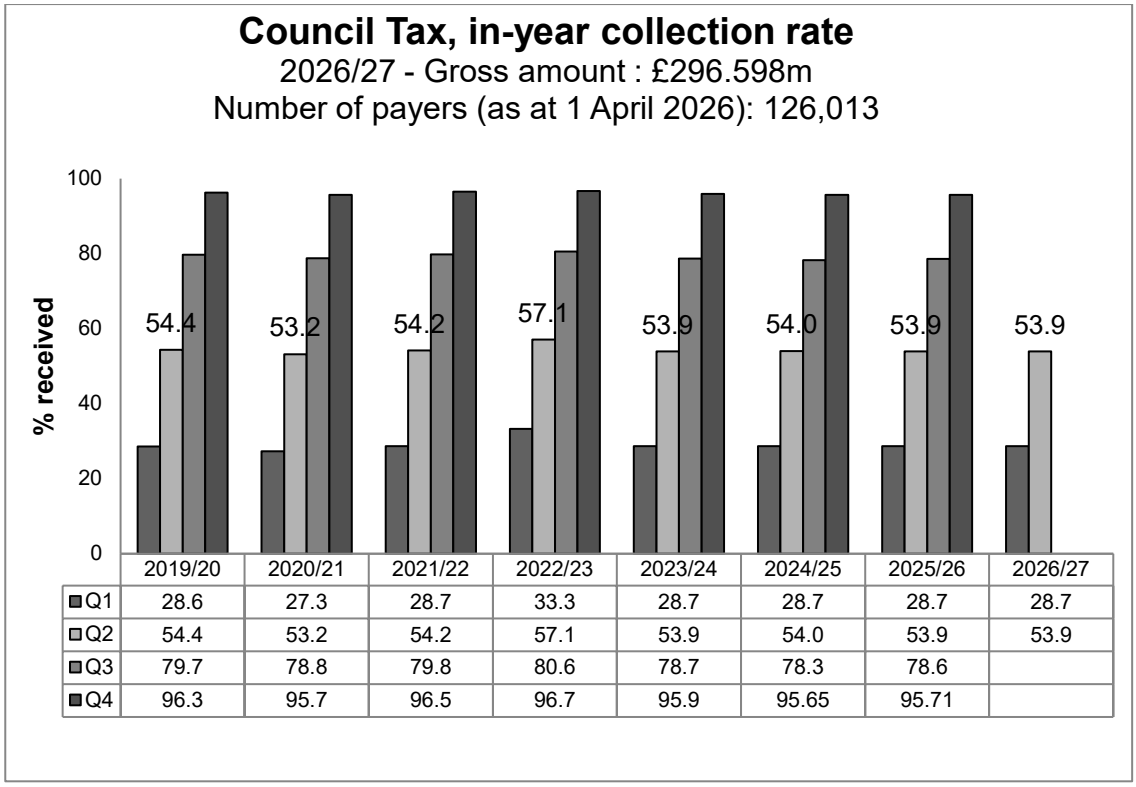
10.1 Council Tax In-Year Collection Rate

10.1.1 A collection rate of 53.93% is reported for Q2 2026/27 which is slightly ahead of the 53.86% collection rate at Q2 2025/26.

10.1.2 Council Tax contributes around 21.6% of the Council's General Fund and is used to bridge the difference between the block grant and the Council's estimated expenditure. There is therefore a sharp focus on council tax collections' performance and actions to mitigate performance fluctuations. For example, Direct Debits now make up 77.29% of council tax bill payments (Q2), which is higher than the performance for the comparable period last year, which was at 77.05%, representing 83.84% of Council Tax receipts. Direct Debit continues to be the Council's preferred payment method as it is secure and efficient, and convenient for taxpayers.

10.1.3 Direct debit payments and the value of receipts support collections performance, reduce bank charges resulting in cost avoidance, and enable the Council to better predict future income levels, which are important for treasury management and financial planning purposes.

10.1.4



	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Q1	28.6	27.3	28.7	33.3	28.7	28.7	28.7	28.7
Q2	54.4	53.2	54.2	57.1	53.9	54.0	53.9	53.9
Q3	79.7	78.8	79.8	80.6	78.7	78.3	78.6	
Q4	96.3	95.7	96.5	96.7	95.9	95.65	95.71	

10.1.5 The number of Council Tax payers included in the above bar chart shows the position as at 1 April 2026. As new builds come onto the market and are made available for ownership, private rented and social housing; and as properties transfer between Council Tax and Non-Domestic Rates, there is a natural movement in the tax base and number of Council Tax payers throughout the year. The annual billing position is therefore used year on year to provide trend data and to develop business intelligence. Having such rich data, helps to inform improved performance and decision making.

10.2 **Non-Domestic Rates In-Year Collection Rate**

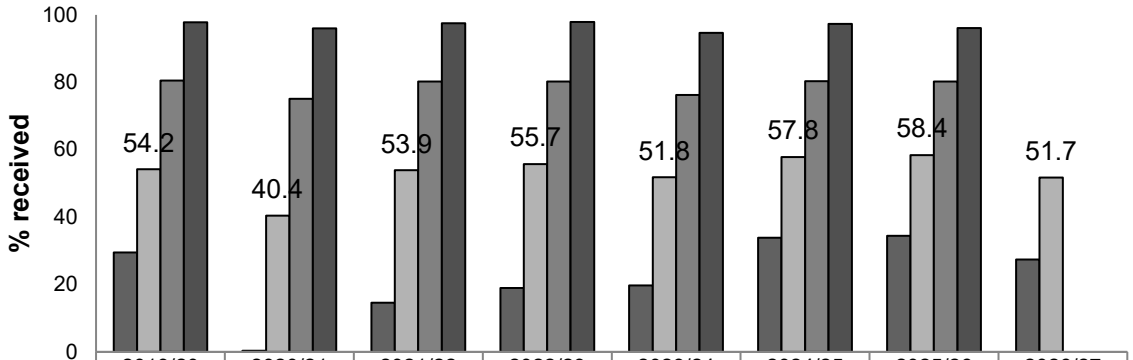
10.2.1 The Council's total revenue funding provided by the Scottish Government is made up of 3 components: General Revenue Grant (GRG); Distributable Non-Domestic Rate Income (NDRI); and specific ring-fenced grants. NDR contributes around 23.2% of the Council's general fund.

10.2.2 Economic volatility is very quickly evident from fluctuations in Non-Domestic Rates income and underlines the importance of understanding and acting upon the trend information detailed in the table below. Keeping abreast and responding to external influences continue to be an important focus for the Revenues Team.

10.2.3 The Q2 collection rate of 51.7% represents a decrease from the 58.4% reported for the same period in the previous year. This reduction reflects national delays in the delivery of software updates by the Council's supplier, which are required to implement the relief schemes announced by the Scottish Government in late 25/26 for 2026/27. Consequently, this has impacted collections and recovery actions and thereby collection rates, compared to prior year. The Non-Domestic Rates team continues to proactively identify businesses that may be entitled to reliefs and is progressing recovery action in accordance with legislative timescales.

10.2.4

Non-Domestic rates, in-year collection rate
2026/27 - Gross amount: £247.82m
Number of Ratepayers (as at 1 April 2026): 25,182



	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Q1	29.5	0.3	14.6	19.0	19.7	33.9	34.4	27.4
Q2	54.2	40.4	53.9	55.7	51.8	57.8	58.4	51.7
Q3	80.5	75.1	80.2	80.2	76.2	80.3	80.2	
Q4	97.8	96.0	97.5	97.9	94.7	97.3	96.1	

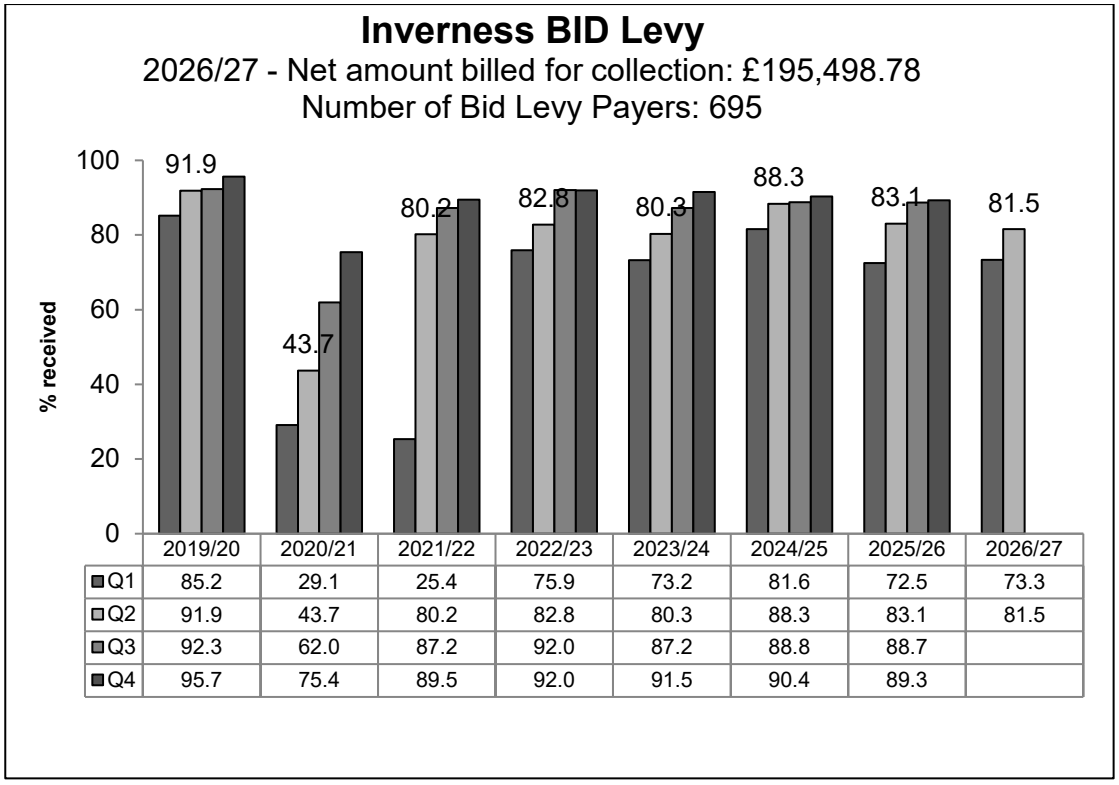
11 Business Improvement Districts (BID)

11.1 The Revenues Team is responsible for managing the administration and collection of the 5 BIDs currently operating within Highland and for the recovery of the associated annual administrative costs from each BID. Officers continue to progress billing and recovery of each BID in accordance with planned annual schedules.

11.2 When monitoring collection performance for each BID, Members will wish to note that billing for the Inverness, Inverness & Loch Ness Tourism and Dornoch BID levies was undertaken in line with financial years, i.e. April-June is Q1. The Nairn BID billing year commences in October and the Dornoch BID billing year commences March each financial year. For the Fort William BID, the billing year commences 1st December each year.

12 Inverness Bid Levy

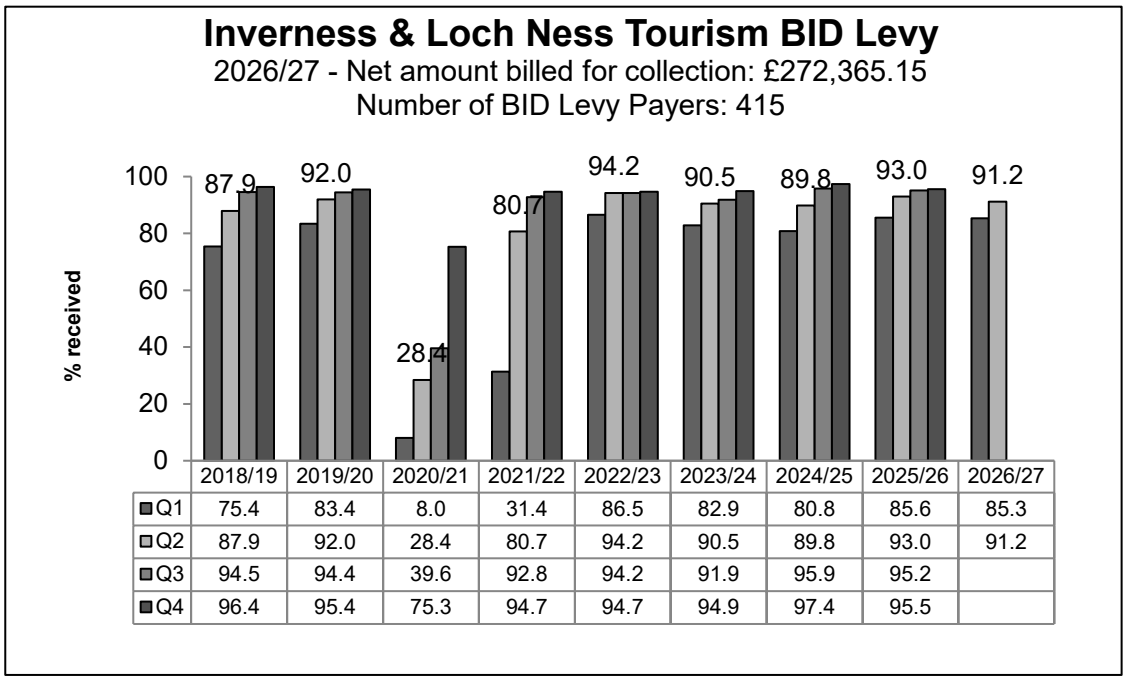
12.1 The Q2 performance is showing a decrease compared with the previous year (1.6%). The Revenues Team continue to pursue the outstanding sums with the aim of maximising collections and continue to collect levies due after the end of the respective financial year.



	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Q1	85.2	29.1	25.4	75.9	73.2	81.6	72.5	73.3
Q2	91.9	43.7	80.2	82.8	80.3	88.3	83.1	81.5
Q3	92.3	62.0	87.2	92.0	87.2	88.8	88.7	
Q4	95.7	75.4	89.5	92.0	91.5	90.4	89.3	

12.2 **Inverness & Loch Ness Tourism BID Levy**

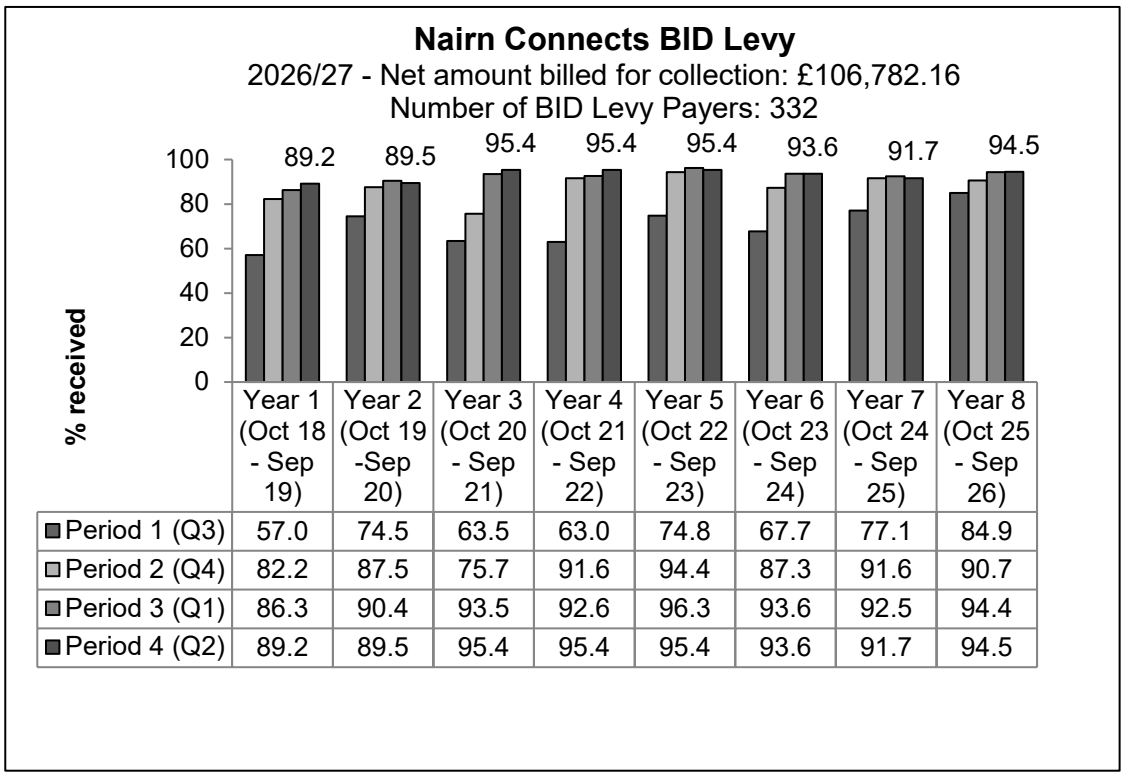
By the end of Q2, 91.2% of the BID levies have been paid which is slightly lower than the same period in 2025/26 which was 93.0%, but still showing strongly compared to most previous years for the Inverness & Loch Ness Tourism BID. Recovery action continues as planned to maximise incomes.



	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Q1	75.4	83.4	8.0	31.4	86.5	82.9	80.8	85.6	85.3
Q2	87.9	92.0	28.4	80.7	94.2	90.5	89.8	93.0	91.2
Q3	94.5	94.4	39.6	92.8	94.2	91.9	95.9	95.2	
Q4	96.4	95.4	75.3	94.7	94.7	94.9	97.4	95.5	

12.3 **Nairn Connects BID Levy**

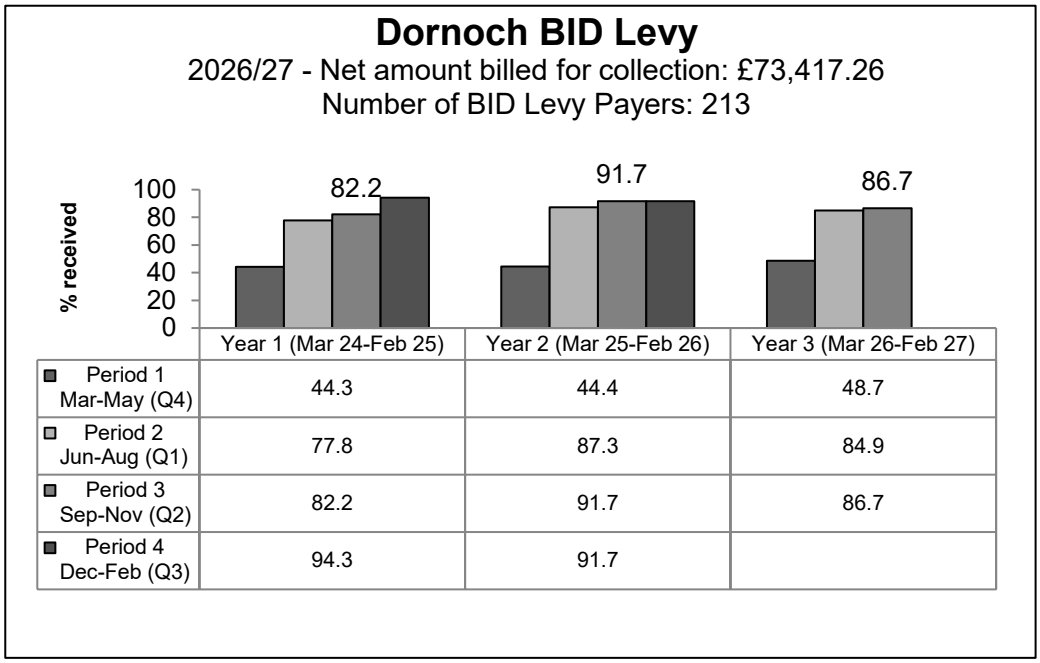
The Nairn Connects billing year commences 1 October each year. Performance in Period 4 (Q2) shows a collection rate of 94.5%, which is higher than the same period last year. Recoveries continue as scheduled.



	Year 1 (Oct 18 - Sep 19)	Year 2 (Oct 19 -Sep 20)	Year 3 (Oct 20 - Sep 21)	Year 4 (Oct 21 - Sep 22)	Year 5 (Oct 22 - Sep 23)	Year 6 (Oct 23 - Sep 24)	Year 7 (Oct 24 - Sep 25)	Year 8 (Oct 25 - Sep 26)
Period 1 (Q3)	57.0	74.5	63.5	63.0	74.8	67.7	77.1	84.9
Period 2 (Q4)	82.2	87.5	75.7	91.6	94.4	87.3	91.6	90.7
Period 3 (Q1)	86.3	90.4	93.5	92.6	96.3	93.6	92.5	94.4
Period 4 (Q2)	89.2	89.5	95.4	95.4	95.4	93.6	91.7	94.5

12.4 **Dornoch BID Levy**

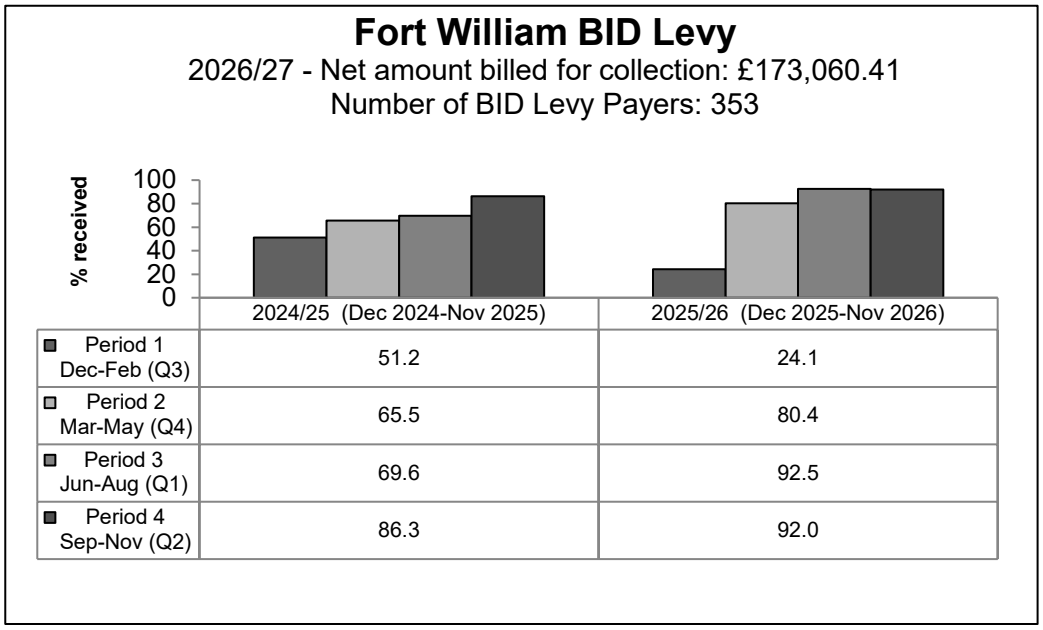
BID bills were issued as planned in February 2026 with an annual billing period of 1 March 2026 to 28 February 2027. The collection rate reflects the position as at 30/09/2026 (86.7%). Recovery actions continue as scheduled.



	Year 1 (Mar 24-Feb 25)	Year 2 (Mar 25-Feb 26)	Year 3 (Mar 26-Feb 27)
Period 1 Mar-May (Q4)	44.3	44.4	48.7
Period 2 Jun-Aug (Q1)	77.8	87.3	84.9
Period 3 Sep-Nov (Q2)	82.2	91.7	86.7
Period 4 Dec-Feb (Q3)	94.3	91.7	

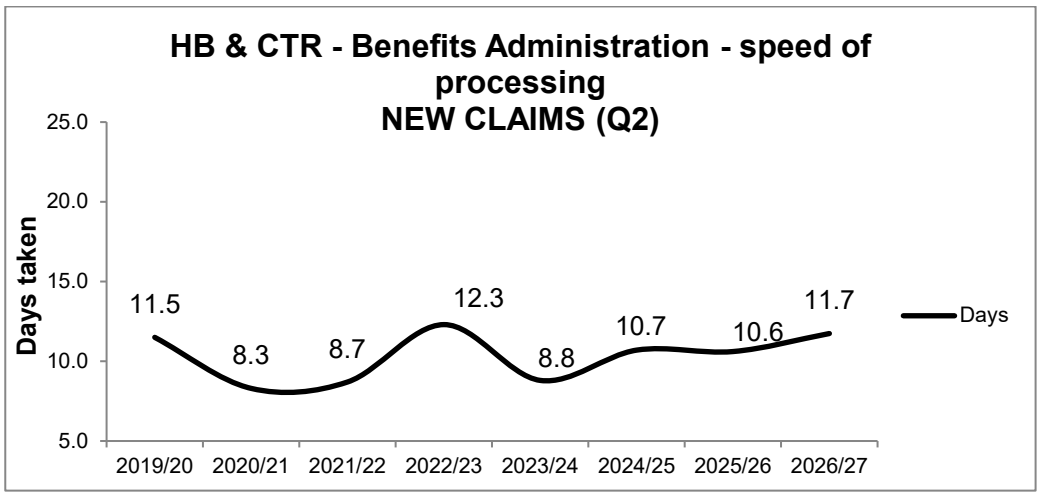
12.5 **Fort William BID Levy**

For Period 1, the figures below reflect the position at 30/06/2026. The collection rate of 92.0% reflects 1 months of Period 4. BID bills were issued as planned on 1 December 2025 with an annual billing period of 1 December 2025 to 30 November 2026. Recovery actions continue as scheduled.



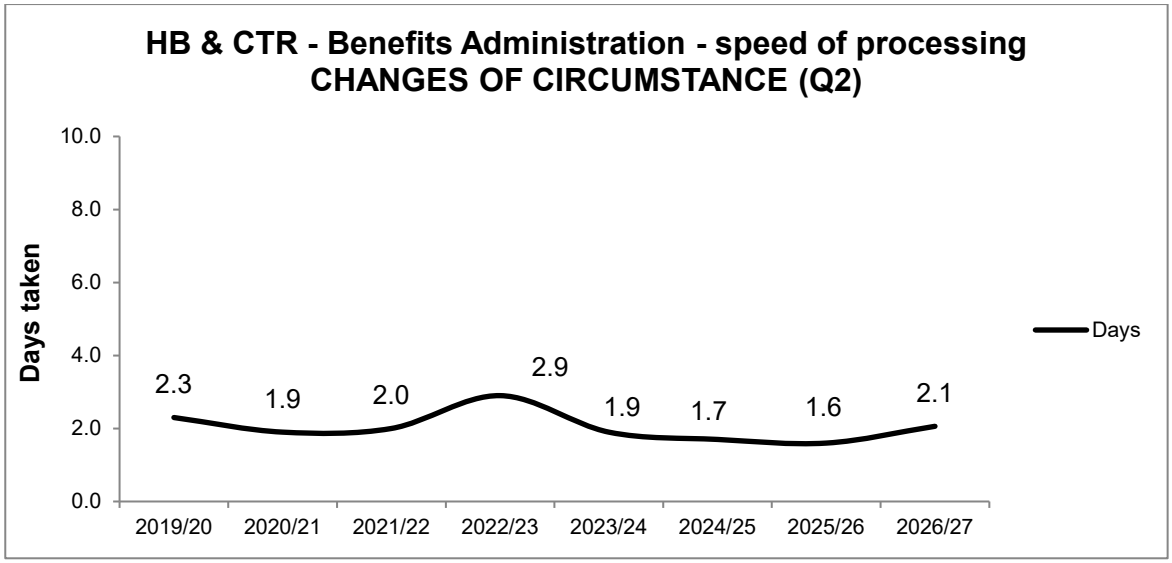
	2024/25 (Dec 2024-Nov 2025)	2025/26 (Dec 2025-Nov 2026)
Period 1 Dec-Feb (Q3)	51.2	24.1
Period 2 Mar-May (Q4)	65.5	80.4
Period 3 Jun-Aug (Q1)	69.6	92.5
Period 4 Sep-Nov (Q2)	86.3	92.0

13 Speed of processing performance: Housing Benefit and Council Tax Reduction



13.1 This performance of 11.7 days for Q2, compares with 10.6 days in the same period in the prior year, representing a slight drop in performance, which has been impacted by the increasing complexity of the housing benefit caseload.

13.2



13.6 Performance of 2.1 days for Q2 2026/27 is a slight drop in performance but continues to demonstrate the Council's focus and commitment to ensuring the right amount of benefit is paid to the right people, at the right time, while also effectively managing increasing volumes of work. The volumes behind these statistics have seen a notable increase.

13.7 95.3% of all Q2 benefit-related work are Changes in Circumstances. Prompt processing of Changes in Circumstances supports the Welfare Budget, and particularly the Housing Benefit budget, as the overall value of benefit overpayments created are lower than would otherwise be the case, enabling more successful recovery of overpaid benefits and therefore a lower Bad Debt Provision.

13.8 Officers continue to collaborate with UK Government, Scottish Government and CoSLA to develop and progress welfare-related matters.

14 Climate Change/Carbon Clever

14.1 A framework agreement for second-hand and recycled domestic furniture and the provision of new goods supports delivery of the Scottish Welfare Fund as reported in the Welfare Budget. For the period July-September 2026, 13.8 metric tonnes of waste were diverted from landfill, and 38.5 metric tonnes of CO2e were avoided. (CO2e, or carbon dioxide equivalent, is a metric used to standardise the measurement of greenhouse gas emissions).

Designation:	Assistant Chief Executive - Corporate
Date:	04/11/2026
Authors:	Sheila Armstrong, Chief Officer – Revenues & Commercialisation Ruth Fry, Chief Officer – HR & Communications Brian Porter, Chief Officer – Corporate Finance Richard Whetton, Chief Officer – Business Solutions Hannah Kollef, Portfolio Manager Lucy Lallah, Business Management Analyst